Azadi Ka Amrit Mahotsav

REGENCY HEALTH
BHAROSE KA SPECIALIST

PROUD TO CELEBRATE
75 GLORIOUS YEARS
OF INDIA'S INDEPENDENCE

33rd ANNUAL REPORT
2021 - 2022

REGENCY HOSPITAL LIMITED

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Atul Kapoor
(Chairman and Managing Director)

Dr. Rashmi Kapoor
(Whole-Time Director)

Mr. Rabindra Nath Mohanty
(Independent Director)

Mr. Anil Kumar Khemka
(Independent Director)

Mr. Arun Shrivastava
(Independent Director)

Mr. Charles Antoine Janssen
(Nominee Director)

Ms. Tanushree Shyam Bagrodia
(Nominee Director)

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Rabindra Nath Mohanty
(Chairman)

Mr. Anil Kumar Khemka
(Member)

Dr. Atul Kapoor
(Member)

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Anil Kumar Khemka
(Chairman)

Dr. Atul Kapoor
(Member)

Dr. Rashmi Kapoor
(Member)

NOMINATION AND REMUNERATION COMMITTEE

Mr. Anil Kumar Khemka
(Chairman)

Mr. Rabindra Nath Mohanty
(Member)

Ms. Tanushree Shyam Bagrodia
(Member)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Anil Kumar Khemka
(Chairman)

Dr. Atul Kapoor
(Member)

Dr. Rashmi Kapoor
(Member)

CHIEF FINANCIAL OFFICER

Mr. Rajesh Shroff

COMPANY SECRETARY

Ms. Ankita Gupta

BANKERS

HDFC Bank Limited
Axis Bank Limited

AUDITORS

Statutory Auditors
Walker Chandiok & Co LLP,
Chartered Accountants
Internal Auditors
Accuwiz Consulting LLP
Secretarial Auditors
SKS & Co., Company Secretaries
Cost Auditors
Mr. Rishi Mohan Bansal

REGISTERED OFFICE

A-2, Sarvodaya Nagar, Kanpur 208005, Uttar Pradesh
E-mail: investor@regencyhealthcare
Website- www.regencyhealthcare.in
Ph. : 0512- 3501111

CORPORATE OFFICE

Plot B-5, & B-6, Sarvodaya Nagar, Kanpur 208005
Uttar Pradesh

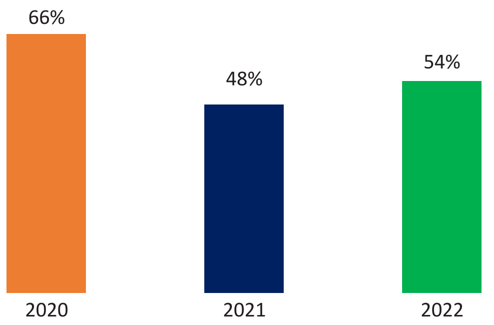
REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020
Ph.:011-40450193/96
E-mail:admin@skylinerta.com
Website: www.skylinerta.com

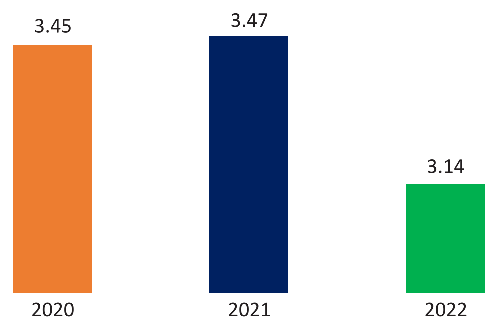
Operational And Financial Highlights (Consolidated)

Operational Metrics

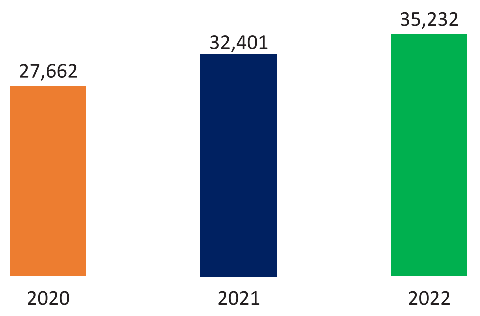
Average Occupancy Rate (AOR)



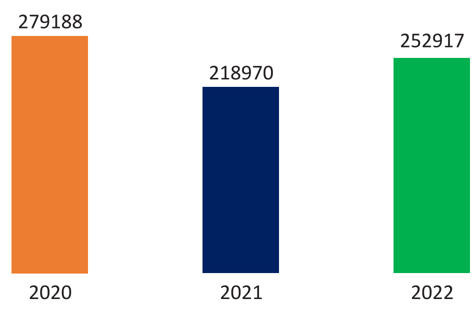
Average Length of Stay (ALOS In Days)



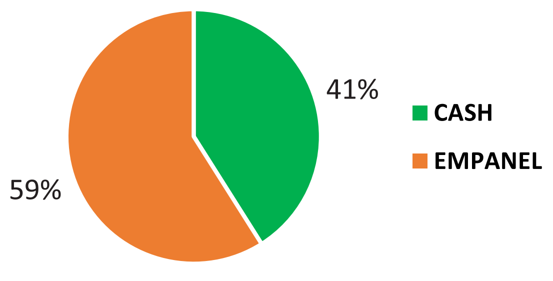
Average Revenue Per Occupied Bed (ARPOB in ₹)



Outdoor Patient (OPD in Nos.)

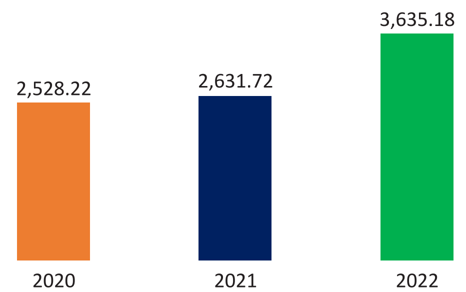


Indoor Patients (Mix)

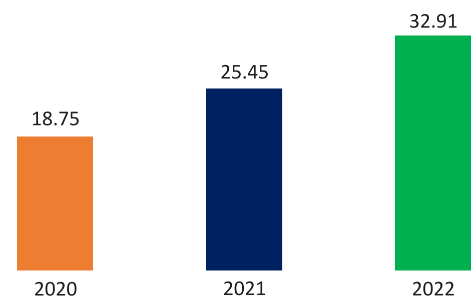


Financial Metrics

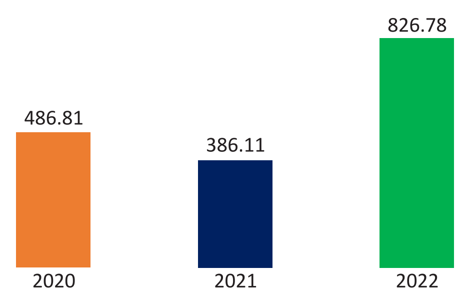
Healthcare Vertical (₹ In Mn.)



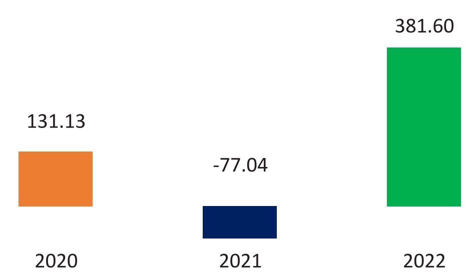
Education Vertical (₹ in Mn.)



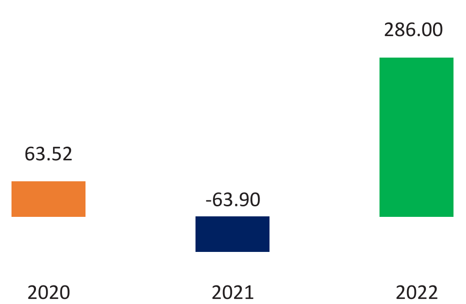
EBITDA (₹ in Mn.)



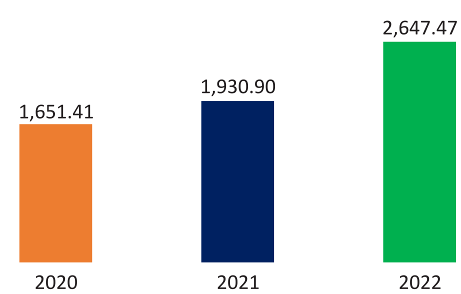
PBT (₹ in Mn.)



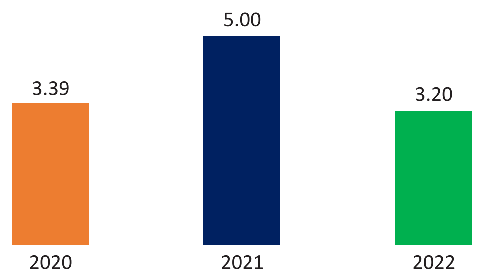
PAT (₹ in Mn.)



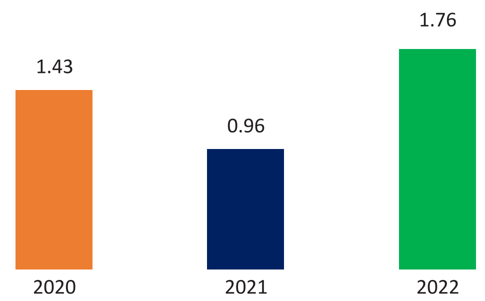
DEBT (₹ in Mn.)



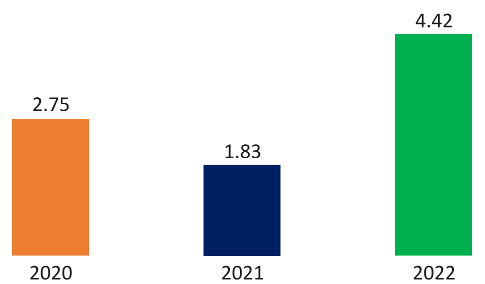
Debt / EBITDA



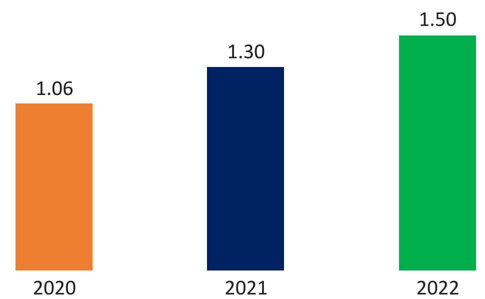
DSCR



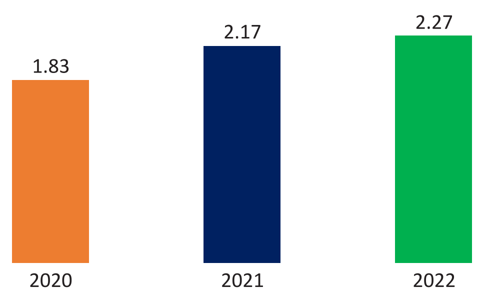
Interest Coverage



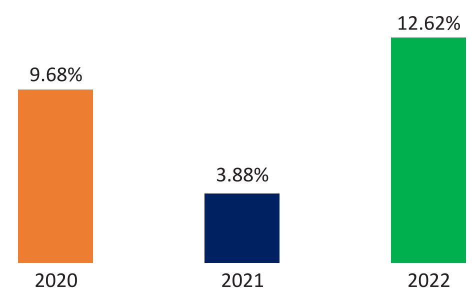
D/E Ratio



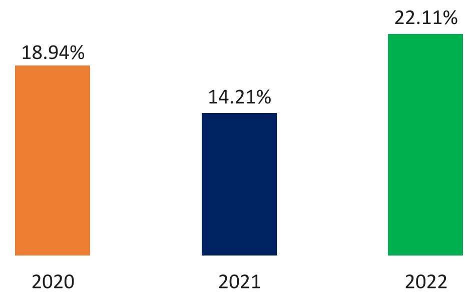
TOL/TNW



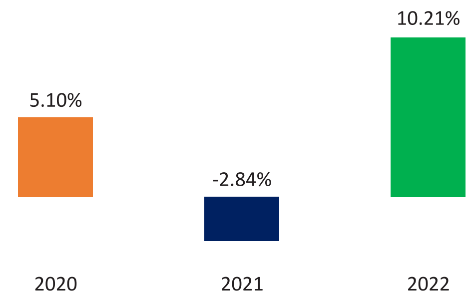
ROCE



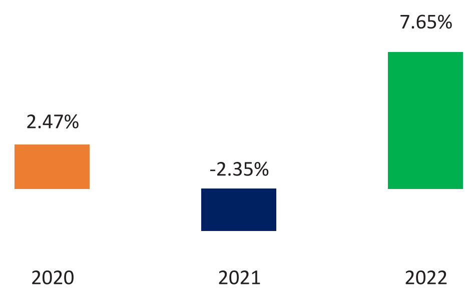
EBITDA(% of Revenue)



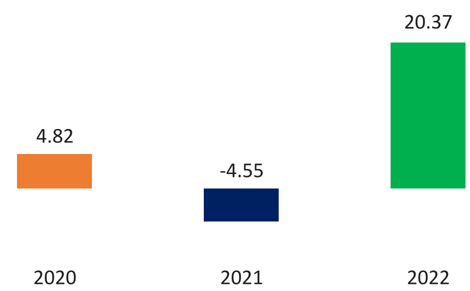
PBT(% of Revenue)



PAT(% of Revenue)



EPS (In ₹)



NOTICE OF ANNUAL GENERAL MEETING

REGENCY HOSPITAL LIMITED

CIN: U85100UP1987PLC008792

Registered Office: A-2 Sarvodaya Nagar, Kanpur- 208005, Uttar Pradesh

Tel:+91-512- 3502480; **Email:** investor@regencyhealthcare.in

Website: www.regencyhealthcare.in

NOTICE is hereby given that the 33rd (Thirty Third) Annual General Meeting ("AGM") of Regency Hospital Limited will be held on Wednesday, 28th day of September, 2022 at 11.30 A.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at A-2 Sarvodaya Nagar, Kanpur-208005 Uttar Pradesh:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31 March 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Atul Kapoor (DIN: 01449229), who retires by rotation at this AGM and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of Remuneration to Cost Auditors

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

"**Resolved that** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to Mr. Rishi Mohan Bansal, Cost Accountants appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2023, amounting to ₹ 30,000 (Rupees Thirty Thousand Only) plus applicable taxes and reimbursement for out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

By Order of the Board
For Regency Hospital Limited

Ankita Gupta
Company Secretary
M No: A50166

Date: 9 August 2022
Place: Kanpur
Registered Office: A-2 Sarvodaya Nagar, Kanpur- 208005, Uttar Pradesh

NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") in respect of the Special Business to be transacted in the AGM as set out under Item No. 3 and relevant details of the Director as mentioned under Item No. 2 as required under Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto.
2. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular Nos. 14/2020 dated 8 April, 2020, 17/2020 dated 13 April, 2020, 20/2020 dated 5 May, 2020, 02/2021 dated 13 January 2021, 21/2021 dated 14 December 2021 and 2/2022 dated 5 May, 2022 (hereinafter collectively referred to as "the Circulars") issued by the Ministry of Corporate Affairs ("MCA"), Companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") upto 31 December, 2022, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

3. As the AGM shall be conducted through VC/OAVM, there is no requirement of appointment of proxies, pursuant to the Circulars. Accordingly, the facility for appointment of proxy by the members is not available for this AGM and hence the proxy form is not annexed to this Notice. Also, the Attendance Slip including Route Map is not annexed to this Notice.

4. Authorized Representatives of the Institutional/Corporate Members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. authorizing them to attend the AGM, by email to investor@regencyhealthcare.in.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

7. In compliance with the above circulars, electronic copies of the Notice of the AGM along with the Annual Report for the Financial Year 2021-22 is being sent to all the Shareholders whose email addresses are registered/ available with the Company/ Depository Participants as on the cut-off date of 21 September 2022. The Notice has also been uploaded on the website of the Company in the Investor Relations Section under Notice tab. The Annual Report is also available in the same section. The Notice can also be accessed from the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID investor@regencyhealthcare.in till the date of AGM. Further, Shareholders may also write to the Company at its mailing id investor@regencyhealthcare.in for inspection of any Statutory Register/ Documents required to be placed at the time of AGM of the Company.

9. The annual accounts of the Subsidiary Companies along with the related detailed information are available for inspection at the Corporate Office of the Company and copies will be made available to Shareholders upon request.

10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

11. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13, which is available on the website of the Company.

12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs, voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-Voting. A member may exercise his/her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using Remote e-Voting system as well as e-voting on the day of the AGM will be provided by NSDL. The Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting. The Members who have cast their vote by Remote e-Voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again. Members may contact Ms. Ankita Gupta, Company Secretary, for any grievances connected with electronic means at investor@regencyhealthcare.in Tel. # 0512-3502480.

13. The Remote e-Voting period commences on Saturday, 24 September 2022 (09.00 A.M.) and ends on Tuesday, 27 September 2022 (05.00 P.M.).

    a. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 21 September 2022, may opt for Remote e-Voting and cast their vote electronically.

    b. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of Remote e-Voting or e-Voting at the Meeting.

    c. Any person, who acquires shares of the Company and becomes Shareholder of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Wednesday, 21 September 2022 may obtain the login ID and password by sending an email to evoting@nsdl.co.in or investor@regencyhealthcare.in by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with NSDL for e-Voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evoting.nsdl.com.

d. Once the vote on a Resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently or cast the vote again.

e. Shareholders may participate in the AGM even after exercising his right to vote through Remote e-Voting but shall not be allowed to vote again.

f. At the end of Remote e-Voting period, the facility shall forthwith be blocked.

14. The Board vide its Resolution passed on 9 August 2022 has appointed Mr. Surendra Kumar Sahu, Practicing Company Secretary (M. No. 5182, COP No. 4040), Proprietor of M/s SKS & Company, as Scrutinizer for conducting the e-Voting process in accordance with the law and in a fair and transparent manner.

    The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through Remote e-Voting and e-Voting on the date of the AGM, in the presence of atleast two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

    The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company https://regencyhealthcare.in/.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The Remote e-Voting period begins on Saturday, 24 September 2022 at 09.00 A.M. and ends on Tuesday, 27 September 2022 at 05.00 P.M. The Remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 21 September 2022, may cast their vote electronically. The voting right of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 21 September 2022.

<u>How do I vote electronically using NSDL e-Voting system?</u>

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

<u>Step 1: Access to NSDL e-Voting system</u>

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value Added Services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service **provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e.

	your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the Remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the Remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sksco2001@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal, Assistant Vice President, or Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., at evoting@nsdl.co.in.

Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@regencyhealthcare.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (investor@regencyhealthcare.in). If you are an Individual Shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.
3. Alternatively Shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned Documents.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote

on the Resolutions through Remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the Remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investor@regencyhealthcare.in latest by Saturday, 24 September 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Explanatory Statement in respect of Special Business pursuant to Section 102 of the Companies Act, 2013

Item No. 3

The Board of Directors, on the recommendation of the Audit Committee, in its Meeting held on 9 August 2022 approved the appointment and remuneration of Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2023 as per the following details:

Name of Cost Auditor	Amount in ₹
Mr. Rishi Mohan Bansal	Upto 30,000 (plus out of pocket expenses and taxes)

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Shareholder of the Company. Accordingly, consent of the Shareholder is being sought for ratification of remuneration payable to the Cost Auditor for Financial Year ended 31 March 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Shareholder.

By Order of the Board
For Regency Hospital Limited

Ankita Gupta
Company Secretary
M No: A50166

Date: 9 August 2022
Place: Kanpur
Registered Office: A-2 Sarvodaya Nagar, Kanpur- 208005, Uttar Pradesh

ANNEXURE

Information of Director Seeking Re-appointment at the forthcoming Annual General Meeting in accordance with the provisions of Companies Act, 2013 and Secretarial Standard-2 (SS-2) Issued by Institute of Company Secretaries of India (ICSI), as on date of Notice.

Dr. Atul Kapoor

Managing Director, DIN: 01449229

Experience & Expertise: Dr. Atul Kapoor is a qualified surgeon having masters in surgery from GSVM Medical College, Kanpur. He had an excellent academic career having held commendable positions in MBBS. He possesses rich and vast experience of over 32 years and has a deep insight into the problems relating to the management of Hospitals. He is actively engaged in managing the Company since its inception. His experience has helped the Company to grow extensively over the period of time. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core management team of the Company.

Age/ Qualification: 65 years/M.B.B.S, M.S

Terms & Conditions of Appointment/ Re-appointment: As per Board Resolution dated 27 February 2020, 3 June 2020 and AGM resolution passed at 31st AGM dated 20 November 2020.

Remuneration last drawn: ₹ 1,20,00,000 and other terms as per AGM resolution dated 20 November 2020.

Date of first appointment on the Board: 8 June 1987

Shareholding in the company: 27,02,260 Equity Shares

Relationship with other Directors, Manager and other Key Managerial Personnel:

1. Related as Spouse to Dr. Rashmi Kapoor, Whole Time Director
2. Related as Father to Mr. Abhishek Kapoor, Executive Director - Strategy & Expansion

Number of Meetings of the Board attended during the year: Already being disclosed in Directors' Report forming part of Annual Report 2021-22.

Name of Companies in which he holds Directorship (other than Regency Hospital Limited):

1. Regency Institute of Nursing
2. Sibling Lifecare Private Limited
3. Regency Nephrocare Private Limited

Name of Committees of the Companies in which he holds Membership:

Company - Regency Hospital Limited

1. Audit Committee-Member
2. Stakeholders Relationship Committee- Member
3. Corporate Social Responsibility Committee- Member
4. Risk Management Committee- Member

DIRECTORS' REPORT

Dear Members,

It is our pleasure to present the 33rd Annual Report of Regency Hospital Limited ("the Company") along with the audited financial statements (standalone and consolidated) for the financial year ended 2021-22.

Financial Performance *(₹ in Millions unless stated otherwise)*

Particulars	Consolidated		Standalone	
	31 March 2022	**31 March 2021***	**31 March 2022**	**31 March 2021***
Revenue from operations	3668.09	2657.20	3635.18	2631.72
Other income	70.88	60.07	75.79	65.01
Total income	**3738.97**	**2717.27**	**3710.97**	**2696.73**
Expenses				
Cost of materials consumed	849.30	625.22	857.13	630.64
Employee benefit expenses	568.11	479.17	554.95	470.15
Finance costs	187.03	211.24	186.74	210.72
Depreciation and amortisation expenses	262.88	252.14	261.52	251.19
Other expenses	1494.78	1226.76	1485.07	1218.60
Total expenses	**3362.10**	**2794.53**	**3345.40**	**2781.30**
Profit/(Loss) before tax and share of profit of Associate accounted for using the equity method	**376.87**	**(77.26)**	**365.57**	**(84.57)**
Share of profit of Associate accounted for using the equity method	**4.74**	**0.23**	**-**	**-**
Profit/(Loss) before tax attributable to the Shareholders of the Parent Company	**381.61**	**(77.03)**	**365.57**	**(84.57)**
Tax expense				
Current tax	40.14	2.06	36.92	-
Income tax relating to earlier year	0.05	0.05	-	-
Deferred Tax	55.40	(15.24)	55.64	(15.13)
Total Tax Expense	**95.59**	**(13.13)**	**92.56**	**(15.13)**
Profit/(Loss) for the year attributable to the Shareholders of the Parent Company	**286.02**	**(63.90)**	**273.01**	**(69.44)**
Other comprehensive income Items that will not be reclassified to profit or loss:				
Re-measurement (losses) on post employment benefit obligations	(10.65)	(0.13)	(10.64)	(0.13)
Income tax relating to above items	2.68	0.03	2.68	0.03
Other comprehensive loss for the year attributable to the Shareholders of the Parent Company	**(7.97)**	**(0.10)**	**(7.96)**	**(0.10)**
Total comprehensive income / (loss) for the year attributable to the Shareholders of the Parent Company	**278.05**	**(64.00)**	**265.05**	**(69.54)**

** The figures for the year ended 31 March 2021 differs from the previous year Annual Report as they are calculated on the basis of Ind AS in order to facilitate comparison between the two years.*

State of Company's Affairs and Operations

The Covid-19 pandemic has reinforced the health sector's importance and the need to strengthen efforts. The oxygen-crisis led devastation which India witnessed during the second Covid surge has shown that the nation needs to be better prepared for the health emergencies. The country witnessed its daily highest case load at approx. 4.14 lakh - the highest number recorded in a single day during the second wave, wherein the state of Uttar Pradesh logged 38,055 cases in a single day on 24 April 2021. India's health infrastructure struggled with oxygen supply, shortage of manpower, drugs and hospital beds. The second wave driven by the Delta variant resulted in lockdowns across the State of Uttar Pradesh severely impacting the patient flow in our hospitals both in Kanpur and Lucknow. However, the Company displayed responsiveness and re-oriented itself to deal with the pandemic and made all efforts to provide the best possible care to its patients.

The Company's performance improved, despite Covid-19 waves impacting normal business operations in Q1FY22 & Q4FY22. The Company witnessed a fast rise in Covid occupancy at South Kanpur Hospital between the period April to mid-May with a decline in the Non-Covid occupancy in other hospitals because the State Government declared only South Kanpur Hospital for treatment of Covid patients. However, unlike the first wave of the pandemic in the last fiscal where Non Covid occupancy recovery was slow, mid-May onwards Non Covid occupancy witnessed a relatively faster rebound allowing the business to show a steady performance in the quarter. Subsequently, Q2FY22 and Q3FY22 witnessed steady occupancy which again declined in Q4FY22 due to infectious Omicron variant of Covid19 hitting the country again, thus impacting the overall occupancy of the hospital business in the last quarter.

For FY 2021-2022, the Company reported a Consolidated revenue from Operations of 3668.09 Mn compared to 2657.20 Mn reported for FY 2020-21, recording a growth by 38% wherein Revenue from Healthcare vertical stood at 3635.18 Mn compared to 2631.72 Mn and Revenue from Education vertical stood at 32.91 Mn as compared to 25.48 Mn reported for FY 2020-21 respectively.

The Consolidated EBITDA of the Company stood at ₹ 826.79 Mn compared to ₹ 386.12 Mn for the previous year. EBITDA margin of the Company stood at 22.11% in FY 2021- 22 versus 14.21% in FY 2020-21. Healthcare Vertical EBITDA for FY 2021-22 was at ₹ 813.83 Mn compared to ₹ 377.34 Mn reported for FY 2020-21. EBITDA margin of the Healthcare Vertical stood at 21.93% in FY 2021-22 versus 13.99% in FY 2020-21.

Total Comprehensive Income (TCI) for FY 2021- 22 stood at ₹ 278.05 Mn versus a loss of ₹ 64.00 Mn in the previous financial year 2020-21. TCI of ₹ 278.05 Mn includes an exceptional loss of ₹ 7.97 Mn primarily on account of remeasurement of actuarial gratuity valuation.

The Company maintained a comfortable liquidity position with net debt of ₹ 1107.59 Mn as on 31 March 2022 versus ₹ 1344.37 Mn as of 31 March 2021 on consolidated basis (net debt to equity of 0.64x vs 0.91x, respectively). Gross debt of the Company stood at ₹ 2647.47 Mn as on 31 March 2022 versus ₹ 1930.91 Mn as of 31 March 2021, this includes loan of ₹ 653.95 Mn disbursed by Axis Bank Limited for repayment of credit facilities outstanding with IndusInd Bank which was repaid in April, 2022.

At standalone level, the Company reported a Revenue from Operations of ₹ 3635.18 Mn compared to ₹ 2631.72 Mn reported for FY 2020-21 recording a growth by 38%.

The Standalone EBITDA of the Company stood at ₹ 813.83 Mn compared to ₹ 377.34 Mn for the previous year. EBITDA margin of the Company stood at 21.93% in FY 2021- 22 versus 13.99% reported in FY 2020-21.

The Standalone TCI for FY 2021- 22 stood at ₹ 265.05 Mn versus a loss of ₹ 69.54 Mn in the previous financial year. TCI of ₹ 265.05 Mn includes an exceptional loss of ₹ 7.97 Mn primarily on account of remeasurement of actuarial gratuity valuation.

Post the 2nd COVID wave decline in Q1FY22, the Company restored its emphasis on the strategic priorities that it had delineated for FY22. Your Company started strengthening the medical programs in key facilities at Kanpur and Lucknow in the field of Cardiac Sciences, Oncology, Gastroenterology, Nephrology. The Company invested heavily in high-end medical infrastructure and equipment including MRI Machine, oxygen plants, ventilators, holmium laser, broncho videoscope, rota flow system, laparoscope, digital radiography etc.

During the year under review, the Company has come up with a key initiative under which Hon'ble Cabinet Minister of Uttar Pradesh, Department of Infrastructure & Industrial Development, Shri Satish Mahana was invited to launch 25 special ambulances, first of its kind service in the state. These ambulances will be equipped with cardiopulmonary resuscitation (CPR) and defibrillators and will have a nurse / paramedical staff to efficiently serve city residents. These ambulances will be engaged for not only cardiac emergencies but other health emergencies as well.

Recently, there has been an increased risk of heart diseases, especially in young Indians in the past few years. There were factors like COVID induced poverty and job losses, due to which many people ignored heart disease symptoms like chest pain and breathlessness. In an effort to address this concern, the Company introduced health privilege cards which ensures access to timely treatment for heart diseases. The initiative will offer affordable treatment of heart patients across Kanpur and its adjacent cities.

Digitisation remained high on agenda, with initiatives focusing on improving ease of doing business both for internal and external stakeholders, crucial developments towards this end are being discussed under separate heading in this Report.

Reserves

The Company does not propose to transfer any amount to the General Reserve during financial year.

Adoption of Indian Accounting Standards (Ind AS)

(Transition from Indian GAAP to Ind AS)

India has joined the elite club of nations that have adopted the internationally recognized accounting norms and financial reporting standards. The steps to this milestone can be traced to almost a decade of efforts by several authorities and professionals and several practical challenges that encountered at various stages. In February 2015, Ministry of Corporate Affairs (MCA) notified the final roadmap on Ind AS with implementation in a phased manner to be complied by the specified class of Companies effective from 1 April 2016. Post above notification Ind AS has replaced existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 according to applicability on specified entities.

Accordingly, the Company has voluntarily adopted Ind AS and this is the first year when the Company's financial statements for the year ended 31 March 2022 have been prepared in accordance with Ind AS and the financial statements for the year ended 31 March 2021 and opening balance sheet as at 1 April 2020 (the Company's date of transition to Ind AS) earlier reported in previous IGAAP, have been restated in accordance with Ind AS to make them comparable.

Digitization, Technology & Modernization of Facilities

Digitization, technological enablement, and automation are affecting industries today in profound ways. Healthcare is no exception. The paradigm of healthcare delivery is changing and is poised for a big leap forward. The Healthcare Industry comes into sharp focus as never before. The Covid-19 pandemic has demonstrated that Healthcare organizations become more resilient, agile, and innovative through digitally enabled business models with data at the core. The pandemic added urgency has accelerated the process of change for Healthcare to become more digitally enabled.

Dividend

The Board of Directors of your Company have not recommended any Dividend during the year under review.

Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year

There are no Companies which have become or ceased to be Subsidiary, Joint Venture and / or Associate of the Company during the financial year 2021-22.

Subsidiaries and Associate Company

The Company has 2 Subsidiaries and 1 Associate Company as on 31 March 2022.

1. **Sibling Lifecare Private Limited ("SLPL")**

   SLPL is the Wholly Owned Subsidiary of the Company which is a wholesale supplier of the medicines/pharmacy to the Company. For the year ended 31 March 2022, SLPL recorded a revenue of ₹ 421.72 Mn and net profit of ₹ 2.57 Mn.

2. **Regency Institute of Nursing ("RIN")**

   RIN is the Wholly Owned Subsidiary of the Company which is a Section 8 Company; that has been established to overcome the inevitable demand of highly trained and qualified Nurses in the state of Uttar Pradesh and all across India. For the year ended 31 March 2022, RIN recorded an income of ₹ 32.95 Mn and surplus of ₹ 4.21 Mn.

3. **Regency Nephrocare Private Limited ("RNPL")**

   RNPL is an Associate Company which is a part of Fresenius group which provides services in dialysis centres in more than 35 countries across Europe, Middle East, Africa and Latin America. Fresenius Medical Care is the world's leading provider of products and services for patients with chronic kidney failure. For the year ended 31 March 2022, RNPL recorded a revenue of ₹ 86.50 Mn and net profit of ₹ 9.67 Mn.

During the year, the Board of Directors reviewed the affairs of the Subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared the Consolidated Financial Statements of the Company, which form part of this Annual Report. Further, a statement containing the salient features of the financial statements of our Subsidiaries in the prescribed format AOC-1 is annexed to the Financial Statements in the Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the annual accounts of the Subsidiary and Associate Companies and the related detailed information shall be made available to Shareholders of the Company upon request and it shall also be made available on the website of the Company i.e. https://regencyhealthcare.in/investor-relations/. The annual accounts of the Subsidiary and Associate Companies shall also be kept open for inspection by any Shareholder in the head office of the Company and the respective offices of its Subsidiary Companies till the date of the AGM during business hours.

Board of Directors and Key Managerial Personnel

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. In accordance with the Articles of Association of the Company and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Dr. Atul Kapoor, Managing Director (DIN: 01449229) is due to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The details of Director being recommended for re-appointment as required under Secretarial Standard-2 (SS-2) is contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company. Appropriate Resolution seeking your approval to the re-appointment of Director is also included in the Notice.

Dr. Atul Kapoor, Managing Director, Dr. Rashmi Kapoor, Whole Time Director, Mr. Deepak Kumar Gupta, Chief Financial Officer and Ms. Ankita Gupta, Company Secretary are the Key Managerial Personnel of the Company. During the year under review, there were no changes in the Key Managerial Personnel of the Company.

However, Mr. Deepak Kumar Gupta had stepped down from the position of Chief Financial Officer of the Company w.e.f. 20 July 2022. Accordingly, the Company on recommendation of the Nomination and Remuneration Committee at its Board Meeting held on 9 August 2022 appointed Mr. Rajesh Shroff as Chief Financial Officer of the Company and he was also nominated as Key Managerial Personnel in terms of Section 203 of the Companies Act 2013.

Statement on Declaration given by Independent Directors

All the Independent Directors of your Company have submitted the declaration confirming that they meet the criteria of independence as prescribed under the Act and they are not disqualified from continuing as Independent Directors. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. The Independent Directors of the Company have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

Board Meetings

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. The Board/Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The notice of Board/Committee Meetings is given well in advance to all the Directors. The Agenda of the Board/Committee Meetings is set by the Company Secretary in consultation with the Chairman and Managing Director of the Company.

During the financial year 2021-22, all the Board and Committee meetings were conducted through audio visual means as per the circulars/ rules issued by Ministry of Corporate Affairs ("MCA"). During financial year ended 31 March 2022, five Board Meetings were held on 26 May 2021, 25 August 2021, 24 November 2021, 29 January 2022 and 25 February 2022.The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

The details of attendance of Directors at Board Meetings during the financial year 2021-22 are reproduced below:

S. No.	Names of Director(s) & Director Identification Number (DIN)	Number of Meetings held	Number of Meetings attended	% of Meeting attended during the year
1	Dr. Atul Kapoor (01449229)	5	5	100
2	Dr. Rashmi Kapoor (01818323)	5	5	100
3	Mr. Anil Kumar Khemka (00270032)	5	4	80
4	Mr. Rabindra Nath Mohanty (07895550)	5	5	100
5	Mr. Arun Shrivastava (06640892)	5	5	100
6	Mr. Charles Antoine Janssen (01266976)	5	2	40
7	Ms. Tanushree Shyam Bagrodia (06965596)	5	2	40

Audit Committee

The Board has constituted a well-qualified Audit Committee. The Company's Audit Committee comprises of Mr. Rabindra Nath Mohanty, Independent Director as the Chairman, Mr. Anil Kumar Khemka, Independent Director and Dr. Atul Kapoor, Managing Director as members of the Committee. The Committee performs the functions as enumerated in Section 177 of the Companies Act, 2013. The meetings of Audit Committee are also attended by other Directors, Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of Board and Audit Committee.

The Audit Committee met four times during the financial year 2021-22 on 26 May 2021, 25 August 2021, 24 November 2021 and 25 February 2022. The composition of Audit Committee of the Board of Directors along with the details of the meetings held and attended by the members of the Committee during financial year 2021-22 is detailed below:

S. No.	Name of the Member	Designation	Number of Meetings held	Number of Meetings Attended	% of Meetings Attended
1	Mr. Rabindra Nath Mohanty	Chairman	5	5	100
2	Dr. Atul Kapoor	Member	5	5	100
3	Mr. Anil Kumar Khemka	Member	5	4	80

Nomination and Remuneration Committee

In adherence of Section 178(1) of the Companies Act, 2013, the Board of Directors had approved a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are Company Philosophy and Principles on Nomination and Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (Other than Managing/ Whole Time Directors), Key-Executives and Senior Management.

The main features of the Policy are as follows -

1. Objective
2. Definitions
3. Role of Committee
4. Appointment criteria and qualifications
5. Term / Tenure
6. Evaluation
7. Removal & Retirement
8. Remuneration to Whole-time/ Executive/ Managing Director, KMP and Senior Management Personnel
9. Remuneration to Non- Executive / Independent Director
10. Frequency of Meetings
11. Committee Members Interest
12. Nomination and Remuneration Duties

The Company's Nomination and Remuneration Policy is enclosed to this Directors' Report as an **Annexure A.**

Corporate Social Responsibility (CSR)

The Company has a well-documented CSR policy, which is available in on the Company's website at http://regencyhealthcare.in/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf.

The CSR Policy outlines its Company's CSR initiatives which are implemented through its CSR arm/ trust i.e. Amrita Charitable Trust, which focuses on Special Education, Psychological Evaluation and Intervention, Occupational Therapy, Physiotherapy and Speech Therapy. As per the aforesaid Policy, Company shall undertake CSR activities as prescribed under the Companies Act, 2013 ("the Act") read with Schedule VII of the Act.

Further, the Company has constituted a CSR Committee of the Board in accordance with the provisions of the Companies Act, 2013 which monitors and oversees various CSR initiatives and activities of the Company. The details of CSR Policy is available on the Company's website and the Annual Report on CSR activities is annexed as an **Annexure B** to this Report.

During the F.Y. 2021-22, Company contributed a total sum of ₹ 1.5 Mn towards its CSR initiative.

Performance Evaluation

In terms of the requirement of the Act, an annual performance evaluation of the Board was undertaken which included the evaluation of the Board as a whole and peer evaluation of the Directors. The criteria for performance evaluation cover the areas relevant to the functioning of the Board such as its composition and operations, Board as whole and group dynamics, oversight and effectiveness, performance, skills and structure etc. The performance of individual Directors was evaluated on the parameters such as preparation, participation, flow of information, conduct, independent judgement, and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated. As an outcome of the evaluation, it was noted that Board as a whole has a composition that is diverse in experience, skills, expertise, competence, gender balance, and fosters lively, free expression and constructive debates. The discussion quality is robust, well intended and leads to clear direction and decision.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

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

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

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

Related Party Transactions

During the year 2022, all the Related Party Transactions (RPT's) entered into by the Company were in ordinary course of business and at arms-length basis. All RPT's which are foreseen and repetitive in nature, are placed before the Audit Committee on yearly basis for obtaining prior omnibus approval of the Committee.

The Company had no materially significant RPT's, which is considered to have potential conflict with the interests of the Company at large. However, details of RPT's, undertaken by the Company are disclosed in Form AOC-2 which is enclosed as an **Annexure C** to this Report.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and the Rules thereunder. This Policy was considered and approved by the Board and has been uploaded on the website of the Company at http://regencyhealthcare.in/wp-content/uploads/Related-Party-Transactions-Policy.pdf.

Risk Management Policy

Risk Management is integral to your Company's strategy and for the achievement of our goals. Our success as an organisation depends on our ability to identify and leverage the opportunities while managing the risks. Pursuant to Section 134 of the Companies Act, 2013, your Company has developed and rolled out a comprehensive Enterprise Risk Management Policy. The policy aims at elimination or reduction of risk exposures, which may threaten the existence of the Company through identification and analysis of various types of risks and facilitating timely action for taking risk mitigation measures. Our approach to Risk Management is designed to provide reasonable assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to Company's Senior Management. The detailed Risk Management Policy of the Company is available at http://regencyhealthcare.in/wp-content/uploads/Risk-Management-Policy.pdf. As such there are no risk which in the opinion of the Board may threaten the existence of Company.

Particulars of Loans, Guarantees and Investments

Particulars of loans, guarantees given and investments made during the year, as required under Section 186 of the Companies Act, 2013, are provided in Notes 10 and 16 of the standalone financial statements. During the year under review, the Company has not given any loans and the guarantees given by the Company are covered in the Balance Sheet.

Details of Fixed Deposits

During the year under review, your Company has neither invited nor accepted any deposits from the public, in terms of Section 73 of the Companies Act, 2013 read with Companies Acceptance of Deposit) Rules, 2014 and any provisions of the said Section are not applicable to your Company.

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on 31 March 2022 is available on the website of the Company at https://regencyhealthcare.in/investor-relations/.

Information regarding employees and related disclosures

Your Company considers people as its biggest assets and it has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts, it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees and seeks to ensure that Regency values and principles are understood by all.

Information on Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report and is reproduced as below:

a. Names of top ten (10) employees in terms of remuneration drawn and other particulars as required under sub-rule (3) of rule 5 is given in **Annexure D**

b. Names of those employees, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees is given in **Annexure D**

c. Names of those employees, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month- **NIL**

d. Particulars of employees drawing remuneration in excess of that drawing by the Managing Director or Whole Time Director or Manager and hold by himself or along with his/her spouse and dependent children, not less than 2% of the equity shares of the Company-**NIL.**

Statutory Auditors and Auditor's Report

As per Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company in its 31st Annual General Meeting held on 20 November 2020 re-appointed Walker Chandiok & Co LLP, Chartered Accountants, (Firm registration no. 001076N/N500013) as Statutory Auditors of the Company for the second term of five (5) years from the conclusion of the AGM till the conclusion of 36th AGM to be held in the year 2025. The requirement for the annual ratification of auditor's appointment at the Annual General Meeting has been omitted pursuant to Companies (Amendment) Act, 2017 notified on 7 May 2018. The Statutory Auditors have confirmed that they satisfy the independence criteria as required under the Act they are not disqualified from being re-appointed as Auditors of the Company.

The Report given by Walker Chandiok & Co LLP, Chartered Accountants on the Financial Statements of the Company for the year 2021-22 is part of the Annual Report. The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Cost Accounts and Cost Auditors

The Company is required to maintain cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Act Accordingly, the Company has been making and maintaining the records as required.

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Audit Committee recommended and the Board of Directors appointed Mr. Rishi Mohan Bansal, Cost Accountant, Kanpur (Membership No. 3323) being eligible, as the Cost Auditors of the Company, for the audit of the cost records of the Company for the financial year 2021-22. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Cost Auditors have confirmed that they are not disqualified to be appointed as the Cost Auditors of the Company for the financial year ending 2021-22. The Cost Audit Report for the financial year 2020-21 has been filed with the Central Government within the stipulated time on 23 September 2021. During the year under review, the Cost Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

The remuneration proposed to be paid to the Cost Auditor, subject to ratification by the Members of the Company at the ensuing 33rd AGM, shall be ₹ 30,000/- (Rupees Thirty Thousand only) excluding taxes and out of pocket expenses, if any.

Secretarial Auditors and Secretarial Standards

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s. SKS & Co., Company Secretaries as the Secretarial Auditors of the Company in relation to the financial year ending 31 March 2022. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The report given by the Secretarial Auditors is annexed as **Annexure E** and forms an integral part of this Report. The Secretarial Audit Report is self-explanatory and does not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2) and Secretarial Standard on Report of the Board of Directors (SS-4) respectively issued by the Institute of Company Secretaries of India.

Internal Auditors

In compliance with the provisions of Section 138 of Companies Act, 2013, read with Companies (Accounts) Rules, 2014, your Company had appointed AccuWiz Consulting LLP, Chartered Accountants, Noida (LLPIN: AAR-4902) as an Internal Auditors of the Company for the period of two years commencing from 1 July 2020 to 30 June 2022 in its Board Meeting dated 3 June 2020.

Registrar and Share Transfer Agent

M/s Skyline Financial Services Private Limited shall continue to act as the Registrar and Share Transfer Agent of the Company.

Vigil Mechanism

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud and misconduct. The Company, since its inception believes in honest and ethical conduct from all the employees and others who are directly or indirectly associated with it. The Company has established a Vigil Mechanism named Whistle Blower Policy, for Directors, employees and stakeholders to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics, in accordance with the provisions of Section 177 (10) of Companies Act, 2013.

The Whistle Blower Policy can be accessed at the website of the Company at http://regencyhealthcare.in/wp-content/uploads/Whistle-Blower-Policy.pdf. Under this policy, we have adopted mechanism which would encourage our Directors, employees and all other stakeholders to report their genuine concern of any conduct that results in violation of the ethical behaviours, or to report any act, if not conducted in a fair, transparent manner thereby compromising professionalism, honesty and integrity (on an anonymous basis, if stakeholders so desire). The Policy also provides adequate protection to the Directors, employees and business associates who report unethical practices and irregularities.

Internal Financial Controls and their adequacy

The Company has a robust and well embedded system of internal controls in place to ensure reliability of financial reporting, orderly and efficient conduct of business, compliance with policies, procedures, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and operate effectively. The Company's Internal Financial Control over financial reporting is designed to provide reliable financial information and to comply with applicable accounting standards.

Periodical programs of Internal Audits are planned and conducted which are also aligned with business objectives of the Company. The meetings with Internal Auditors at Board level are conducted wherein the status of audits and management reviews are informed to the Board.

The Company periodically conducts physical verification of its inventory, fixed assets and Cash on hands and matches it with the books of accounts. Explanations are sought for any variance noticed from the respective functional heads.

The Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standard) Rules, 2014. Changes in Accounting Policies, if any are approved by the Audit Committee in consultation with the Statutory Auditors.

The Company uses an established SAP ERP HANA 4 System to record day to day transactions for accounting and financial reporting. The SAP system is configured to ensure that all transactions are integrated seamlessly with the underline books of accounts, which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures.

Energy, Technology and Foreign Exchange

Information on the conservation of energy, technology absorption, foreign exchange earnings and out go is required to be given pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, which is marked as **Annexure F** to this Report.

Policy on prevention of Sexual Harassment at Workplace

The Company has zero tolerance towards sexual harassment at the workplace and to this end has adopted a policy in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH"). All employees viz. permanent, contractual, temporary, trainees is committed to ensure that they work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company has formulated a Policy on Prevention of Sexual Harassment in accordance with the provisions of the and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

As a responsible employer, the Company has constituted an Internal Complaints Committee ("ICC") for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the related aspects. The constitution of ICC is as per the provisions of POSH and includes external Members from NGO or those individuals having relevant experience.

The Committee meets on quarterly basis and as & when required and provides a platform for female employees for registration of concerns and complaints, if any.

During the year under Review i.e. 2021-22 four (4) meetings were held across all Centres of the Company to discuss on strengthening the safety of employees at the workplace. In addition, the awareness about the Policy and the provisions of Prevention of Sexual Harassment Act are also contained in Employee Handbooks and communication regarding the Policy forms an integral part of Induction Programs imparted to personnel of the Company. During the year under review, no complaints/cases were received by Company or required to be referred to ICC.

Capacity Expansions

The Company continued to invest in expansion of its healthcare facilities to fuel its next phase of growth, accordingly during the year under review the Company identified a land parcel in Gorakhpur which is proposed for construction of multi-speciality hospital under asset light model wherein Lease Agreement has been executed for implementing this expansion. Further, the construction of Super Speciality Hospital opposite to flagship hospital of the Company is in full swing.

Material Changes affecting the Company

There were no material changes and commitments affecting the financial position of the Company which had occurred between the end of financial year and the date of the Report which had affected the going concern status of the Company.

Change in the Nature of Business

During the financial year ended 31 March 2022, there was no change in the nature of business of the Company.

Statement on Investor Education and Protection Fund

In terms of Sections 124 and 125 of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("IEPF Rules"), dividend, if not paid or claimed for a period of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year under review, no amount was due for transfer to IEPF.

Credit Rating

The Company's sound financial management and its ability to service financial obligations in a timely manner, has been affirmed by the credit rating agency CRISIL with long-term instrument rated as BBB/STABLE and short-term instrument rated as A3+.

Details of Significant and Material Orders, if any

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

Contribution to Exchequer

Your Company over the years has been enabling significant contribution to payment of taxes. During the F.Y. 2021-22, the Company through its business, enabled tax collections at Centre and State Level close to ₹ 121.92 Mn.

Other Disclosures

i. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and

ii. Since there has been no One Time Settlement the requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, does not arise.

Appreciations and Acknowledgement

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers and others. Your Company looks upon them as partners in its progress. It will be your Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

The Board conveys deep sense of appreciation towards contributions made by every member of Regency Family during the year and expresses a heartfelt thanks and gratefulness to its Private Equity Investors for their continued support and patronage throughout the year.

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

ANNEXURE A TO DIRECTORS' REPORT

Nomination and Remuneration Policy

1. **OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.6. To devise a policy on Board diversity.

1.7. To develop a succession plan for the Board and to regularly review the plan.

2. **DEFINITIONS**

2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2. Board means Board of Directors of the Company.

2.3. Directors mean Directors of the Company.

2.4. Key Managerial Personnel means

2.4.1. Chief Executive Officer or the Managing Director or the Manager;

2.4.2. Whole-time Director;

2.4.3. Chief Financial Officer;

2.4.4. Company Secretary; and

2.4.5. such other officer as may be prescribed.

2.5. Senior Management means Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. **ROLE OF COMMITTEE**

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure:

a) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only. - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed Companies as an Independent Director and three Listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed Company or such other number as may be prescribed under the Act

3.2.3. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1. General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required. b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act. c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's Contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being Independent.

4.2 Minimum three (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the Shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation;

10.4 Determining the appropriate size, diversity and composition of the Board;

10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10 Recommend any necessary changes to the Board; and

10.11 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 to approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4 to consider any other matters as may be requested by the Board.

11.5 Professional indemnity and liability insurance for Directors and Senior Management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

ANNEXURE B TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR

[Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company

Regency Hospital Limited conducts its CSR activities through its CSR wing ***"Amrita Charitable Trust"***, a non-profit organisation registered under Societies Registration Act, 1860. The Company's efforts in society are focussed on the ambition of enabling healthier and happier lives for individuals and families, by providing special educational services to those children facing challenges in various areas of development like motor speech disorder, activities of daily living, interpersonal skills, functional academics and vocational training.

In accordance with the CSR philosophy of the Company & specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company covers following areas viz. Special Education, Psychological Evaluation and Intervention, Occupational Therapy, Physiotherapy and Speech Therapy.

2. Composition of CSR Committee

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR Committee comprises of Independent Director, Managing Director and Whole Time Director at the end of F.Y. 2021-22 and the details pertaining to the same are tabulated as under:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Anil Kumar Khemka	Independent Director, Chairman of the Committee	1	1
2.	Dr. Atul Kapoor	Managing Director, Member of the Committee	1	1
3.	Dr. Rashmi Kapoor	Whole Time Director, Member of the Committee	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

http://regencyhealthcare.in/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Not Applicable for the financial year 2021-22.

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

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	12,49,598	0

6. Average net profit of the Company as per Section 135(5): ₹ 4,50,29,484

7. a) Two percent of average net profit of the Company as per Section 135(5): ₹ 9,00,590

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

c) Amount required to be set off for the financial year, if any: Nil

d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 9,00,590

8. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent for the financial year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
15,00,000	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
NOT APPLICABLE												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/No)	Mode of implementation- Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Amrita School	II	Yes	Uttar Pradesh	Kanpur	15,00,000	No	Amrita Charitable Trust	CSR00007954
	Total								**15,00,000**

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 15,00,000

(g) Excess amount for set off, if any:

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	9,00,590
(ii)	Total amount spent for the financial year	15,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,99,410
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,99,410

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

S. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project - Completed /Ongoing
NIL								

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

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

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

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

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

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of CSR Committee

Atul Kapoor
Managing Director
DIN : 01449229

Anil Kumar Khemka
Chairman CSR Committee
DIN : 00270032

Date : 9 August 2022
Place : Kanpur

ANNEXURE C TO DIRECTORS' REPORT

Form No. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

S. No.	Particulars	Details
A	Name (s) of the related party & nature of relationship	NIL
B	Nature of contracts/arrangements/transaction	
C	Duration of the contracts/arrangements/transaction	
D	Salient terms of the contracts or arrangements or transaction including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	Date of approval by the Board	
G	Amount paid as advances, if any	
H	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the related party	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of contracts/ arrangement s/transaction	Salient Terms of the contracts/ arrangements/ transactions including the value, if any	Date of approval by the Board, if any	Amount paid as advances if any
Dr. Atul Kapoor	Managing Director	1. Managerial Remuneration 2. Availing Lease service for land	1. 3 years till 31 March 2023 2. 9 years 3 Months w.e.f. 1 Jan 2022	1. Board Resolution dated 3 June 2020 & Shareholder Resolution dated 20 November 2020 for ₹ 12.00 Mn 2. ₹ 0.96 Mn as Rent for the property situated at A-2, Sarvodaya Nagar, Kanpur	26 May 2021	Nil
Dr. Rashmi Kapoor	Whole Time Director	1. Managerial Remuneration 2. Availing Lease service for land 3. Doctor's fees 4.Share in Investigation Charges	1. 3 years till 31 March 2023 2. 1 year w.e.f. 1 November 2020 3. 1 year 4. 1 year	1. Board Resolution dated 3 June 2020 & Shareholder Resolution dated 20 November 2020 for ₹ 9.47 Mn 2. ₹ 3.9 Mn as Office Rent for the property situated at 117/H-1/197, Pandu Nagar, Kanpur 3. ₹ 16.54 Mn as Doctors fee for patient consultant 4. ₹ 3.6 Mn for Availing services for Investigation charges.	26 May 2021	Nil
Mr. Anant Ram Kapoor	Relative(s) of Director	Availing Lease service for land	14 years w.e.f 1 April 2017	₹ 6.78 Mn as Rent for the property situated at A-2, Sarvodaya Nagar, Kanpur	26 May 2021	Nil
Mr. Arun Kapoor		1. Remuneration as office or place of profit 2. Availing Lease Service for land	1. 1 year 2. 9 years 3 Months w.e.f. 1 Jan 2022	1. ₹ 2.49 Mn as Salary for office or place of profit 2. ₹ 0.96 Mn as Rent for the property situated at A-2, Sarvodaya Nagar, Kanpur	26 May 2021	Nil
Mr. Abhishek Kapoor		Remuneration as office or place of profit	3 years w.e.f. 1 April 2020	₹ 6.63 Mn as Salary for office or place of profit	26 May 2021	Nil
Ms. Jahnvi Kapoor		Remuneration as office or place of profit	1 year	₹ 1.44 Mn as Salary for office or place of profit	26 May 2021	Nil

Regency Nephrocare Pvt. Ltd.	Associate Company	1. Leasing of Land & Building 2. Availing Services of kit/package for dialysis 3. Providing Maintenance Services for Building	1 year	1. ₹ 8.10 Mn as Rent for Leasing of Land & Building situated at 113/104, Swaroop Nagar, Kanpur 2. ₹ 81.81 Mn for Availing Services of kit/package for dialysis 3. ₹ 0.21 Mn for Rendering Maintenance services for building at 113/104, Swaroop Nagar, Kanpur	26 May 2021	Nil
Sibling Lifecare Pvt. Ltd.	Wholly Owned Subsidiary	Purchase of Medicines	1 year	₹ 421.71 Mn for Purchase of Medicines/ Pharmacy	26 May 2021	Nil
Regency Institute of Nursing		Renting Services-Receipt of Rent	1 year	₹ 4.96 Mn towards receipt of rent	26 May 2021	Nil

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

ANNEXURE D TO DIRECTORS' REPORT

Information required under sub rule (2) & sub rule (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No	Name of the Employee	Designation	Remuneration (In ₹)	Nature of Employment (Contractual or otherwise)	Qualification	Exp. (in Years)	Age (In years)	Last Employment Held	Date of Joining	% of equity shares held	Whether is a relative of any Director or Manager
1	Dr. Atul Kapoor	Managing Director	1,20,00,000	Permanent	MBBS & MS	40	65	Since Inception	8 June 1987	19.24	Yes
2	Dr. Rashmi Kapoor	Whole Time Director	94,71,000	Permanent	MBBS & MD	39	65	Since Inception	8 June 1987	24.45	Yes
3	Mr. Abhishek Kapoor	Executive Director-Strategy & Expansion	66,29,700	Permanent	MBA	12	36	Davita Inc Denver Colorado, USA	3 July 2012	1.26	Yes
4	Mr. Ravi Pratap Singh	Vice President-HR	29,06,100	Permanent	MBA	16	36	Nayati Healthcare	31 January 2020	Nil	No
5	Dr. Ashish Shukla	Vice President-Operations	28,45,000	Permanent	MBA	15	39	Independent Consultant	15 January 2018	Nil	No
6	Dr. Vikas Bhargava	Centre Head	28,38,065	Permanent	BAMS, PG Diploma in Hospital Management, MBA (Correspondence)	29	53	Shubham Hospital	15 February 2016	Nil	No
7	Mr. Arun Kapoor	Director-Education	24,85,000	Permanent	B.Com, MBA	30	62	-	1 Apr 2013	0.04	Yes
8	Mrs. Vijayalakshmi Gopakumar	Director-Admin & Quality	22,30,000	Permanent	Post Graduate Diploma in Hospital & Healthcare Management, Executive Masters Diploma in Business Administration	30	52	-	16 August 1995	Nil	No
9	Mr.Deepak Kumar Gupta	CFO	21,95,344	Permanent	CA	13	41	Lohia Starlinger	14 August 2014	Nil	No
10	Mr.Asish Mukherjee	Centre Head	18,57,779	Permanent	B Com, P.G Diploma In Public Relations	27	48	Paras Hospital	1 September 2021	Nil	No

Notes:

1. Dr. Atul Kapoor is related to Dr. Rashmi Kapoor ("Whole Time Director") as Spouse.
2. Dr. Rashmi Kapoor is related to Dr. Atul Kapoor ("Managing Director") as Spouse.
3. Mr. Abhishek Kapoor is related to Dr. Atul Kapoor ("Managing Director") & Dr. Rashmi Kapoor ("Whole Time Director") as Son.
4. Mr. Arun Kapoor is related to Dr. Atul Kapoor ("Managing Director") as Brother.

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

ANNEXURE E TO DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,

The Members

REGENCY HOSPITAL LIMITED,

{CIN: U85110UP1987PLC008792}

A-2 SARVODAYA NAGAR KANPUR, U.P. 208005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Regency Hospital limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

In our opinion as based on the information provided to us by the Company its officers, agents and authorized representatives during the conduct of secretarial audit and our verification of the books, papers, minute books, forms and returns filed and other records maintained and made available to us by the Company. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Regency Hospital Limited ("the Company") for the financial year ended on 31.03.2022 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- Environmental Protection Act, 1986;
- Indian Medical Council Act 1956;
- Drug and Cosmetic Act, 1940 and Amendment Act, 1982;
- Drugs and Cosmetic Rules, 1945;
- The Pharmacy Act 1948, Blood Bank Regulations, Drugs Control Act 1950, and other laws applicable on the hospitals.

I further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, the Company has complied with other Acts, Regulations, Guidelines and Standards which are specifically applicable on the operation of the businesses of the Company.

We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes; if any,

We further report that there are adequate system and process in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the

Company has not undertaken any specific events/ actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

For **S K S & COMPANY**
Company Secretaries

Date: 9 August 2022
Place: Kanpur

(SURENDRA KUMAR SAHU)
FCS 5182, C.P. No. 4040
UDIN F005182D000766074

Note: This Report is to be read with our letter of even date which is annexed as Schedule- A and forms an integral part of this Report.

Schedule-A

The Members
REGENCY HOSPITAL LIMITED,
{CIN: U85110UP1987PLC008792}
A-2 SARVODAYA NAGAR KANPUR, U.P. 208005

Our Report of even date is to be read along with this letter;

(i) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(ii) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(iii) We have not verified the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

(iv) The status of compliance of other laws as listed in our Report, we relied upon the statement provided by the Management.

(v) Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

(vi) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.

(vii) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **S K S & COMPANY**
Company Secretaries

Date: 9 August 2022
Place: Kanpur

(SURENDRA KUMAR SAHU)
FCS 5182, C.P. No. 4040
UDIN F005182D000766074

ANNEXURE F TO DIRECTORS' REPORT

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided hereunder:

A. Conservation of Energy:

The operations of your Company are not energy intensive, however significant priority and attention towards Energy conservation is given at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

The Company has reduced the internal energy consumption through the following:

1. Replacement of CFL lamps with led lights which helped to achieve saving of electricity cost
2. Phasing out of conventional AHU Blowers and replacing them with EC Plug fans
3. Installation of timers to regulate the AC units and switching on alternate lights and corridors
4. Controlling usage of air conditioners in the non occupied areas
5. Design new buildings to match high efficiency standards with respect to consumption of light and other energy resources

The Company constantly evaluates and invests in new technology to make the infrastructure more energy efficient. As the cost of energy forms a very small portion of the total costs the financial implications of these measures are not material.

B. Technology absorption:

1. **The efforts made towards technology absorption-** Updation and Absorption of Technology is a Continuous process, being implemented and adapted by the Company for innovation from time to time. Efforts are continuously made to implement new machines required in the Healthcare Industry.

2. **The benefits derived like product improvement, cost reduction, product development or import substitution-** By the updated use of technology and new machines, Company has been able to successfully retain the patient's confidence with respect to its improved treatment. Company is coupled with a team of qualified Doctors and latest available diagnosis machines.

3. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

Over the years, the Company has bought into the State of U.P., the best that world has to offer in terms of technology. In the continuous endeavour to serve the patient better and to bring healthcare of international standards, your Company has introduced latest technology equipments in its hospitals as:

1. 128 Slice CT scan Machine
2. 1.5 Tesla MRI Machine
3. PET CT Machine
4. True Beam Radiotherapy system

4. **The expenditure incurred on Research and Development -** Research and Technology and innovation continue to be one of the key focus area to drive growth. To support this, Company avails services of qualified and experienced professionals / consultants. The development work is carried by the concerned department on an ongoing basis. The expenses and cost of assets are grouped under the respective heads.

C. Foreign exchange earnings and Outgo-

i. the Actual Inflows: Nil

ii. the Actual Outflows:

License Fees-	
EURO	9,931
INR	840,452
Capital Goods-	
$	400,000
INR	29,699,925

On behalf of the Board of Directors

Date : 9 August 2022
Place : Kanpur

Atul Kapoor
Chairman and Managing Director

Independent Auditor's Report to the Members of Regency Hospital Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of **Regency Hospital Limited** ('the Holding Company') and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as 'the Group'), its Associate, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate, as at 31 March 2022, and their consolidated loss consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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 consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

   The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.

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

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associate in accordance with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Companies included in the Group and of its Associate.

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

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

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

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

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

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

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

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

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

Other Matter

11. The consolidated financial statements also include the Group's share of net profit of ₹ 4.74 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one Associate and, is based on unaudited financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Associate, and our report in terms of Sub-Section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

12. As required by Section 197(16) of the Act based on our

audit, we report that the Holding Company, covered under the act paid remuneration to their respective Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. The Subsidiary Companies have not paid or provided for any managerial remuneration during the year. Further, we report that the provisions of Section 197 read with Schedule V to the act are not applicable to Associate Company covered under the Act, since the Associate Company is not a Public Company as defined under Section 2(71) of the Act.

13. As required by Section 143(3) of the Act, based on our audit on separate financial statements and other financial information of the Subsidiary Companies and Associate Company, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the Directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Companies and its Associate Companies, are disqualified as on 31 March 2022 from being appointed as a Director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and its Subsidiary Companies, Associate Company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its Associate as detailed in Note 48 to the consolidated financial statements;

ii. The Holding Company, its Subsidiary Companies, Associate Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary Companies, Associate Company covered under the Act, during the year ended 31 March 2022.

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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AORBKN1190

Place: Gurugram
Date: 9 August 2022

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of Regency Hospital Limited ('the Holding Company') and its Subsidiaries ('the Holding Company' and its Subsidiaries together referred to as "the Group"), its Associates as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its Subsidiary Companies, which are Companies covered under the Act, as at that date.

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

2. The respective Board of Directors of the Holding Company and its Subsidiary Companies, which are Companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its Subsidiary Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its Subsidiary Company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial

controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company, and its Subsidiary Companies, which are Companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2022, based on internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial controls over financial reporting (the 'Guidance Note') issued by the Institute of Chartered Accountant of India("ICAI").

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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AORBKN1190

Place: Gurugram
Date: 9 August 2022

Consolidated Balance Sheet as at 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	Notes	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
ASSETS				
Non-current assets				
Property, plant and equipment-Tangible	5	2,997.49	2,957.23	2,649.35
Right of use asset	6	414.58	470.77	252.68
Capital work-in-progress	7	90.90	64.22	401.66
Other intangible assets	8	9.09	13.16	15.05
Intangible assets under development	9	6.67	4.97	4.37
Financial assets				
Investments	10	20.86	16.12	15.89
Other financial assets	11	406.93	509.89	240.58
Income tax assets (net)	12	80.38	91.39	128.44
Other non-current assets	14	22.04	24.12	42.14
Total non-current assets		**4,048.94**	**4,151.87**	**3,750.16**
Current assets				
Inventories	15	132.75	117.68	130.14
Financial assets				
Investments	16	271.27	3.90	30.14
Trade receivables	17	302.76	232.66	368.90
Cash and cash equivalents	18	924.86	132.57	39.06
Other bank balances	19	4.93	0.85	0.82
Other financial assets	20	43.79	45.91	31.27
Other current assets	21	39.07	23.07	35.92
Total current assets		**1,719.43**	**556.64**	**636.25**
Total assets		**5,768.37**	**4,708.51**	**4,386.41**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	22	140.43	140.43	140.43
Other equity	23	1,625.25	1,347.22	1,411.22
Total equity		**1,765.68**	**1,487.65**	**1,551.65**
Non-current liabilities				
Financial liabilities				
Borrowings	24	1,491.06	1,626.99	1,308.74
Lease liabilities (refer note-46)		364.10	424.41	244.70
Other financial liabilities	25	43.92	39.35	140.02
Deferred tax liabilities (net)	13	110.10	57.38	72.66
Total non-current liabilities		**2,009.18**	**2,148.13**	**1,766.12**
Current liabilities				
Financial liabilities				
Borrowings	26	1,156.41	303.91	342.67
Lease liabilities (refer note-46)		70.67	68.50	33.24
Trade payables	27			
(a) total outstanding dues to micro and small enterprises		6.03	13.63	5.60
(b) total outstanding dues of creditors other than micro and small enterprises		254.84	290.48	279.99
Other financial liabilities	28	289.28	249.23	266.65
Income tax liabilities (net)	29	2.73	0.64	0.87

Consolidated Balance Sheet as at 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	Notes	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Other current liabilities	30	192.19	138.57	131.12
Provisions	31	21.36	7.77	8.50
Total current liabilities		**1,993.51**	**1,072.73**	**1,068.64**
Total liabilities		**4,002.69**	**3,220.86**	**2,834.76**
Total equity and liabilities		**5,768.37**	**4,708.51**	**4,386.41**

Summary of significant accounting policies 3

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

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

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

Rohit Arora
Partner
Membership No- 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN- 01449229

Rashmi Kapoor
Whole Time Director
DIN- 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	32	3,668.09	2,657.20
Other income	33	70.88	60.07
Total income		**3,738.97**	**2,717.27**
Expenses			
Cost of materials consumed	34	849.30	625.23
Employee benefit expenses	35	568.11	479.17
Finance costs	36	187.03	211.24
Depreciation and amortisation expenses	37	262.89	252.14
Other expenses	38	1,494.78	1,226.76
Total expenses		**3,362.11**	**2,794.54**
Profit/(Loss) before tax and share of profit of associate accounted for using the equity method		**376.86**	**(77.27)**
Share of profit of associate accounted for using the equity method		4.74	0.23
Profit/(Loss) before tax attributable to the shareholders of the Parent company		**381.60**	**(77.04)**
Tax expense	39		
Current tax		40.14	2.06
Income tax relating to earlier year		0.06	0.05
Deferred tax		55.40	(15.25)
		95.60	**(13.14)**
Profit/(Loss) for the year attributable to the shareholders of the Parent company		**286.00**	**(63.90)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (losses) on post employment benefit obligations		(10.65)	(0.13)
Income tax relating to above items		2.68	0.03
Other comprehensive loss for the year attributable to the shareholders of the Parent company		**(7.97)**	**(0.10)**
Total comprehensive income /(loss) for the year attributable to the shareholders of the Parent company		**278.03**	**(64.00)**
Earnings per equity share			
Basic	40	20.37	(4.55)
Diluted		20.37	(4.55)
Summary of significant accounting policies	3		

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

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

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

Rohit Arora
Partner
Membership No- 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN- 01449229

Rashmi Kapoor
Whole Time Director
DIN- 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Consolidated Cash Flow Statement for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

		For the year ended 31 March 2022	For the year ended 31 March 2021
A.	**Cash flow from operating activities**		
	Profit / (Loss) before tax	376.86	(77.27)
	Adjustments for :		
	Other comprehensive income	(10.65)	(0.13)
	Depreciation and amortisation expense	262.89	252.14
	Loss on sale of property, plant and equipment (net)	1.56	1.10
	Finance cost	135.77	153.83
	Interest income	(39.24)	(27.65)
	Profit on sale of mutual funds	(2.98)	(2.52)
	Bad debts and provision for doubtful debts	54.41	62.62
	Gain/loss on modification	-	(3.38)
	Interest on lease liability	51.25	57.28
	Operating profit before working capital changes	**829.87**	**416.02**
	Adjustments for :		
	(Increase)/decrease in inventories	(15.06)	12.53
	(Increase) / decreasen in trade receivables	(124.13)	44.60
	(Increase) / decrease in financial & other assets	(14.35)	(10.28)
	Increase/(decrease) in trade payables	(44.00)	47.53
	Increase / (decrease) in financial & other liabilities	112.88	33.00
	Increase / (decrease) in provisions	13.42	(0.73)
	Movement in Loans	102.94	(269.22)
	Cash generated from operations	**861.57**	**273.45**
	Income tax paid, net of refund	(27.10)	34.71
	Net cash generated from operating activities	**834.47**	**308.16**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including movement in capital work-in-progress, payable for capital creditors and capital advances)	(278.67)	(392.11)
	Proceeds from sale of property, plants and equipment	4.93	87.85
	Purchase of intangible assets	(0.06)	(2.02)
	Intangibles under development	(1.70)	(0.60)
	Purchase of current investments	(284.39)	(617.39)
	Proceeds from sale of current investments	20.00	646.16
	Movement in Deposits	(4.08)	(0.03)
	Interest received	39.24	27.65
	Net cash (used in) investing activities	**(504.73)**	**(250.49)**
C.	**Cash flows from financing activities**		
	Repayment of principal component of lease obligation	(69.73)	(33.36)
	Payment of interest on lease obligation	(51.25)	(57.28)
	(Repayment)/ proceeds from short-term borrowings (net)	139.56	(125.71)
	Proceeds from loan taken	741.39	577.19
	Repayment of principal component of borrowings	(164.38)	(171.98)
	Interest Paid	(133.04)	(153.02)
	Net cash (used in)/generated from financing activities	**462.55**	**35.84**
	Net increase in cash and cash equivalents (A+B+C)	792.29	93.51
	Cash and cash equivalents at the beginning of the year	132.57	39.06
	Cash and cash equivalents at the end of the year	**924.86**	**132.57**
	Cash and cash equivalent above are comprise the following :		
	Balances with banks:		
	- in current accounts	910.84	120.96
	Cash in hand	5.76	7.73
	Term Deposits (with maturity up to 3 months)	8.26	3.88
	Cash and cash equivalents at the end of the year	**924.86**	**132.57**

Note:

The above Cash Flow Statement has been prepared under the indirect method as set out in the applicable Indian Accounting Standard [Indian Accounting Standard - 7 on "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015.]

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

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

Rohit Arora
Partner
Membership No- 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN- 01449229

Rashmi Kapoor
Whole Time Director
DIN- 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

1. Corporate information

Regency Hospital Limited is a Company domiciled in India, incorporated on 8 June 1987. The shares of the Company were listed at Bombay Stock Exchange (BSE) and stand delisted with effect from 18 November 2015 on receipt of notice from BSE dated 3 November 2015 in response to the Company's application for delisting under Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2015. The Company provides a wide range of super specialty services in the field of healthcare.

2. Basis of preparation of financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 assuming transition date of 01 April 2020.

Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note 52.

These financial statements for the year ended 31 March 2022 are the first financial statements prepared by the Group under Ind AS. For all periods upto and including the year ended 31 March 2021, the Group prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the comparative year ended 31 March 2021 and opening balance sheet at the beginning of the comparative year as at 1 April 2020 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Group's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 52.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1 April 2020 being the date of transition to Ind AS. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared under historical cost convention basis except for the following -

- Certain financial assets which are measured at fair value;
- Defined benefit plans - plan assets measured at fair value;

Basis of consolidation

The consolidated financial statements include the financial statements of Regency Hospital Limited ("Regency" or the "Parent Group" or the "Group"), its subsidiaries and associate (collectively referred to as "Group").

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2022.

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

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and the such balance is attributed even if this results in the non-controlling interests having a deficit balance.

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

Recent pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 - Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. This amendment comes into effect from April 1, 2022.

The Company does not expect the amendment to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Provisions, contingent liabilities and contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 109 - Financial Instruments

The amendment specifies that for the purpose of paragraph 3.3.2 of IndAS 109, the terms shall be considered to be substantially different if the discounted present value of the cash flows under the new terms of a debt instrument, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

3. Summary of significant accounting policies

a. Property plant and equipment

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided using written down value method over the estimated useful life of the assets in a manner prescribed in Part C of Schedule II of the Companies Act, 2013.

The identified components are depreciated separately over their useful lives. The remaining components are depreciated over the life of the principal property, plant and equipment.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 and use that carrying value as the deemed cost of the property, plant and equipment.

b. Intangible assets

Recognition and initial measurement

Purchased intangible assets are stated at cost less accumulated amortization and impairment, if any.

Subsequent measurement (amortisation)

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. 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.

Residual values and useful lives are reviewed at each reporting date. Intangible assets are amortised over the period of 5 years on a straight line method.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de- recognized.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2020 and use that carrying value as the deemed cost of the intangible assets.

c. Leases

The Group as a lessee

<u>Accounting at the time of transition to Ind AS</u>

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2020 (i.e. Ind AS transition date applicable to the Group).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

Under this approach, the lease liability is measured at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. The right of use assets is measured at an amount equal to lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS.

The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

<u>Accounting post transition to Ind AS</u>

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

e. Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

a) at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

b) in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost -** a financial instrument is measured at amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

f. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

When estimating the cash flows, the Group is required to

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

consider -

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

(i) **For debtors that are not past due -** The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Group uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on Group's historical collection experience for customers and forecast of macro-economic factors for each identified segment.

The Group defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

(ii) **For debtors considered past due -** any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Group writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Group.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

g. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future re-organizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

h. Fair value measurement

The Group measures certain financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Refer note 43 for fair value hierarchy.

i. Investment in subsidiaries

In accordance with Ind AS 27 - Separate Financial Statements, investments in equity instruments of subsidiaries can be measured at cost or at fair value in accordance with Ind AS 109. The Group has opted to measure such investments at cost at initial recognition.
Subsequently, such investments in subsidiaries is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

j. Inventories

Inventories comprise of pharmacy, drugs, consumable and implants which are valued at lower of cost and net realizable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed using weighted average cost formula. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

k. Revenue recognition

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation (s) are satisfied.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services net of returns and allowances, trade discounts and volume rebates. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is usually recognized when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retained neither ownership nor effective control over the goods sold or services rendered.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from sale of pharmacy and pharmaceutical supplies is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the pharmacy and pharmaceutical items. The Group collects goods and service tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group and thus excluded from revenue. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from healthcare services

Revenue from rendering of healthcare services (including drugs, consumables and implants used in delivery of such services) is recognized over the time based on the performance of related services to the customers as per the terms of contract. Income from medical services and operation and management fee is recognised as and when obligations arising out of the contractual arrangements are fulfilled and services are provided in terms of such agreements

Revenue from other services

Income from other services like sponsorship income, education income, clinical trials and other ancillary activities is recognized based on the terms of the contract and it is probable that economic benefits associated with the transaction will flow to the entity and amount of revenue can be measured reliably.

Other income

Interest

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost (refer 'e' above), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

l. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

m. Foreign currency transactions and translations

Functional and presentation currency

The financial statements are presented in Indian Rupee ('₹') and are rounded to two decimal places of lakhs, which is also the functional and presentation currency of the Group.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

n. Post-employment and short term employee benefits

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity and has no obligation to pay any further amounts. Specified monthly contributions to the recognised provident fund and approved superannuation schemes, which are defined contribution schemes, are charged to the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Group.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Leave encashment benefits

Provision for compensated absences when determined to be short term benefit is made on the basis of Group policy as at the end of the year. Provision related to short term compensated absences of employees is provided on actual basis.

Short-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o. Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

p. Segment reporting

Business segments:

Segments have been identified and reported based on the nature of the products and services, the risks and returns, the organisation structure and the internal financial reporting systems.

Geographical segments

In terms of geographies, the Group sells its products and services within India and neither identifies nor analyses risk based on different geographical regions.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million *unless otherwise stated)*

Other information

a) Revenues and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

b) Revenues and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

c) Assets and liabilities, which relate to the Group as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

4. Significant management judgements in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant management estimates

Allowance for doubtful debts - The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other plant and equipment.

Defined benefit obligations (DBO) - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Provisions - The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

Impact of COVID-19 (pandemic) - The Group has taken into account all the possible impacts of COVID-19 in preparation of the financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on leases. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

Significant management judgments

Evaluation of indicators for impairment of non-financial assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Leases - The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

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

Contingent liabilities - The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

A. Equity share capital

	Amount
Balance as at 1 April 2020	**140.43**
Equity share capital issued during the year	-
Balance as at 31 March 2021	**140.43**
Equity share capital issued during the year	-
Balance as at 31 March 2022	**140.43**

B. Other equity

	General reserve	Securities Premium	Retained earnings	Total
Balance as at 1 April 2020	**418.74**	**981.26**	**25.44**	**1,425.44**
Adjustments on account of transition to IndAS	-	-	(14.22)	(14.22)
Restated balance as at 1 April 2020	**418.74**	**981.26**	**11.22**	**1,411.22**
Profit for the year	-	-	(63.90)	(63.90)
Other comprehensive income/ (loss) (net of tax)	-	-	(0.10)	(0.10)
Balance as at 31 March 2021	**418.74**	**981.26**	**(52.78)**	**1,347.22**
Profit for the year	-	-	286.00	286.00
Other comprehensive income/ (loss) (net of tax)	-	-	(7.97)	(7.97)
Balance as at 31 March 2022	**418.74**	**981.26**	**225.25**	**1,625.25**

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

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

Rohit Arora
Partner
Membership No- 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN- 01449229

Rashmi Kapoor
Whole Time Director
DIN- 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

5. Property, plant and equipment - Tangible*

Particulars	Computers	Furniture and fixtures	Office equipment	Vehicles	Electrical equipments	Plant & machinery	Building	Lease hold land	Leasehold improvements	Freehold land	Total
Gross carrying value											
As at 1 April 2020	**22.82**	**65.16**	**13.49**	**34.43**	**66.94**	**1,249.16**	**936.60**	**108.96**	**139.93**	**664.46**	**3,301.95**
Transfer to right of use assets on account of transition to IndAS 116	-	-	-	-	-	-	-	-	-	-	-
Deemed cost adjustment on account of transition to IndAS	18.81	28.80	8.17	15.88	33.53	400.88	100.61	3.19	42.73	-	652.60
Restated balance as at 1 April 2020	**4.01**	**36.36**	**5.32**	**18.55**	**33.41**	**848.28**	**835.99**	**105.77**	**97.20**	**664.46**	**2,649.35**
Additions	4.68	2.81	1.80	15.22	15.07	282.98	336.64	-	-	56.76	715.96
Transfer to right of use assets	-	-	-	-	-	-	35	105.77	-	-	140.77
Disposals	-	-	-	7.87	0.17	1.76	-	-	0.15	80.00	89.95
As at 31 March 2021	**8.69**	**39.17**	**7.12**	**25.90**	**48.31**	**1,129.50**	**1,137.63**	**-**	**97.05**	**641.22**	**3,134.59**
Additions	2.60	3.22	1.91	13.56	2.46	143.49	64.46	-	5.18	0.84	237.72
Disposals	-	0.07	0.05	4.99	-	3.94	-	-	-	-	9.05
As at 31 March 2022	**11.29**	**42.32**	**8.98**	**34.47**	**50.77**	**1,269.05**	**1,202.09**	**-**	**102.23**	**642.06**	**3,363.26**
Accumulated depreciation											
As at 1 April 2020	**18.81**	**28.80**	**8.17**	**15.88**	**33.53**	**400.88**	**104.52**	**3.19**	**42.73**	**-**	**656.51**
Transfer to right of use assets on account of IndAS 116	-	-	-	-	-	-	3.91	-	-	-	3.91
Deemed cost adjustment on account of transition to IndAS	18.81	28.80	8.17	15.88	33.53	400.88	100.61	3.19	42.73	-	652.60
Restated balance as at 1 April 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	2.81	5.77	1.70	3.52	6.61	99.27	43.34	-	15.35	-	178.37
Adjustment for disposals	-	-	-	1.00	-	0.01	-	-	-	-	1.01
As at 31 March 2021	**2.81**	**5.77**	**1.70**	**2.52**	**6.61**	**99.26**	**43.34**	**-**	**15.35**	**-**	**177.36**
Charge for the year	2.40	5.80	1.85	3.86	6.46	106.62	48.37	-	15.61	-	190.97
Adjustment for disposals	-	-	-	1.25	-	1.31	-	-	-	-	2.56
As at 31 March 2022	**5.21**	**11.57**	**3.55**	**5.13**	**13.07**	**204.57**	**91.71**	**-**	**30.96**	**-**	**365.77**
Net block											
Restated balance as at 1 April 2020	**4.01**	**36.36**	**5.32**	**18.55**	**33.41**	**848.28**	**835.99**	**105.77**	**97.20**	**664.46**	**2,649.35**
Balance as at 31 March 2021	**5.88**	**33.40**	**5.42**	**23.38**	**41.70**	**1,030.24**	**1,094.29**	**-**	**81.70**	**641.22**	**2,957.23**
Balance as at 31 March 2022	**6.08**	**30.75**	**5.43**	**29.34**	**37.70**	**1,064.48**	**1,110.38**	**-**	**71.27**	**642.06**	**2,997.49**

Notes:

Depreciation for the year has been included in "Depreciation and amortisation expenses" line item in statement of profit and loss (refer note 37).

The Group has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition. Refer note-52 for details.

The Group had purchased land measuring 5,766.22 sq.mtr from Cawnpore Laceworks Limited for a consideration ₹ 502.40 million which was registered on 18 July 2017 vide Sale Deed dated 18 July 2017. The Group had paid ₹ 400 million at the time of registration of Sale Deed and balance amount of ₹ 100 million was payable after change of land use and approval of Hospital map of the Group. Cawnpore Laceworks Limited could not get the land use approved for the Hospital map on aforesaid land and filed a petition before the Hon'ble Court of Civil Judge (Senior Division), Kanpur Nagar for balance payment of ₹ 100 million. The Group has settled the aforesaid dues for ₹ 20 million and both parties filed compromise and the Court has passed an Order dated 9 April 2021 based on compromise filed by both the parties, resulting this the balance amount of ₹ 80 million has been reduced from the cost of land capitalized in the books of account.

*Refer note 25(a) for charge created on the Property, plant and equipment.

Amount of ₹ 35 million and ₹ 105.77 million has been transferred from building and leasehold land respectively to ROU due to adjustment on account of transition to IndAS 116.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

6 Right of use asset*

	ROU- Land	ROU- Building	Total
Gross carrying value			
Balance as at 01 April 2020	-	-	-
Addition on account of transition to IndAS	-	256.59	256.59
Restated balance as at 01 April 2020	**-**	**256.59**	**256.59**
Addition during the year	-	147.19	147.19
Transfer from Building / Leasehold Land	105.76	35.00	140.76
Balance as at 31 March 2021	**105.76**	**438.78**	**544.54**
Addition during the year	-	11.60	11.60
Balance as at 31 March 2022	**105.76**	**450.38**	**556.14**
Accumulated depreciation			
Balance as at 01 April 2020	**-**	**-**	**-**
Addition on account of transition to IndAS 116	-	3.91	3.91
Restated balance as at 01 April 2020	**-**	**3.91**	**3.91**
Charge for the year	0.74	69.12	69.86
Balance as at 31 March 2021	**0.74**	**73.03**	**73.77**
Charge for the year	0.74	67.05	67.79
Balance as at 31 March 2022	**1.48**	**140.08**	**141.56**
Net block			
Balance as at 01 April 2020	**-**	**-**	**-**
Restated balance as at 01 April 2020	**-**	**252.68**	**252.68**
Balance as at 31 March 2021	**105.02**	**365.75**	**470.77**
Balance as at 31 March 2022	**104.28**	**310.30**	**414.58**

*Refer note 46 for detailed lease disclosure

7 Capital work-in-progress

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Plant and machinery pending installation and building under construction	90.90	64.22	401.66
	90.90	**64.22**	**401.66**

Movement in capital work in progress:

Particulars	**Amount**
Balance as at 01 April 2020	513.55
Adjustment on account of transition to IndAS	(111.89)
Restated balance as at 01 April 2020	**401.66**
Add: Additions during the year	62.92
Less: Capitalisation during the year	(400.36)
Balance as at 31 March 2021	**64.22**
Add: Additions during the year	59.93
Less: Capitalisation during the year	(33.25)
Balance as at 31 March 2022	**90.90**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Capital work in progress Ageing Schedule

As at 31 March 2022	**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	59.93	30.97	-	-	90.90
Projects temporarily suspended	-	-	-	-	-
Total	**59.93**	**30.97**	**-**	**-**	**90.90**

As at 31 March 2021	**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	62.92	-	1.30	-	64.22
Projects temporarily suspended	-	-	-	-	-
	62.92	**-**	**1.30**	**-**	**64.22**

As at 1 April 2020	**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	270.66	131.00	-	-	401.66
Projects temporarily suspended	-	-	-	-	-
	270.66	**131.00**	**-**	**-**	**401.66**

8 Other intangible assets

	Intangible	**Total**
Gross carrying value		
Balance as at 01 April 2020	20.03	20.03
Deemed cost adjustment on account of transition to IndAS	4.98	4.98
Restated balance as at 01 April 2020	**15.05**	**15.05**
Additions	2.02	2.02
Disposals	-	-
Balance as at 31 March 2021	**17.07**	**17.07**
Additions	0.06	0.06
Disposals	-	-
Balance as at 31 March 2022	**17.13**	**17.13**
Accumulated depreciation		
Balance as at 01 April 2020	4.98	4.98
Deemed cost adjustment on account of transition to IndAS	4.98	4.98
Restated balance as at 01 April 2020	**-**	**-**
Charge for the year	3.91	3.91
Disposals	-	-
Balance as at 31 March 2021	**3.91**	**3.91**
Charge for the year	4.13	4.13

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Disposals	-	-
Balance as at 31 March 2022	**8.04**	**8.04**
Net block		
Restated balance as at 01 April 2020	**15.05**	**15.05**
Balance as at 31 March 2021	**13.16**	**13.16**
Balance as at 31 March 2022	**9.09**	**9.09**

Note:

The Group has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition. Refer note 52 for details.

9 Intangible assets under development

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Intangible assets under development	6.67	4.97	4.37
	6.67	**4.97**	**4.37**

Movement in intangible assets under development:

Particulars	**Amount**
Restated balance as at 01 April 2020	**4.37**
Add: Additions during the year	1.42
Less: Capitalisation during the year	(0.82)
Balance as at 31 March 2021	**4.97**
Add: Additions during the year	1.70
Less: Capitalisation during the year	-
Balance as at 31 March 2022	**6.67**

Intangible assets under development Ageing Schedule

As at 31 March 2022	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	1.70	1.42	3.55	-	6.67
Projects temporarily suspended	-	-	-	-	-
Total	**1.70**	**1.42**	**3.55**	**-**	**6.67**

As at 31 March 2021	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	3.19	1.78	-	-	4.97
Projects temporarily suspended			-	-	-
Total	**3.19**	**1.78**	**-**	**-**	**4.97**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

As at 1 April 2020	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.37	-	-	-	4.37
Projects temporarily suspended	-	-	-	-	-
Total	**4.37**	**-**	**-**	**-**	**4.37**

Note : Intangible Assets under development represents the cost incurred for the purpose of new software being developed by the group. The group has incurred ₹1.70 million on the same during the current year and the development is under process.

10 Investments (non-current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Associate (Unquoted)			
Regency Nephrocare Private Limited	14.21	14.21	14.21
14,21,000 (31 March, 2021- 14,21,000, 01 April, 2020- 14,21,000) Equity shares of ₹10 each fully paid up			
Add : Share in opening reserves	1.91	1.68	0.26
Add : Share in current year profits	4.74	0.23	1.42
	20.86	**16.12**	**15.89**

11 Other financial assets (non-current) (unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Security deposits	64.22	56.74	43.57
Deposits with maturity more than 12 months*	338.83	449.21	196.04
Interest accrued but not due on others	3.88	3.94	0.97
	406.93	**509.89**	**240.58**

*Total deposits of ₹ 9.93 million (31 March, 2021 ₹ 14.48 million, 01 April, 2020 ₹ 36.04 million are pledged with HDFC Bank Limited, Yes Bank Limited, Bank of Baroda against fund based and non fund based limit and with CSJM University for Education courses.

12 Income tax assets (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Income tax assets (net)			
Advance income tax	119.36	93.85	129.31
Less: Provision for income tax	38.98	2.46	0.87
	80.38	**91.39**	**128.44**

13 Deferred tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deferred tax liabilities (net)	110.10	57.38	72.66

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Deferred tax asset arising on account of :			
Provision for employee benefits	(4.36)	(0.75)	(0.88)
Allowance for expected credit loss	(12.05)	(14.56)	(18.08)
Provision for bonus/Preliminary expense	(8.15)	(4.21)	(3.34)
Right of use asset and related laibilties	(22.63)	(22.94)	(12.49)
Expenses incurred on capital raising	(7.06)	(7.27)	(7.48)
Unabsorbed depreciation as per the Income- tax Act, 1961	-	(44.62)	(14.88)
	(54.25)	**(94.35)**	**(57.15)**
Deferred tax liability arising on account of :			
Temporary difference on account of property, plant and equipment	158.64	147.20	128.24
Fair value measurement of investment	0.70	-	-
Deferred lease rent recoverable	5.01	4.53	1.57
	164.35	**151.73**	**129.81**
Net deferred tax liabilities	**110.10**	**57.38**	**72.66**

Notes:

(i) Movement in deferred tax assets/(liabilities) for year ended 31 March 2022:

	As at 01 April 2021	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at 31 March 2022
Deferred tax asset/(liability) arising on account of :				
Provision for employee benefits	0.75	2.68	0.93	4.36
Allowance for expected credit loss	14.56	-	(2.51)	12.05
Provision for bonus	4.21	-	3.94	8.15
Lease accounting	22.94	-	(0.31)	22.63
Expenses incurred on capital raising	7.27	-	(0.21)	7.06
Unabsorbed depreciation as per the Income- tax Act, 1961	44.62	-	(44.62)	-
Deferred lease rent recoverable	(4.53)	-	(0.48)	(5.01)
Fair value measurement of investment	-	-	(0.70)	(0.70)
Temporary difference on account of property, plant and equipment	(147.20)	-	(11.44)	(158.64)
Net deferred tax assets/(liabilities)	**(57.38)**	**2.68**	**(55.40)**	**(110.10)**

(ii) Movement in deferred tax assets/(liabilities) for year ended 31 March 2021:

	As at 01 April 2020	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at 31 March 2021
Deferred tax asset/(liability) arising on account of :				
Provision for employee benefits	0.88	0.03	(0.16)	0.75
Allowance for expected credit loss	18.08	-	(3.52)	14.56
Provision for bonus	3.34	-	0.87	4.21
Lease accounting	12.49	-	10.45	22.94
Expenses incurred on capital raising	7.48		(0.21)	7.27

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Unabsorbed depreciation as per the Income- tax Act, 1961	14.88		29.74	44.62
Deferred lease rent recoverable	(1.57)	-	(2.96)	(4.53)
Temporary difference on account of property, plant and equipment	(128.24)	-	(18.96)	(147.20)
Net deferred tax assets/(liabilities)	**(72.66)**	**0.03**	**15.25**	**(57.38)**

Note: A deferred tax shall be recognised for all deductible temporary differences to the extend that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

14 Other non-current assets
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deferred lease rent recoverable	8.65	7.60	6.23
Advance to others	2.23	2.39	2.80
Capital advances	11.16	14.13	33.11
	22.04	**24.12**	**42.14**

15 Inventories (valued at lower of cost or net realisable value)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Pharmacy	57.82	43.52	46.12
Surgical, pathological and kitchen items	62.94	62.52	70.37
Other miscellaneous consumable items	10.35	8.64	9.26
	131.11	**114.68**	**125.75**
Goods in transit	1.64	3.00	4.39
	132.75	**117.68**	**130.14**

16 Investments (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Investment in Mutual Funds (quoted, at fair value)			
4,37,546.657 (31 March, 2021-Nil, 1 April, 2020- 4,20,983) units of HDFC Low Duration Funds - LT - Growth	20.48	-	17.54
47,538.623 (31 March, 2021-1,630, 1 April, 2020- 1,340) units of Axis Treasury Advantage Fund - Regular Plan - Growth	118.72	3.90	3.00
43,350.176 (31 March, 2021-Nil, 1 April, 2020- 3,586) units of Reliance Low Duration funds	132.07	-	9.60
	271.27	**3.90**	**30.14**

17 Trade receivables

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Unsecured, considered good	302.76	232.66	368.90
Credit impaired	47.87	57.85	71.84
Less: Allowance for expected credit loss	(47.87)	(57.85)	(71.84)
	302.76	**232.66**	**368.90**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Outstanding for following periods from due date of payment - 31 March 2022

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	217.01	44.98	17.42	7.53	15.82	302.76
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	13.15	2.73	1.04	0.45	30.50	47.87
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Outstanding for following periods from due date of payment - 31 March 2021

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	143.76	34.29	23.78	10.76	20.07	232.66
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	18.74	4.20	2.74	1.43	30.74	57.85
Disputed Trade receivables - considered good	-	-	-		-	
Disputed Trade receivables – which have significant increase in credit risk	-	-	-		-	
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Outstanding for following periods from due date of payment - 1 April 2020

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	176.45	100.88	42.94	20.15	28.48	368.90
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	27.76	17.82	7.59	3.56	15.11	71.84
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

18 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Balances with banks:			
- in current accounts*	910.84	120.96	29.31
Cash in hand	5.76	7.73	5.99
Term Deposits (with maturity up to 3 months)**	8.24	3.87	3.74
Interest accrued but not due on fixed deposits	0.02	0.01	0.02
	924.86	**132.57**	**39.06**

* ₹ 653.95 million out of the balances with banks in current accounts as on 31 March, 2022 has been utilised for repayment of Term Loans from Indusind bank on 7th April, 2022

**Total deposits of ₹ 4.24 million (31 March, 2021 ₹ 3.87 million, 01 April, 2020 ₹ 3.74 million) are pledged with HDFC Bank Limited against non fund-based limits.

19 Other bank balances

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deposits with maturity more than three months but less than 12 months*	4.87	0.84	0.81
Interest accrued but not due on fixed deposits	0.06	0.01	0.01
	4.93	**0.85**	**0.82**

*Total deposits of ₹ 0.87 million (31 March, 2021 ₹ 0.84 million, 01 April, 2020 ₹ 0.81 million) are pledged with HDFC Bank Limited against non fund based limits.

20 Other financial assets (current)
(Unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Unbilled revenue	41.23	45.91	31.27
Interest accrued on Income Tax Refund	2.56	-	-
	43.79	**45.91**	**31.27**

21 Other current assets

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Prepaid expenses	21.37	13.86	15.92
Advances to vendor	13.98	4.86	14.12
Advance to employees	3.13	2.73	2.81
Advances to others	0.43	0.92	0.37
Balances with statutory and government authorities	0.16	0.70	2.70
	39.07	**23.07**	**35.92**

22 Equity share capital

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Authorised equity share capital			
55,000,000 (31 March 2021 : 55,000,000; 31 March 2020 : 55,000,000) Equity shares of Rs 10 each	5,500	5,500	5,500
	5,500	**5,500**	**5,500**
Issued, subscribed and paid up equity share capital			
14,042,779 (31 March 2021 : 14,042,779; 31 March 2020 : 14,042,779) Equity shares of Rs 10 each	140.43	140.43	140.43
	140.43	**140.43**	**140.43**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

i) Rights, preferences and restrictions attached to equity shares:

As per the Memorandum of Association, the Company's authorised share capital consists of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on show of hand or through proxy shall be in proportion to his share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	14,042,779	140.43	14,042,779	140.43	14,042,779	140.43
Add: Issued during the year	-	-	-	-	-	-
Balance at the end of the year	**14,042,779**	**140.43**	**14,042,779**	**140.43**	**14,042,779**	**140.43**

iii) Shareholders holding more than 5% of share / Promoters with any number of shares of the Company as at balance sheet date:

Equity shares of Rs. 10 each fully paid up held by:

Name of Shareholders	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Promoters and Promoter group (with any number of shareholding)						
Dr. Rashmi Kapoor	3,433,502	24.45%	3,433,502	24.45%	3,433,502	24.45%
Dr. Atul Kapoor *	2,702,260	19.24%	2,702,260	19.24%	2,702,260	19.24%
Atul Kapoor (HUF)	1,182,523	8.42%	1,182,523	8.42%	1,182,523	8.42%
Anant Ram Kapoor *	886,252	6.31%	886,252	6.31%	886,252	6.31%
Soni Kapoor	649,210	4.62%	649,210	4.62%	649,210	4.62%
Abhishek Kapoor	177,508	1.26%	177,508	1.26%	177,508	1.26%
Arun Akshat Kapoor HUF	67,200	0.48%	67,200	0.48%	67,200	0.48%
Arun Kapoor HUF	52,272	0.37%	52,272	0.37%	52,272	0.37%
Arun Kapoor *	5,000	0.04%	5,000	0.04%	5,000	0.04%
Others (with shareholding more than 5% of share)						
International Finance Corporation	2,802,217	19.95%	2,802,217	19.95%	2,802,217	19.95%
Kois Holdings	908,590	6.47%	908,590	6.47%	908,590	6.47%
Healthquad Fund	770,832	5.49%	770,832	5.49%	770,832	5.49%

* Shares held by Mr. Anant Ram Kapoor, who deceased on 10th December, 2021, have been transferred equally in the names of his legal heirs Dr. Atul Kapoor and Mr. Arun Kapoor subsequent to the Balance Sheet date.

iv) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

23. Other equity

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Securities Premium			
Opening balance	**981.26**	**981.26**	**981.26**
Additions during the year	-	-	-
	981.26	**981.26**	**981.26**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

General reserve			
Opening balance	418.74	418.74	418.74
Add: Transferred from statement of profit and loss	-	-	-
	418.74	**418.74**	**418.74**
Retained earnings			
Opening balance	**(52.78)**	**11.22**	**25.44**
Adjustments on account of transition to IndAS	-	-	(14.22)
Profit for the year	286.00	(63.90)	-
Other comprehensive income (net of tax)	(7.97)	(0.10)	-
	225.25	**(52.78)**	**11.22**
	1,625.25	**1,347.22**	**1,411.22**

<u>Nature and purpose of reserves :</u>

Securities Premium: Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve : General reserve represents profits transferred from retained earnings from time to time to general reserve for appropriate purposes based on the provisions of the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. It can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained earnings are the profits of the Group earned till date net of appropriations.

24 Borrowings - Non-current *

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Secured			
Term loans #			
- from banks	2,368.67	1,791.59	1,390.67
Vehicle loan			
- from banks	1.38	1.73	1.98
- from others	11.25	10.97	6.43
	2,381.30	**1,804.29**	**1,399.08**
Less: Current maturities of long-term borrowings (refer note 26)	(890.24)	(177.30)	(90.34)
	1,491.06	**1,626.99**	**1,308.74**

*Refer note 25(a) for terms of borrowings.

Term Loan from Banks as on 31 March, 2022 includes Term Loan from IndusInd Bank Limited amounting to ₹ 653.95 million which has been fully repaid on 7th April, 2022.

25 Other financial liabilities (non-current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Security deposit (unsecured, considered good)	42.92	35.99	32.12
Creditors for capital goods	1.00	3.36	107.90
	43.92	**39.35**	**140.02**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
HDFC Bank Limited	0.04	4.97	6.88	Duration: 81 months (including 6 months moratorium) beginning from 20 Aug 2015 to 20 April 2022-:- 49 Equated Monthly Instalments (EMIs) of ₹ 0.43 million per month beginning from 20 Feb 2016 to 20 Feb 2020 - 6 months moratorium availed under relief package provided by RBI- 20 EMIs of ₹ 0.43 million per month from 20 Sept 2020 till 20 April 2022	Secured by way of charge on movable plant and machinery, and other fixed assets.
HDFC Bank Limited	23.43	30.62	32.21	Duration: 101 Months (including 12 Months Moratorium) beginning from 01 Oct 2016 to 01 Feb 2025 details as follows:-, 29 Equated Monthly Instalments of ₹ 0.76 million from 01 Oct, 2017 to 01 Feb, 2020- 6 months moratorium availed under relief package provided by RBI from March 2020 to August 2020 -54 Equated Monthly Instalments of ₹ 0.76 million from 01 Sept, 2020 to 1st Feb, 2025.	1. First and exclusive charge on all current assets of Regency Hospital Limited. 2. First and exclusive charge on all present and future fixed assets (movable & immovable) excluding assets specifically charged to others lender. 3. Hypothecation and exclusive charge on plant & machinery & other assets of the company (both current and future) 4. Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. 5. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) 117/138 B-2 Sarvodya Nagar, Kanpur c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
HDFC Bank Limited	46.99	59.24	62.45	Duration: 107 months (including 15 months moratorium)beginning from 01 Oct 2016 to 01 Aug 2025 details as follows:-- 3 (EMIs) of ₹ 0.67 million per month from 01 Jan 2018 to 01 March 2020- 23 (EMIs) of ₹ 1.34 million per month from 01 April 2018 to 01 Feb 2020- 6 months moratorium availed under relief package provided by RBI from March 20 to Aug 2020 - 60 EMIs of ₹ 1.34 million per month from 01 Sept 2020 till 01 Aug 2025	
HDFC Bank Limited	47.11	59.84	61.59	Duration: 105 months Equated Monthly Instalments (EMIs) beginning from 05 Oct 2016 to 05 June 2022 details as follows:- - 41 Equated Monthly Instalments (EMIs) of ₹ 1.38 million per month beginning from 05 Oct 2016 to 05 Feb 2020 - 6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 58 EMIs of ₹ 0.43 million per month from 05 Sept 2020 till 05 June 2022	
HDFC Bank Limited	26.08	31.07	31.78	Duration: 105 Equated Monthly Instalments (EMIs) beginning from 20 January 2018 to 20 Sept 2026 details as follows-:-6 EMI of ₹ 0.56 million from 20 January 2018 to 20 June 2018. -20 EMI of ₹ 0.59 million from 20th July 2018 to 20th February 2020.-6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 -73 EMI of ₹ 0.59 million from 20th September 2020 to 20th September 2026.	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. SPDC with SI for all activities as per bank requirement from company and promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed .
HDFC Bank Limited	46.34	53.78	54.44	Duration: 107 Equated Monthly Instalments (EMIs) (including 12 months moratorium) beginning from 01 April 2018 to 01 Feb. 2027 details as follows-:-11 EMI of ₹ 0.92 million from 01 April 2019 to 01 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 -	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
				78 EMI of ₹ 0.92 million from 20th September 2020 to 1 Feb. 2027.	The said policy to be endorsed in the name of Hdfc Bank Ltd. 7. Hedging of Fx exposures as appointed by the bank , General Insurance for all assets to be lien marked in favour of HDFC Bank Ltd. as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)- 117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
Yes Bank Limited	26.72	31.13	33.51	88 Equated Monthly Instalments (EMIs) ranging from ₹ 0.0023 million to ₹ 0.11 million	Hypothecation on Original Invoices and Insurance Copies
HDFC Bank Limited	114.23	115.33	110.00	Loan With a Door to Door tenure of 10.42 years . Repayment in 37 quarterly ended structured instalments as per repayment schedule given below : **Year** — **Repayment** Till May 21 — Nil June 21 to May 22 — 1% of TL with interest June 22 to May 23 — 4% of TL with interest June 23 to May 24 — 5% of TL with interest June 24 to May 25 — 6% of TL with interest June 25 to May 26 — 8% of TL with interest June 26 to May 27 — 9% of TL with interest June 27 to May 28 — 19% of TL with interest June 28 to May 29 — 19% of TL with interest June 29 to April 30 — 28% of TL with interest	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. SPDC with SI for all activities as per bank requirement from company and promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed . The said policy to be endorsed in the name of Hdfc Bank Ltd. 7. Hedging of Fx exposures as appointed by the bank , General Insurance for all assets to be lien marked in favor of HDFC Bank Ltd. as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)- 117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP d) 113/104, Swaroop Nagar Kanpur e) Plot No 1/PS Ambedhkarpuram, Scheme No 3, Kalyanpur, Kanpur
HDFC Bank Limited	99.85	101.02	96.36	Loan With a Door to Door tenure of 10.3 years . Repayment in 36 quarterly ended structured instalments as per repayment schedule given below : **Year** — **Repayment** Till May 21 — Nil June 21 to May 22 — 1% of TL with interest June 22 to May 23 — 5% of TL with interest June 23 to May 24 — 6% of TL with interest June 24 to May 25 — 8% of TL with interest June 25 to May 26 — 9% of TL with interest June 26 to May 27 — 12% of TL with interest June 27 to May 28 — 23% of TL with interest June 28 to May 29 — 23% of TL with interest June 29 to May 30 — 13% of TL with interest	
HDFC Bank Limited	81.82	102.30	106.23	Duration: 70 Equated Monthly Instalments (EMIs) beginning from 20 Dec 2019 to 20 Sept 2025 details as follows-:-3 EMI of ₹ 2.26 million on 20 Dec 2019 to 20 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 61 EMI of ₹ 2.26 million from 20 Sept 2020 to 20 Sept 2025.	
HDFC Bank	9.09	69.43	92.98	Duration: 30 Equated Monthly Instalments	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
Limited				(EMIs) beginning from 20 Dec 2019 to 20 May 2022 details as follows-:-1 EMI of ₹ 5.29 million on 20 Dec 2019 -2 EMI of ₹ 5.29 million from 20 Jan 2020 to 20 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 21 EMI of ₹ 5.29 million from 20th September 2020 to 20th May 2022.	
HDFC Bank Limited	-	63.60	29.01	Duration: 113 Months EMIs (including 12 Months Moratorium) beginning from 20 Dec 2019 to 20 April 2029 details are as follows- 1 EMI of ₹ 0.83 million on 20 Dec 2020- 1 EMI of ₹ 0.85 million on 20 Jan 2021- 3 EMI of ₹ 0.88 million from 20 Feb 2021 to 20 April 2021. - 96 EMIs of ₹ 0.89 million per month from 20 May 2021 till 20 Apr 2029	
HDFC Bank Limited	27.62	29.03	18.88	Duration: 95 Months (including 12 Months Moratorium) beginning from 20 February 20 to 20 Dec 2027 details are as follows- 1 EMI of ₹ 0.45 million on 20 Feb 2021 - 82 EMIs of ₹ 0.46 million per month beginning from 20 March 2021 till 20 Dec 2027	
HDFC Bank Limited	11.07	19.91	23.20	Duration: 41 Months beginning from 20 Dec 2019 to 20 April 2023 details are as follows- 3 EMI of ₹ 0.90 million from 20 Dec 2019 to 20 Feb 2021- 6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 32 EMIs of ₹ 0.90 million per month beginning from 20 Sept 2020 till 20 April 2023	
HDFC Bank Limited	-	6.60	6.43	Duration: 115 EMIs (including 12 Months Moratorium) beginning from 20 Jan 2020 to 20 July 2029 details as follows-:-103 EMI of ₹ 0.05 million on 20 Jan 2021 to 20 July 2029.	
HDFC Bank Limited	6.37	7.28	7.35	Duration: 97 Months beginning from 05 July 2019 to 05 July 2027 details are as follows- 8 EMI of ₹ 0.08 million from 05 July 2019 to 05 Feb 2020 -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 83 EMIs of ₹ 0.12 million per month beginning from 05 Sept 2020 till 05 July 2027	
IndusInd Bank Limited**	611.16	31.07	17.38	Loan With a Door to Door tenure of 7 years . Repayment in 24 quarterly ended structured instalments as per repayment schedule given below : **Year** — **Repayment** Till Dec 20 — Nil Jan 21 to Dec 21 — 17% of TL with interest Jan 22 to Dec 22 — 10% of TL with interest Jan 23 to Dec 23 — 13% of TL with interest Jan 24 to Dec 24 — 13% of TL with interest Jan 25 to Dec 25 — 13% of TL with interest	1. Exclusive charge on the medical equipment and other movable fixed assets (both present and future) in Oncology and Gastro Centre. 2. Exclusive charge by way of equitable mortgage on the land and building of the Oncology and Gastro Centre 3. Exclusive charge on all current assets (both present & future) of Oncology and Gastro Centre.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
				Jan 26 to Dec 26 — 34% of TL with interest	
IndusInd Bank Limited**	42.79	611.16	600.00	Loan With a Door to Door tenure of 10 years . Repayment in 36 quarterly ended structured instalments as per repayment schedule given below : **Year — Repayment** Till Sept 20 — Nil Oct 20 to Sep 21 — 3% of TL with interest Oct 21 to Sep 22 — 2% of TL with interest Oct 22 to Sep 23 — 5% of TL with interest Oct 23 to Sep 24 — 7% of TL with interest Oct 24 to Sep 25 — 8% of TL with interest Oct 25 to Sep 26 — 10% of TL with interest Oct 26 to Sep 27 — 19% of TL with interest Oct 27 to Sep 28 — 19% of TL with interest Oct 28 to Sep 29 — 27% of TL with interest	
HDFC Bank Limited	122.25	126.84	-	Duration: 60 Months (including 12 Months Moratorium), Equated Monthly Instalments (EMIs) of ₹ 3.05 million per month beginning from 07 Feb 2022 till 20 Jan 2026	Extension of Second Ranking Charge over existing primary and collateral securities including mortgages created in favour of Bank
HDFC Bank Limited	177.81	184.48	-	Duration: 60 Months (including 12 Months Moratorium), Equated Monthly Instalments (EMIs) of ₹ 4.44 million per month beginning from 07 Feb 2022 till 20 Jan 2026	Extension of Second Ranking Charge over existing primary and collateral securities including mortgages created in favour of Bank
HDFC Bank Limited	-	52.90	-	Duration: 79 Months EMIs beginning from 20 Nov 2020 to 20 April 2027 details are as follows- 1 EMI of ₹ 0.11 million on 20 Nov 2020- 3 EMI of ₹ 0.42 million from 20 Dec 2020 to 20 Feb 2021- 1 EMI of ₹ 0.50 million from 20 March 2021. - 1 EMI of ₹ 0.80 million on 20 April 2021- 73 EMIs of ₹ 0.89 million from 20 May 2021 till 20 Apr 2027	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. SPDC with SI for all activities as per bank requirement from company and promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed . The said policy to be endorsed in the name of Hdfc Bank Ltd. 7. Hedging of Fx exposures as appointed by the bank , General Insurance for all assets to be lien marked in favor of HDFC Bank Ltd. as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)- 117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
					d) 113/104, Swaroop Nagar Kanpure) Plot No 1/PS Ambedhkarpuram, Scheme No 3, Kalyanpur, Kanpur
Axis Bank Limited**	611.16	-	-	Total Tenure 7 Yrs. 6 Months Interest payment on monthly basis Principal Repayment 22 Quarterly Instalments as below: - 2 quarterly instalments of Rs. 6.00 million starting from 30.06.2022 to 30.09.2022 - 4 quarterly instalments of Rs. 7.50 million starting from 31.12.2022 to 30.09.2023 - 4 quarterly instalments of Rs. 10.50 million starting from 31.12.2023 to 30.09.2024 - 4 quarterly instalments of Rs. 12.00 million starting from 31.12.2024 to 30.09.2025 - 4 quarterly instalments of Rs. 15.00 million starting from 31.12.2025 to 30.09.2026 - 4 quarterly instalments of Rs. 30.00 million starting from 31.12.2026 to 30.09.2027	Primary:- * Exclusive charge on all the present and future current assets of Oncology & Gastro unit. *Exclusive charge on all the medical equipment and other movable fixed assets, present and future in Oncology & Gastro unit Collateral: Exclusive charge by the way of equitable mortagage of commercial property-located at A-4, Sarvodaya nagar Oncology & Gastro unit Kanpur nagar Uttar-Pradesh (208005). Comapny to maintain minimum collateral coverage of 42.50% thoughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank.Guarantors:-a) Mr. Atul Kapoorb) Mrs. Rashmi Kapoor"
Axis Bank Limited**	42.79	-	-	Total Tenure 5 Yrs. 9 MonthsInterest payment on monthly basisPrincipal Repayment 23 Quarterly Instalments as below:- 15 quarterly instalments of Rs. 1.94 million starting from 30.06.2022 to 31.12.2025- 3 quarterly instalments of Rs. 2.25 million starting from 31.03.2026 to 30.09.2026- 5 quarterly instalments of Rs. 1.39 million starting from 31.12.2026 to 31.12.2027	Primary:- * Exclusive charge on all the present and future current assets of Oncology & Gastro unit. *Exclusive charge on all the medical equipment and other movable fixed assets, present and future in Oncology & Gastro unit Collateral:Exclusive charge by the way of equitable mortagage of commercial property-located at A-4, Sarvodaya nagar Oncology & Gastro unit Kanpur nagar Uttar-Pradesh (208005). Comapny to maintain minimum collateral coverage of 42.50% thoughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank.Guarantors:-a) Mr. Atul Kapoorb) Mrs. Rashmi Kapoor
HDFC Bank Limited	115.99	-	-	Duration: 8 years and 4 months beginning from 20 jan 2021 to 20 April 2029-Yearly loan repayment schedule-- **Year** — **Loan Repayments** 2021-22 — 0.96 million 2022-23 — 4.01 million 2023-24 — 5.88 million 2024-25 — 10.75 million 2025-26 — 20.66 million 2026-27 — 30.58 million 2027-28 — 22.84 million 2028-29 — 21.26 million	1. First and exclusive charge on all current assets of Regency Hospital Limited. 2. First and exclusive charge on all present and future fixed assets (movable & immovable) excluding assets specifically charged to others lender. 3. Hypothecation and exclusive charge on plant & machinery & other assets of the company (both current and future) 4. Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. 5. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) 117/138 B-2 Sarvodya Nagar, Kanpur c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
HDFC Bank Limited	33.17	-	-	Duration:- 9 years beginning from 20 Feb,2022 to 20 Jan,2030-First Instalment of Rs.0.07 million on 20.02.2022-Two Instalments of Rs.0.40 million on 20.03.2022 and 20.4.2022-Two Instalments of Rs. 0.50 million on 20.05.2022 and 20.6.2022-103 Monthly instalments of Rs.0.57 million starting from 20.7.2022 to 20.1.2030	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
HDFC Bank Limited	42.88	-	-	Duration:- 6 years and 6 months beginning from 20 Nov,2020 to 20 April,2027-First Instalment of Rs.0.11 million on 20.11.2020-Five Instalments of Rs.0.42 million on 20.12.2020 and 20.4.2021-Four Instalments of Rs.0.52 million on 20.05.2021 and 20.8.2021-one Instalment of Rs.0.59 million on 20.09.2021-one Instalment of Rs.0.70 million on 20.10.2021-one Instalment of Rs.0.72 million on 20.11.2021-64 Monthly instalments of Rs.0.83 million starting from 20.12.2021 to 20.03.2027-one Instalment of Rs.0.52 million on 20.04.2027	
HDFC Bank Limited (Vehicle Loan)	1.38	1.73	1.98	Equated Monthly Instalments (EMIs) of ₹ 0.04 million	Secured by way of charge on vehicle on vehicle financed through loan facility.
HDFC Bank Limited (Vehicle Loan)	1.91	-	-	59 Equated Monthly Instalments (EMIs) of ₹ 0.04 million per month beginning from dt.05/10/2021 to till dt.05/08/2026	Secured by way of charge on vehicle on vehicle financed through loan facility.
Kotak Mahindra Prime Limited (Vehicle Loan) -Loan from NBFC	11.25	10.97	6.43	Equated Monthly Instalments (EMIs) ranging from ₹ 0.02 million per month to ₹ 0.11 million	Secured by way of charge on vehicle on vehicle financed through loan facility.
Total-A	**2,381.30**	**1,804.29**	**1,399.08**		
Current maturities of long term debt	890.24	177.30	90.34		
Total-B	**1,491.06**	**1,626.99**	**1,308.74**		

* Mr. Anant Ram Kapoor has thus deceased on 10th December, 2021.

The above loans carry an interest rate ranging from 6.10 % p.a. to 8.40% p.a. (previous year 7.80% p.a. to 9.50% p.a).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25(a) Security disclosure for the outstanding short term borrowings (including working capital facilities)

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Details of security
IndusInd Bank Limited**	-	1.01	29.53	1. Exclusive charge on Land & Building located at A-4, Sarvodaya Nagar, Kanpur. 2. Exclusive charge on all movable fixed and current assets (both present & future).
HDFC Bank Limited	220.83	125.60	222.80	Same as above
Axis Bank Limited	45.34	-	-	Same as above
Bank of Baroda overdraft account	-	-	-	Secured against Term deposit
	266.17	**126.61**	**252.32**	

The above working capital facilities carry an interest rate ranging from 6.10% p.a. to 8.40% p.a. (previous year 7.75% p.a. to 11.30%).

** Term loans and working capital facilities availed from IndusInd Bank have been repaid on 7 April 2022 and the charge thereon has been duly satisfied.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

26 Borrowings- Current

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Working capital loans *	266.17	126.61	252.33
Current maturities of long-term debts	890.24	177.30	90.34
	1,156.41	**303.91**	**342.67**

*Refer note-25(a) for details.

e. Reconciliation of liabilities arising from financing activities

	Long-term borrowings (including current maturities)	Lease liabilities	Short-term borrowings	Interest	Total
As at 31 March 2021	**1,804.29**	**492.91**	**126.61**	**4.30**	**2,428.11**
Cash flows:					
Proceeds	741.39	-	139.56	-	880.95
Repayment of borrowings	(164.38)	(69.73)	-	(132.96)	(367.07)
Payment of interest on lease obligation	-	(51.25)	-	(0.08)	(51.33)
Non-cash:					
Interest expenses	-	51.25	-	135.77	187.02
Increase in lease Liability	-	11.59	-	-	11.59
As at 31 March 2022	**2,381.30**	**434.77**	**266.17**	**7.03**	**3,089.27**

	Long-term borrowings (including current maturities)	Lease liabilities	Short-term borrowings	Interest	Total
As at 31 March 2020	**1,399.08**	**277.94**	**252.33**	**3.49**	**1,932.84**
Cash flows:					
Proceeds	577.19	-	-	-	577.19
Repayment of borrowings	(171.98)	(33.36)	(125.72)	(152.89)	(483.95)
Payment of interest on lease obligation	-	(57.28)	-	(0.14)	(57.42)
Non-cash:					
Impact of amortised cost	-	-	-	-	-
adjustment for borrowings	-	(3.38)	-	-	(3.38)
Interest expenses	-	57.28	-	153.84	211.12
Increase in lease Liability	-	251.71	-	-	251.71
As at 31 March 2021	**1,804.29**	**492.91**	**126.61**	**4.30**	**2,428.11**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

27. Trade payables

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Outstanding dues of Micro Enterprises and Small Enterprises	6.03	13.63	5.60
Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	254.84	290.48	279.99
	260.87	**304.11**	**285.59**

Trade Payables Ageing Schedule
As on March 31, 2022

Particulars	Outstanding for the following periods from the due date of payment				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	6.03	-	-	-	6.03
(b) Others	242.62	9.19	2.44	0.59	254.84
(c) Disputed - MSME	-	-	-	-	-
(d) Disputed - Others	-	-	-	-	-
Total	**248.65**	**9.19**	**2.44**	**0.59**	**260.87**

Trade Payables Ageing Schedule
As on March 31, 2021

Particulars	Outstanding for the following periods from the due date of payment				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	13.63	-	-	-	13.63
(b) Others	173.28	1.80	7.34	108.06	290.48
(c) Disputed - MSME	-	-	-	-	-
(d) Disputed - Others	-	-	-	-	-
Total	**186.91**	**1.80**	**7.34**	**108.06**	**304.11**

Trade Payables Ageing Schedule
As on April 01, 2020

Particulars	Outstanding for the following periods from the due date of payment				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	5.60	-	-	-	5.60
(b) Others	255.83	13.34	8.69	2.13	279.99
(c) Disputed - MSME	-	-	-	-	-
(d) Disputed - Others	-	-	-	-	-
Total	**261.43**	**13.34**	**8.69**	**2.13**	**285.59**

a. Dues to micro and small enterprises pursuant to section 22 of the Micro and Small Enterprises Development Act (MSED), 2012

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro and Small Enterprises Development Act , 2012 (MSED Act, 2012) and based on the information available with the company, the following are the details:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
i) the principal amount remaining unpaid to any supplier as at the end of each accounting period;	6.03	13.63	5.60
ii) Interest due thereon	0.02	0.13	0.23

28 Other financial liabilities (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Interest accrued but not due	7.03	4.30	3.49
Security deposit received (unsecured, considered good)	10.80	9.19	8.16
Creditor for capital goods	82.11	99.36	131.94
Consultant fee payable	81.95	80.11	64.72
Employee related payables	73.84	53.13	48.83
Other payables	33.55	3.14	9.51
	289.28	**249.23**	**266.65**

29 Income tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for tax (net of advance tax)	2.73	0.64	0.87
	2.73	**0.64**	**0.87**

30 Other current liabilities

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance from customers	166.54	114.63	103.68
Statutory dues	20.52	14.64	10.65
Other liabilities	4.29	4.64	6.11
Income received in advance	0.84	4.66	10.68
	192.19	**138.57**	**131.12**

31 Provisions (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for employee benefits*			
Gratuity	15.93	2.61	3.50
Compensated absences	5.43	5.16	5.00
	21.36	**7.77**	**8.50**

*Refer Note - 42

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

32 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Healthcare services	3,369.74	2,450.95
Pharmacy and surgical sales	265.44	180.77
Nursing school	32.91	25.48
	3,668.09	**2,657.20**

33 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on		
bank deposits	32.46	22.08
others	6.78	5.57
Provision/liabilities no longer required written back	5.25	7.62
Profit on sale of mutual funds	2.98	2.52
Rent income	10.85	12.28
Sale of food items	4.85	2.63
Miscellaneous income	7.71	3.99
Gain on modification of lease	-	3.38
	70.88	**60.07**

34 Cost of materials consumed

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock	106.04	116.45
Add : Purchases during the year	864.02	614.82
Less : Closing stock	(120.76)	(106.04)
Cost of materials consumed	**849.30**	**625.23**

35 Employee benefit expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	540.84	455.26
Contribution to provident and other funds	18.74	11.15
Gratuity*	4.56	3.85
Staff welfare expenses	3.97	8.91
	568.11	**479.17**

*Refer Note - 42

36 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on		
lease obligations	51.25	57.28
term loans	132.06	136.47
vehicle loans	1.17	0.85
working capital facilities	0.32	15.14
others	0.03	0.57
Other borrowing cost	2.20	0.93
	187.03	**211.24**

37 Depreciation and amortisation expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note-5)	190.97	178.37
Depreciation on right of use asset (refer note-6)	67.79	69.86
Amortisation of intangible assets (refer note-8)	4.13	3.91
	262.89	**252.14**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

38 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Doctor and other professional fees	867.35	659.94
Bill processing and collection charges	21.75	17.56
Power and fuel	115.05	104.94
Rent	15.45	13.40
Repair and Maintenance		
on plant and machinery	54.34	49.20
on building	5.29	12.80
on vehicles	6.21	5.10
on others	58.97	45.84
Insurance	5.86	6.02
Rates and taxes	5.95	5.43
Advertisement expenses	22.22	15.78
Travelling and conveyance	7.58	5.34
Communications	1.64	1.59
Medical service fee	81.81	73.63
House keeping expenses	82.79	70.70
Corporate social responsibility expenses (refer note 50)	1.50	3.11
Legal and professional	19.02	18.76
Payment to auditors*	4.51	2.94
Loss on sale /retirement of property, plant and equipment	1.56	1.10
Security expenses	23.59	20.69
Printing and stationary	20.70	15.63
Bad debts and provision for doubtful debts	54.41	62.62
Bank charges	0.41	0.63
Bank commission	7.99	5.89
Miscellaneous expenses	8.83	8.12
	1,494.78	**1,226.76**

Notes: * Payment to Auditors:

	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor		
Statutory audit fee	3.07	2.68
Tax audit fee	0.26	0.26
Other services	1.18	-
	4.51	**2.94**

39 Tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	40.14	2.06
Tax pertaining to earlier years	0.06	0.05
Deferred tax	52.72	(15.28)
	92.92	**(13.17)**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group and the reported tax expense in profit or loss are as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before income tax	377.02	(77.49)
Tax at the applicable rate of tax (25.168%)	94.89	(19.50)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-deductible expenses for tax purposes	0.38	6.17
Items earlier disallowed in computation but allowance not considered	0.09	-
Others	0.18	0.14
Impact of deferred tax on OCI	(2.68)	(0.03)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Tax pertaining to earlier years	0.06	0.05
	92.92	**(13.17)**

40 Earnings per equity share

	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Net profit/ (loss) attributable to equity shareholders	286.00	(63.90)
b) Weighted average number of shares	14,042,779	14,042,779
c) Nominal value of shares	10	10
d) Earnings per share		
Basic earnings per share	20.37	(4.55)
Diluted earnings per share	20.37	(4.55)

41 Revenue from Contracts with Customers

The Group provides various category of healthcare services, pharmacy, surgical, nursing, pathological and kitchen items.

Description of nature of goods sold

Pharmacy
Surgical, nursing, pathological and kitchen items
Other miscellaneous consumable items

Description of nature of services rendered

Healthcare services

a. Disaggregation of revenue from contracts with customers

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year ended 31 March 2022

	Goods	Services	Total
Revenue by geography			
Domestic	265.44	3,402.65	3,668.09
	265.44	**3,402.65**	**3,668.09**
Revenue by time			
Revenue recognised at point in time	265.44	-	265.44
Revenue recognised over time	-	3,402.65	3,402.65
	265.44	**3,402.65**	**3,668.09**

For the year ended 31 March 2021

	Goods	Services	Total
Revenue by geography			
Domestic	180.77	2,476.43	2,657.20
	180.77	**2,476.43**	**2,657.20**
Revenue by time			
Revenue recognised at point in time	180.77	-	180.77
Revenue recognised over time	-	2,476.43	2,476.43
	180.77	**2,476.43**	**2,657.20**

b. Assets and liabilities related to contracts with customers

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Assets			
Contract assets			
Unbilled revenue			
Current	41.23	45.91	31.27
Advance from customers			
Current	167.38	119.29	114.36

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

c. Significant change in contract assets and liabilities

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
I) Unbilled revenue			
Opening balance	45.91	31.27	35.28
Revenue billed during the year	(45.91)	(31.27)	(35.28)
Additions during the year	41.23	45.91	31.27
Closing balance	**41.23**	**45.91**	**31.27**
ii) Advance from customers			
Opening balance	119.29	114.36	80.90
Goods and services delivered during the period	(95.60)	(96.05)	(65.54)
Advances received during the period	143.69	100.98	99.00
Closing balance	**167.38**	**119.29**	**114.36**

d. Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract price	3,668.09	2,657.20
Less: Rebates and discounts	-	-
Revenue from contracts with customers	**3,668.09**	**2,657.20**

e. The Group has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

42 Employee benefits

The Group has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

42.1 Defined contribution plans

Provident fund

The Group also has certain defined contribution plans. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 18.74 (31 March 2021: ₹ 11.15)

42.2 Defined benefit plans

A Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The liability is below is not funded by any plan assets.

(i) Amount recognized in the balance sheet is as under:

Particulars	31 March 2022		31 March 2021		1 April 2020	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	-	15.93	-	2.61	-	3.50

(ii) Amount recognized in the statement of profit and loss and comprehensive income is as under:

Description	31 March 2022	31 March 2021	1 April 2020
Current service cost	4.44	3.78	2.65
Net interest cost	0.12	0.07	(0.12)
Net impact on profit (before tax)	**4.56**	**3.85**	**2.53**
Actuarial loss/(gain) recognized during the year	10.65	0.13	3.68
Amount recognized in total comprehensive income	**15.21**	**3.98**	**6.21**

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Description	31 March 2022	31 March 2021	1 April 2020
Present value of defined benefit obligation as at the start of the year	(2.61)	(3.50)	0.33
Current service cost	(4.44)	(3.78)	(2.65)
Interest cost	(0.12)	(0.07)	0.12
Actuarial loss/(gain) recognized during the year	(10.65)	(0.13)	(3.68)
Employer contributions	1.89	4.87	2.38
Present value of defined benefit obligation as at the end of the year	**(15.93)**	**(2.61)**	**(3.50)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

(iv) Breakup of actuarial (gain)/loss:

Description	31 March 2022	31 March 2021	1 April 2020
Actuarial loss/(gain) on arising from change in financial assumption	(1.08)	(0.23)	2.99
Return on plan assets less than discount rate	0.06	0.05	0.03
Actuarial loss/(gain) on arising from experience adjustment	11.67	0.31	0.66
Total actuarial loss/(gain)	**10.65**	**0.13**	**3.68**

(v) Actuarial assumptions

Description	31 March 2022	31 March 2021	01 April 2020
Discount rate	7.10%	6.80%	6.70%
Future salary increase	5.00%	5.00%	5.00%
Expected average remaining working lives of employees (years)	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) ultimate table.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(vii) Sensitivity analysis for gratuity liability

Description	31 March 2022	31 March 2021	1 April 2020
Impact of the change in discount rate			
- Impact due to increase of 1 %	(3.23)	(2.11)	(2.99)
- Impact due to decrease of 1 %	3.85	2.51	3.71
Impact of the change in salary increase			
- Impact due to increase of 1 %	3.72	2.44	3.44
- Impact due to decrease of 1 %	(3.18)	(2.08)	(2.84)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2022	31 March 2021	1 April 2020
Within next 12 months	7.46	5.93	0.75
Between 1-5 years	10.26	6.23	4.89
Beyond 5 years	28.52	18.31	15.91

B Compensated absences (unfunded)

The leave obligations cover the Group's liability for earned leaves. The Group does not have an unconditional right to defer settlement for the obligation shown as current provision balance below. These are the amounts which have been recognised in the statement of profit and loss for the respective years.

Particulars	31 March 2022		31 March 2021		1 April 2020	
	Current	Non-current	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	5.43	-	5.16	-	5.00	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

43 Financial instruments

i) Financial assets and liabilities

The carrying amounts of financial instruments by category measured at amortised cost*

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Financial assets			
Investments in Mutual Funds *	271.27	3.90	30.14
Trade receivables	302.76	232.66	368.90
Cash and cash equivalents	924.86	132.57	39.06
Other bank balances	4.93	0.85	0.82
Other financial assets	450.72	555.80	271.85
Total	**1,954.54**	**925.78**	**710.77**
Financial liabilities			
Borrowings	2,647.47	1,930.90	1,651.41
Lease liabilities	434.77	492.91	277.94
Trade payables	260.87	304.11	285.59
Other financial liabilities	333.20	288.58	406.67
Total	**3,676.31**	**3,016.50**	**2,621.61**

* Investments in Mutual Funds are valued at FVTPL applying level-1 of valuation, remaining all Financial assets and Financial liabilities are valued at Amortised cost.

Investment in subsidiaries and associate are measured at cost as per Ind AS 27, 'Separate financial statements' and Ind AS 28, 'Investments in associates and joint ventures' and hence, not presented here.

ii) Fair values hierarchy

The Group does not have any financial assets or financial liabilities carried subsequently at fair value.

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

44 Financial risk management

I) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk-foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required

The Group's risk management is carried out by a finance department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of excess liquidity.

I Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

influenced mainly by cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

(i) Credit risk rating

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.(I) Low credit risk(ii) Moderate credit risk(iii) High credit risk. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit lo
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss.

Financial assets (other than trade receivables) that expose the entity to credit risk (gross exposure) –

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Low credit risk on financial reporting date			
Cash and cash equivalents	924.86	132.57	39.06
Other bank balances	4.93	0.85	0.82
Other financial assets	450.72	555.80	271.85

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans and other financial assets measured at amortized cost

Other financial assets measured at amortised cost includes security deposits, lease receivables, deposits with remaining maturity more than 12 months, accrued revenue and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Trade receivables

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analysing historical trend of default relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for).

b) Expected credit losses for financial assets

As at 31 March 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	924.86	-	924.86
Other bank balances	4.93	-	4.93
Trade receivables	350.63	(47.87)	302.76
Other financial assets	450.72	-	450.72

As at 31 March 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	132.57	-	132.57
Other bank balances	0.85	-	0.85

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Trade receivables	290.51	(57.85)	232.66
Other financial assets	555.80	-	555.81

As at 1 April 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	39.06	-	39.06
Other bank balances	0.82	-	0.82
Trade receivables	440.74	(71.84)	368.90
Other financial assets	271.85	-	271.85

II Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

(i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2022	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	70.67	248.48	115.62	434.77
Borrowings	1,156.41	945.20	545.86	2,647.47
Trade payables	260.87	-	-	260.87
Other financial liabilities	289.28	43.92	-	333.20
Total	**1,777.23**	**1,237.60**	**661.48**	**3,676.31**

As at 31 March 2021	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	68.50	243.05	181.36	492.91
Borrowings	303.91	1,104.46	522.53	1,930.90
Trade payables	304.11	-	-	304.11
Other financial liabilities	249.23	39.35	-	288.58
Total	**925.75**	**1,386.86**	**703.89**	**3,016.50**

As at 1 April 2020	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	33.24	147.77	96.93	277.94
Borrowings	342.67	741.29	567.45	1,651.41
Trade payables	285.59	-	-	285.59
Other financial liabilities	266.65	140.02	-	406.67
Total	**928.15**	**1,029.08**	**664.38**	**2,621.61**

III Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk. The Group does not have any borrowings which carry variable rate of interest, hence, it is not exposed to interest rate risk. The Group does not have any financial instrument which exposes it to price risk.

a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar (CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. Considering the volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited and the Group has taken forward contracts to manage its exposure. The Group does not hedge theses foreign currency exposures by a derivative instrument or otherwise.

(i) Foreign currency risk exposure in USD:

The Group's exposure to foreign currency risk at the end of the reporting period (unhedged) are as follows:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2022
Payables	-	6.22	17.74
Net exposure to foreign currency risk (liabilities)	**-**	**6.22**	**17.74**
Value in USD	-	0.09	0.24
Exchange rate (INR per USD)	-	69.11	73.92

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 1 April 2020
USD sensitivity			
INR/USD- increase by 5%	-	0.31	0.89
INR/USD- decrease by 5%	-	(0.31)	(0.89)

* Holding all other variables constant

45 Capital management

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Group's capital includes issued share capital and all other distributable reserves. The primary objective of the Group's capital management is to maximize shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Group has long-term and short term borrowings .

Debt equity ratio

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Total Debt*	2,647.47	1,930.90	1,651.41
Total equity	1,765.68	1,487.65	1,551.65
Net debt to equity ratio	**1.50**	**1.30**	**1.06**

* Debt includes long-term and short term borrowings

46 Lease related disclosures

The Group has leases for land and office premises. With the exception of short-term lease underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over premises, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2022	31 March 2021
Short-term leases	15.45	13.40
Variable lease payments	-	-
Total	**15.45**	**13.40**

B Total cash outflow for leases for the year ended 31 March 2022 was ₹120.98 million (31 March 2021: ₹ 90.64 million)

C Set out below are the carrying amounts of lease liabilities (included under borrowings) and the movements during the year

	31 March 2022	31 March 2021	1 Apil 2020
Opening balance	492.91	277.94	-
Adjustment on account of transition to IndAS	-	-	277.94
Additions	11.59	251.71	-
Accretion of interest	51.25	57.28	-
(Gain)/loss in PL	-	(3.38)	-
Payments	(120.98)	(90.64)	-
Closing balance	**434.77**	**492.91**	**277.94**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2022	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	70.67	60.28	60.94	242.88	434.77
Total	**70.67**	**60.28**	**60.94**	**242.88**	**434.77**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2021	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	68.50	67.12	56.09	301.20	492.91
Total	**68.50**	**67.12**	**56.09**	**301.20**	**492.91**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

1 April 2020	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	33.24	39.34	44.64	160.72	277.94
Total	**33.24**	**39.34**	**44.64**	**160.72**	**277.94**

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2022 is of ₹ Nil

F Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (In months)	Average remaining lease term (In months)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Property leases	14	7-331	77.27	8	0	8

G The total future cash outflows as at 31 March 2022 for leases that had not yet commenced is of ₹ nil (31 March 2021: ₹ nil).

H Current and non-current balances

Particulars	**31 March 2022**	**31 March 2021**	**1 April 2020**
Current	70.67	68.50	33.24
Non-current	364.10	424.41	244.70
Total	**434.77**	**492.91**	**277.94**

I As a lessor

Operating leases

The Group has leased some of its premises to third parties under the lease agreements that qualifies as operating lease. Rental income for operating leases for the years ended on 31 March, 2022 and 31 March, 2021 aggreagate to ₹ 10.85 million and ₹ 12.28 million.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

47 Related party transactions

a) Related parties and nature of the relationship with whom transactions have taken place during the year:

Key management personnel
Dr. Atul Kapoor (Managing Director)
Dr. Rashmi Kapoor (Whole-time Director)
Mr. Deepak Gupta (Chief Financial Officer)
Ms. Ankita Gupta (Company Secretary)

Relatives of KMP and relationship

Late Mr. Anant Ram Kapoor (hence deceased on 10th December, 2021)	- Father of Dr. Atul Kapoor
Mr. Arun Kapoor	- Brother of Dr. Atul Kapoor
Mr. Abhishek Kapoor	- Son of Dr. Atul Kapoor and Dr Rashmi Kapoor
Mrs. Jahnvi Kapoor	- Wife of Mr. Abhishek Kapoor

Associate Company
Regency Nephrocare Private Limited

Enterprises owned or significantly influenced by KMP or their relatives — Amrita Charitable Trust

b) Transactions with related parties are summarized below:

Nature of transactions	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Lease rent income - from building		
Regency Nephrocare Private Limited	8.10	10.48
Maintenance service for building		
Regency Nephrocare Private Limited	0.21	0.21
Fee for medical services received		
Regency Nephrocare Private Limited	81.81	73.63
Dr. Rashmi Kapoor	16.54	13.67
Share in investigation charges		
Dr. Rashmi Kapoor	3.60	4.53
Lease rent expense		
- Late Mr. Anant Ram Kapoor	6.78	8.61
- Dr. Atul Kapoor	0.96	-
- Dr. Rashmi Kapoor	3.90	3.90
- Shri Arun Kapoor	0.96	-
Payments made on behalf of		
- Regency Nephrocare Private Limited	0.56	1.19
-Amrita Charitable Trust	-	0.08
Transfer of Assets	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

-Regency Institute Of Nursing	-	0.27
Corporate social responsibility expenses		
- Amrita Charitable Trust	1.50	3.00

	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration		
- Dr. Atul Kapoor	12.00	12.00
- Dr. Rashmi Kapoor	9.47	9.14
- Mr. Arun Kapoor	2.49	2.15
- Mr. Abhishek Kapoor	6.63	4.24
- Mrs. Jahnvi Kapoor	1.44	0.80
- Mr. Deepak Gupta	2.20	1.97
- Ms. Ankita Gupta	0.97	0.54
Sitting fees		
Mr. Anil Kumar Khemka	0.18	0.29
Mr. Rabindra Nath Mohanty	0.21	0.29
Mr. Charles Antoine Janssen	0.06	0.15
Mr Arun Shrivastava	0.15	0.21
Ms. Tanushree Shyam Bagrodia	0.06	0.12

c) Outstanding balances as at the year end

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Payables			
Payable for medical services received			
- Dr. Rashmi Kapoor	1.67	2.10	4.38
- Regency Nephrocare Private Limited	20.00	25.01	21.07
Rent Payable			
- Dr. Rashmi Kapoor	-	-	0.29
Salary Payable			
- Dr. Atul Kapoor	0.52	0.89	1.33
- Dr. Rashmi Kapoor	0.88	0.78	0.43
- Mr. Arun Kapoor	0.23	0.20	0.17
- Mr. Abhishek Kapoor	0.48	0.47	0.34
- Mrs. Jahnvi Kapoor	0.13	0.06	-
Receivables			
Rent receivable			
- Regency Nephrocare Private Limited	2.04	2.66	1.87
Receivable for expenses incurred on behalf of			
- Amrita Charitable Trust	-	-	0.03
Security deposit receivable			
- Dr. Rashmi Kapoor	5.83	5.83	5.83
Advance given			
- Late Mr. Anant Ram Kapoor	-	0.55	0.60

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Investments in equity shares			
- Regency Nephrocare Private limited	14.21	14.21	14.21

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on actuarial valuation for all the employees of the Company.

d) **Other arrangements**

Personal guarantee given by Dr. Atul Kapoor and Dr. Rashmi Kapoor for loans the outstanding balance as at 31 March, 2022, of which is ₹1,385.99 million (31 March, 2021: ₹ 801.94 million) obtained by the Group from various banks.

Personal guarantees have been given by Mr. Anant Ram Kapoor for loans obtained by the Company from HDFC Bank against which the balance outstanding as at 31 March, 2022, is ₹ 732.04 million (31 March, 2021: ₹ 801.94 million).

48 The schedule of provisions as required to be disclosed in compliance with Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is as under:

Particulars	Contingent liabilities		
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 1 April 2020
Claims against the Group not acknowledged as debt [refer note (i) below]	43.53	35.63	39.88
Disputed demand of Customs Department [refer note (ii) below]	1.92	1.92	1.92
Bank guarantee furnished to Director, CGHS and ECHS, Railways and Regency School of Nursing	8.26	7.10	6.73
Bonus [refer note (iii) below]	3.50	3.50	3.50
Income taxes (Assessment year 2016-17)	-	0.26	0.26
Inland letter of credit	4.88	2.24	15.32
Closing balance at the end of year	**62.09**	**50.65**	**67.61**

Note

(i) Includes total amount of claims under various legal cases alleging medical negligence against the hospital as on 31 March 2022 is ₹ 41.68 million (previous year ₹ 35.63 million). The Group has taken professional indemnity insurance policy for all cases and basis this professional indemnity policy and historical trend of settlement in this matter management is confident that no liability is likely to devolve on the Group.

(ii) The Group had deposited an amount of ₹ 1.92 million (being 50% of disputed amount of ₹ 3.85 million) under protest with the Commissioner of Custom (Import and general) in accordance with the order dated 05 February 2007 passed by Hon'ble Allahabad high court, which had been written off in the previous financial years.

(iii) The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made elective from 01 April 2014) revised the thresholds for coverage of employees eligible for bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts and pending disposal of such matter, the Group has not recognized the differential amount of bonus off ₹ 3.50 million for the period 1 April 2014 to 31 March 2015 and accordingly has recognized the expense in accordance with the Payment of Bonus (Amendment) Act, 2015 w.e.f. 1 April 2015 and onwards.

(iv) Interest and claims by customers, suppliers, lenders and employees may be payable as and when the outcome of the related matters are finally determined and hence have not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Group in respect of these matters.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

The Hon’ble Supreme Court of India pronounced a ruling dated 28 February 2019 in which it was held that ‘allowance’ paid to employees, will be included in scope of ’basic wages’ and thus, will be subject to provident fund contributions. Management believes that this will not result in any material liability on the Group which is also the view of a PF consultant engaged by the management.

49 **Commitments:**

Particulars	**As at 31 March 2022**	**As at 31 March 2022**	**As at 1 April 2020**
Estimated amount of contracts remaining to be executed on account of capital commitments (net of capital advances)	21.57	16.72	50.88
Lease commitments under non-cancellable lease arrangements	-	-	-

50 In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Group had constituted a Corporate Social Responsibility (CSR) Committee. The details of CSR expenditure are summarised below:

Particulars	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	1.03	1.75
(b) Amount of expenditure incurred	1.50	3.11
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-
(e) Reason for shortfall	N.A.	N.A.
(f) Nature of CSR Activities	Education	Education
(g) Details of related party transactions	Amrita Charitable Trust - Rs.1.5 million	Amrita Charitable Trust - Rs.3.0 million
(h) Liability against contractual obligations for CSR	-	-

51 World Health Organization (WHO) declared outbreak of Corona virus disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020. Subsequently, the second wave of Covid-19 has emerged in India, due to which, various state governments have also imposed lockdowns in their respective states. The Group is engaged in the business of running hospital, being essential services, there has been no suspension of operations. One of the Group’s hospitals located at Govind Nagar in Kanpur was dedicated for treatment of COVID-19 patients during the second wave from 12th April, 2021 to 27th May, 2021. However, the second wave of COVID-19 pandemic has not significantly impacted the revenues and profitability of the Group. The Group took various initiatives to support operations and optimize the cost and has been able to significantly reduce the negative impact of COVID-19 on its business. The Group has considered internal and certain external sources of information in determining the impact of this pandemic on various elements on its consolidated financial statements. Basis above, the management has estimated its future cash flows for the Group which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Group believes that there is no impact on its ability to meeting its liabilities as and when they fall due. The Group expects to recover the carrying amount of its assets and have sufficient liquidity for business operations for at least another twelve months from the date of approval of this consolidated financial statement. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions and impact on its business.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

52 First time adoption of Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2022, the comparative information presented in these financial statements for the year ended 31 March 2021 and in the preparation of an opening Ind AS balance sheet at 01 April 2020 (the Group's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

1 Deemed cost for property, plant and equipment, and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

2 Deemed cost for investments in subsidiaries

The Group has elected to continue with the carrying value of all of its investments in subsidiaries recognised as of transition date measured as per the Previous GAAP as its deemed cost as at the date of transition.

3 Leases

The Group has elected to measure the right of use assets at the date of transition an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS. Further, the following expedients were used on transition to Ind AS:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as on the transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application.
- use of hindsight, such as in determining the lease term as the contract contains the options to extend and terminate the lease.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01 April 2020 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

The Group has applied modified retrospective approach to all lease contracts existing as at 01 April 2020 under Ind AS 101. Further, The Group has elected not to include initial direct costs in the measurement of the right of use asset for operating leases in existence at the date of initial application of Ind AS.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

3 Impairment of financial assets

At the date of transition to Ind AS, determine whether there has been a significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the Group has recognized a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized.

C Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2021 and 01 April 2020

	Notes	31 March 2021	1 April 2020
Total equity (shareholder's funds) as per Previous GAAP		1,508.43	1,565.87
Ind AS adjustments on account of			
Expected credit loss on financial assets	Note – 1	(8.40)	(19.12)
Financial assets and liabilities carried at amortised cost			
Financial assets and liabilities carried at amortised cost	Note – 2	(1.29)	(2.83)
Lease accounting adjustment under Ind AS 116	Note – 3	(17.22)	3.90
Deferred tax effect on above adjustments	Note – 5	6.13	3.83
Total adjustments		**(20.78)**	**(14.22)**
Total equity as per Ind AS		**1,487.65**	**1,551.65**

2 Reconciliation of total comprehensive income for the year ended 31 March 2021

	Notes	31 March 2021
Profit after tax as per Previous GAAP		**(57.44)**
Ind AS adjustments on account of		
Expected credit loss on financial assets	Note – 1	10.72

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Financial assets and liabilities carried at amortised cost	Note – 2	1.54
Lease accounting adjustment under Ind AS 116	Note – 3	(21.12)
Actuarial gain/loss	Note – 4	0.10
Deferred tax effect on above adjustments	Note – 5	2.30
Total adjustments		**(6.46)**
Profit as per Ind AS for the year ended 31 March 2021		**(63.90)**
Other comprehensive income		
Re-measurement (losses) on post employment benefit obligations	Note – 4	(0.13)
Income tax effects of OCI adjustment	Note – 5	0.03
Total comprehensive income for the year ended 31 March 2021		**(64.00)**

3 **Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 31 March 2021 is as follows:**

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		3,093.32	(136.09)	2,957.23
Right of use asset	Note – 3	-	470.77	470.77
Capital work-in-progress		64.22	-	64.22
Other intangible assets		13.16	-	13.16
Intangible assets under development		4.97	-	4.97
Financial assets				
Investments		16.12	-	16.12
Loans and advances	Note – 2	83.78	(83.78)	-
Other financial assets		-	509.89	509.89
Income tax assets (net)		91.39	-	91.39
Deferred tax assets (net)			-	-
Other non-current assets		9.93	14.19	24.12
Total non-current assets		**3,376.89**	**774.98**	**4,151.87**
Current assets				
Inventories		117.68	-	117.68
Financial assets				
Investments		3.90	-	3.90
Trade receivables	Note – 1	241.06	(8.40)	232.66
Cash and cash equivalents		128.68	3.89	132.57
Other bank balances		453.96	(453.11)	0.85
Loans and advances		8.67	(8.67)	-
Other financial assets		-	45.91	45.91
Other current assets		64.45	(41.38)	23.07
Total current assets		**1,018.40**	**(461.76)**	**556.64**
Total assets		**4,395.29**	**313.22**	**4,708.51**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		140.43	-	140.43
Other equity	Note –1, 2, 3, 4 & 5	1,368.00	(20.78)	1,347.22

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Total equity		**1,508.43**	**(20.78)**	**1,487.65**
Non-current liabilities				
Financial liabilities				
Borrowings	Note – 2	1,626.99	-	1,626.99
Lease liabilities	Note – 3	-	424.41	424.41
Other financial liabilities	Note – 2	-	39.35	39.35
Provisions		-	-	-
Deferred tax liabilities (net)		63.51	(6.13)	57.38
Other non-current liabilities		192.14	(192.14)	-
Total non-current liabilities		**1,882.64**	**265.49**	**2,148.13**
Current liabilities				
Financial liabilities				
Borrowings	Note – 2	126.60	177.31	303.91
Lease liabilities	Note – 3	-	68.50	68.50
Trade payables				
(a) total outstanding dues to micro and small enterprises		13.63	-	13.63
(b) total outstanding dues of creditors other than micro and small enterprises	Note – 2	293.61	(3.13)	290.48
Other financial liabilities	Note – 2	-	249.23	249.23
Other current liabilities		561.96	(423.39)	138.57
Provisions		8.42	(0.65)	7.77
Income tax liabilities (net)		-	0.64	0.64
Total current liabilities		**1,004.22**	**68.51**	**1,072.73**
Total liabilities		**2,886.86**	**334.00**	**3,220.86**
Total equity and liabilities		**4,395.29**	**313.22**	**4,708.51**

4 **Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 01 April 2020 is as follows:**

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		2,645.44	3.91	2,649.35
Right of use asset	Note – 3	-	252.68	252.68
Capital work-in-progress		513.55	(111.89)	401.66
Other intangible assets		15.05	-	15.05
Intangible assets under development		4.37	-	4.37
Financial assets				
Investments		15.89	-	15.89
Loans and advances	Note – 2	83.87	156.71	240.58
Other financial assets		-	-	
Income tax assets (net)		128.44	-	128.44
Deferred tax assets (net)		-	-	-
Other non-current assets		9.36	32.78	42.14
Total non-current assets		**3,415.97**	**334.19**	**3,750.16**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Current assets				
Inventories		130.14	-	130.14
Financial assets		-	-	-
Investments		30.14	-	30.14
Trade receivables		387.42	(18.52)	368.90
Cash and cash equivalents		35.30	3.76	39.06
Other bank balances		200.29	(199.47)	0.82
Loans and advances		17.54	(17.54)	-
Other financial assets		-	31.27	31.27
Other current assets		50.62	(14.70)	35.92
Total current assets		**851.45**	**(215.20)**	**636.25**
Total assets		**4,267.42**	**118.99**	**4,386.41**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		140.43	-	140.43
Other equity	Note – 1, 2, 3, 4 & 5	1,425.44	(14.22)	1,411.22
Total equity		**1,565.87**	**(14.22)**	**1,551.65**
Non-current liabilities				
Financial liabilities				
Borrowings	Note – 2	1,308.74	-	1,308.74
Lease liabilities	Note – 3	-	244.70	244.70
Other financial liabilities		-	140.02	140.02
Provisions		-	-	-
Deferred tax liabilities (net)	Note – 5	76.49	(3.83)	72.66
Other non-current liabilities		281.54	(281.54)	-
Total non-current liabilities		**1,666.77**	**99.35**	**1,766.12**
Current liabilities				
Financial liabilities				
Borrowings	Note – 2	252.32	90.35	342.67
Lease liabilities	Note – 3	-	33.24	33.24
Trade payables				
(a) total outstanding dues to micro and small enterprises		5.60	-	5.60
(b) total outstanding dues of creditors other than micro and small enterprises		288.90	(8.91)	279.99
Other financial liabilities	Note – 2	-	266.65	266.65
Other current liabilities		478.60	(347.48)	131.12
Provisions		9.36	(0.86)	8.50
Income tax liabilities (net)		-	0.87	0.87
Total current liabilities		**1,034.78**	**33.86**	**1,068.64**
Total liabilities		**2,701.55**	**133.21**	**2,834.76**
Total equity and liabilities		**4,267.42**	**118.99**	**4,386.41**

** The previous year numbers has been regrouped/reclassed to meet the presentation criteria defined under Division II of Schedule III to The Companies Act 2013.*

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

5 **Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at 31 March 2021 is as follows:**

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
Income				
Revenue from operations		2,657.20	-	2,657.20
Other income	Note – 2	58.71	1.36	60.07
Total income		**2,715.91**	**1.36**	**2,717.27**
Expenses				
Cost of materials consumed		625.23	-	625.23
Employee benefits expense	Note – 4	479.30	(0.13)	479.17
Finance cost	Note – 2 & 3	154.24	57.00	211.24
Depreciation and amortisation expense	Note – 3	183.02	69.12	252.14
Other expenses		1,342.27	(115.51)	1,226.76
Total expenses		**2,784.06**	**10.48**	**2,794.54**
Profit/(Loss) before tax and share of profit of associate accounted for using the equity method		**(68.15)**	**(9.12)**	**(77.27)**
Prior period items		0.39	(0.39)	-
Share of profit of associate accounted for using the equity method		0.23	-	0.23
Profit/(Loss) before tax attributable to the shareholders of the Parent company		**(68.31)**	**(8.73)**	**(77.04)**
Tax expense				
Current tax		2.11	-	2.11
Deferred tax	Note – 5	(12.98)	(2.27)	(15.25)
Total tax expense		**(10.87)**	**(2.27)**	**(13.14)**
Net Profit/(loss) for the year		**(57.44)**	**(6.46)**	**(63.90)**
Other Comprehensive Income/(Loss)				
Items that will not be reclassified to profit or loss				
Re-measurement (losses) on post employment benefit obligations	Note – 4	-	(0.13)	(0.13)
Income tax relating to these items	Note – 5	-	0.03	0.03
Other Comprehensive Income/(Loss) for the year		**-**	**(0.10)**	**(0.10)**
Total comprehensive Income/(Loss) for the year		**(57.44)**	**(6.56)**	**(64.00)**

6 **Impact of Ind AS on the adoption in the statement of cash flow for the year ended 31 March 2021**

	Per Previous GAAP*	Ind AS adjustments	Per Ind AS
Net cash flow from operating activities	351.38	(43.22)	308.16
Net cash flow from investing activities	(387.82)	137.33	(250.49)
Net cash flow from financing activities	129.81	(93.97)	35.84
Net increase/(decrease) in cash and cash equivalents	**93.37**	**0.14**	**93.51**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Cash and cash equivalents at the beginning of the year	35.30	3.76	39.06
Cash and cash equivalents at the end of the year	**128.67**	**3.90**	**132.57**

** The previous year numbers has been regrouped/reclassed to meet the presentation criteria defined under Division II of Schedule III to The Companies Act 2013.*

Note-1

Expected credit loss on financial assets

Under Previous GAAP, the amount of revenue was usually determined at consideration received or receivable for the product or service explicitly specified in the contract between the parties. Under Ind AS, where the sale transaction of the Group includes separately identifiable performance obligation, such as after sales services and extended warranties, it is necessary to apply the recognition criteria for each separately identifiable performance obligations. Revenue from each performance obligation so identified is only recognized when such goods are sold or services are rendered i.e. when performance obligation is satisfied. Accordingly, revenue attributable to unsatisfied performance obligations has been deferred.

Note – 2

Measurement of financial assets and financial liabilities at amortised cost

Under previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest / amortisation cost method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value amount on the date of recognition of financial asset or financial liability.

Note – 3

Lease accounting adjustment under Ind AS 116

The Group has leases for office buildings. Under the pervious GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, the accounting is a little different as each lease is reflected on the balance sheet as a right of use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Group classifies its right of use assets in a consistent manner to its property, plant and equipment.The above adjustment has also impacted cash flow statement of the Group as under the previous GAAP, the rent paid was used to be classified as operating activity; while the payments of lease liability under Ind AS 116 is classified under financing activities as per Ind AS 7.

Note – 4

Actuarial gain/loss

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in Previous GAAP.

Note – 5

Deferred tax effect on above adjustments

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also led to recognition of deferred taxes on new temporary differences.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

53 Ratio analysis

Sl. No.	Particulars	Numerator	Denominator	Year ended 31-Mar-22	Year ended 31-Mar-21	Change (%)	Reason for Variance
1	Debt- Equity Ratio	Total Debts=Borrowings+ Lease Liabilities	Shareholders' total equity	1.50	1.30	16%	
2	Debt Service Coverage Ratio	Earnings available for debt service=Net profit after taxes + Non cash operating expenses	Debt service=Interest & lease payments+principal repayments	1.76	0.96	83%	While principal repayment and interest there on remained almost the same, there was a substantial increase in profit due to increase in revenue by approx. 38% in FY 2021-22, leading to increase in DSCR
3	Current Ratio	Total Current Assets	Total Current Liabilities	0.86	0.52	66%	While there is increase in debtors due to increase in revenue, there is decrease in creditors due to better payment, leading to increase in current ratio.
4	Debtors Turnover	Revenue from operations	Average trade receivables	4.31	2.48	74%	While average receivable has not changed significantly, revenue operations has increased significantly in FY 2021-22 as compared to FY 2020-21.
5	Inventory Turnover	Revenue from operations	Average inventory	6.78	5.05	34%	While average inventory has not changed significantly, revenue operations has increased significantly in FY 2021-22 as compared to FY 2020-21.
6	Net Profit Ratio	Net profit after taxes	Revenue from operations	7.65%	-2.35%	-425%	There was net profit in FY 2021-22 as compared to a net loss in FY 2020-21.
7	Trade payable turnover ratio	Purchases	Average trade payable	3.49	2.44	43%	This is due to increase in purchase by 41%
8	Net capital turnover ratio	Revenue from operations	Working capital=Current assets-Current liabilities	(4.21)	(1.45)	191%	Revenue from operations has increased by 55% and working capital was a negative of ~Rs.52 crore last year as compared to ~Rs.27 crore in the current year.
9	Return on Capital Employed	Earnings before interest and taxes	Capital employed=Tangible net worth+total debts	12.62%	3.88%	225%	Due to substantial increase in profit in FY 2021-22, Earnings before interest and taxes has increased by ~320 %. However, Capital Employed increased by ~30% only.
10	Return on Equity	Net profit after taxes	Average share holders' equity	17.58%	-4.20%	-518%	While average shareholders' equity has not changed significantly, there was net profit in FY 2021-22 while there was net loss in FY 2020-21.
11	Return on Investment	Net profit after taxes	Total Assets	1.91%	7.63%	-75%	While return from investments (profit on sale of mutual funds) was almost the same, the average investments has increased considerably (373%) in the current year as compared to the previous year.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

54 Additional information for the year ended 31 March 2022

Name of the entity in the Group	Net Asset i.e.total assets minus total liablities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent Regency Hospital Limited	97.81%	1,727.03	95.45%	273.01	100.00%	(7.97)	95.32%	265.04
Subsidiaries Sibling Lifecare Private Limited	0.23%	4.01	0.85%	2.42	0.00%	-	0.87%	2.42
Regency Institute of Nursing	0.78%	13.80	2.04%	5.83	0.00%	-	2.10%	5.83
Associate Regency Nephrocare Private Limited	1.18%	20.84	1.66%	4.74	0.00%	-	1.70%	4.74

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

55 Other Statutory Information

(i) Title deeds of Immovable Properties are in the name of the respective companies in the Group.

(ii) The Group had not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(iii) The Group was not holding any benami property and no proceedings were initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

(iv) The Group had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters

(v) The Group did not have any transactions with struck off companies under section 248 of the Companies Act,2013 or section 560 of Companies Act, 1956.

(vi) The Group did not have any charges or satisfaction which were yet to be registered with ROC beyond the statutory period.

(vii) The Group has not traded or invested in Crypto currency or Virtual Currency during year ended March 31,2022.

(viii) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds 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 Group(“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ix) The Group has not received any funds from any other 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 parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(x) No adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of approval of these financials.

(xi) "Previous year’s figures has been regrouped and/or reclassified wherever necessary to confirm to the current year’s groupings and classifications”.

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

Rohit Arora
Partner
Membership No- 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN- 01449229

Rashmi Kapoor
Whole Time Director
DIN- 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Independent Auditor's Report to the Members of Regency Hospital Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Regency Hospital Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

4. The Company's Board of Directors are responsible for the other information. Other information does not include the standalone financial statements and our auditor's report thereon.

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

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

   The Annual Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

8. Our objectives are to obtain reasonable assurance about

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

11. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

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

13. Further to our comments in Annexure A, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

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

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

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

e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2022 from being appointed as a Director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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

i. the Company, as detailed in note 47 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(viii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(ix) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AORBSX1414

Place: Gurugram
Date: 9 August 2022

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Regency Hospital Limited on the standalone financial statements for the year ended 31 March 2022

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

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

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

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

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee, and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of land and building, which have been pledged mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

Description of property	Gross carrying value (₹)	Address of Property
Land and Building	494,976,319	A-4, Sarvodaya Nagar Oncology and Gastro Unit, Kanpur Nagar, Uttar Pradesh (208005)
Land and Building	225,112,169	113/104 Swaroop nagar Block-C Renal Science Hospital
Land and Building	163,002,617	H No. 117 A/2/115 A-2 Block C Kakadeo, Sarvodaya Nagar, Kanpur- Uttar Pradesh
Land and Building	494,976,319	H No. 117/13B (B-2) A Block-C Kakadeo, Sarvodaya Nagar, Kanpur- Uttar Pradesh
Land and Building	225,239,347	Plot No. 1/PS Ambhedkarpuram scheme No 3 Kalyanpur - Nursing college

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

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made hereunder. Accordingly, reporting under Clause 3(i)(e) of the Order is not applicable to the Company.

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

(b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks based on the security of Current Assets during the year. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

(iii) The Company has provided advances in the nature of loans to others during the year as per details given below:

Particulars	Advances in nature of loans (₹)
Aggregate amount provided/granted during the year: - Others	45,79,955
Balance outstanding as at balance sheet date in respect of above cases: - Others	30,82,160

(a) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

(b) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments/receipts of principal are regular.

(c) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(d) The Company has granted advances in the nature of loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue advances in nature of loan.

(e) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order is not applicable to the Company.

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

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

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Customs Act,1962	Custom duty	3,845,000	1,923,000	1990-93	Hon'ble Allahabad High Court	Pending for disposal at Allahabad High Court

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

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

(b) According to the information and explanations given to us including confirmations received from Banks/ Financial Institution and representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any Bank or Financial Institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries or Associates.

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

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (Including debt instruments), during the year. Accordingly, reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

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

(xi) (a)To the best of our knowledge and according to the information and explanations given to us, no fraud by the

Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

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

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.

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

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

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.

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

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

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) (a) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under Clause 3(xx) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, there is no unspent amount pertaining to any ongoing project as at end of the current financial year. Accordingly, reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

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

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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AORBSX1414

Place: Gurugram
Date: 9 August 2022

Annexure B to the Independent Auditor's Report of even date to the members of Regency Hospital Limited on the standalone financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the standalone financial statements of Regency Hospital Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Rohit Arora
Partner
Membership No.: 504774
UDIN: 22504774AORBSX1414

Place: Gurugram
Date: 9 August 2022

Standalone Balance Sheet as at 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	Notes	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
ASSETS				
Non-current assets				
Property, plant and equipment - Tangible	5	2,994.57	2,956.85	2,649.35
Right of use asset	6	413.50	468.53	250.76
Capital work-in-progress	7	90.79	64.22	401.66
Other intangible assets	8	9.09	13.16	15.05
Intangible assets under development	9	6.67	4.97	4.37
Financial assets				
Investments	10	15.31	15.31	15.31
Other Financial Assets	11	406.55	509.50	240.27
Income tax assets (net)	12	80.39	91.28	128.38
Other non-current assets	14	20.54	24.02	42.11
Total non-current assets		**4,037.41**	**4,147.84**	**3,747.26**
Current assets				
Inventories	15	112.50	102.76	107.93
Financial assets				
Investments	16	271.26	3.90	30.14
Trade receivables	17	298.33	224.00	349.61
Cash and cash equivalents	18	915.25	128.08	25.28
Other bank balances	19	0.88	0.85	0.81
Other financial assets	20	43.79	45.91	31.27
Other current assets	21	37.47	21.85	33.42
Total current assets		**1,679.48**	**527.35**	**578.46**
Total assets		**5,716.89**	**4,675.19**	**4,325.72**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	22	140.43	140.43	140.43
Other equity	23	1,602.86	1,337.81	1,407.36
Total equity		**1,743.29**	**1,478.24**	**1,547.79**
Non-current liabilities				
Financial liabilities				
Borrowings	24	1,489.53	1,627.00	1,308.75
Lease Liabilities (refer note 45)		363.89	423.01	243.24
Other financial liabilities	25	43.22	38.97	140.01
Deferred tax liabilities (net)	13	110.49	57.53	72.72
Total non-current liabilities		**2,007.13**	**2,146.51**	**1,764.72**
Current liabilities				
Financial liabilities				
Borrowings	26	1,156.03	303.91	342.66
Lease liabilities (refer note 45)		69.49	67.37	32.61

Standalone Balance Sheet as at 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

Trade payables	27			
(a) total outstanding dues to micro and small enterprises		4.40	11.79	4.91
(b) total outstanding dues of creditors other than micro and small enterprises		239.51	279.11	237.53
Other financial liabilities	28	287.83	247.92	266.63
Other current liabilities	29	188.02	132.57	120.37
Provisions	30	21.19	7.77	8.50
Total current liabilities		**1,966.47**	**1,050.44**	**1,013.21**
Total liabilities		**3,973.60**	**3,196.95**	**2,777.93**
Total equity and liabilities		**5,716.89**	**4,675.19**	**4,325.72**

The accompanying notes are an integral part of the standalone financial statements. 3

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

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

Rohit Arora
Partner
Membership No: 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Statement of Standalone Profit and Loss for the period ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	31	3,635.18	2,631.72
Other income	32	75.80	65.00
Total income		**3,710.98**	**2,696.72**
Expenses			
Cost of materials consumed	33	857.13	630.63
Employee benefit expenses	34	554.94	470.15
Finance costs	35	186.74	210.73
Depreciation and amortisation expenses	36	261.52	251.19
Other expenses	37	1,485.08	1,218.61
Total expenses		**3,345.41**	**2,781.31**
Profit/(Loss) before tax		**365.57**	**(84.59)**
Tax expense	38		
Current tax		36.92	-
Deferred tax		55.63	(15.14)
		92.55	**(15.14)**
Profit/(Loss) for the year		**273.02**	**(69.45)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (losses) on post employment benefit obligations		(10.65)	(0.13)
Income tax relating to above items		2.68	0.03
Other comprehensive loss for the year		**(7.97)**	**(0.10)**
Total comprehensive income /(loss) for the year		**265.05**	**(69.55)**
Earnings per equity share			
Basic	39	19.44	(4.95)
Diluted		19.44	(4.95)

Summary of significant accounting policies 3
The accompanying notes form an integral part of these standalone financial statements
This is the Standalone Statement of Profit and Loss referred to in our report of even date

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

For and on behalf of the Board of Directors of
Regency Hospital Limited

Rohit Arora
Partner
Membership No: 504774

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Gurugram
Date : 9 August 2022

Place : Kanpur
Date : 9 August 2022

Standalone Cash Flow Statement for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Profit / (Loss) before tax	**365.57**	**(84.59)**
Adjustments for :		
Other comprehensive income	(10.65)	(0.13)
Depreciation and amortisation expense	261.52	251.19
Loss on sale of property, plant and equipment (net)	1.56	1.10
Finance cost	135.69	153.70
Interest income	(39.19)	(27.63)
Profit on sale of mutual funds	(2.98)	(2.52)
Bad debts written off	53.43	61.67
Gain/loss on modification	-	(3.38)
Interest on lease liability	51.05	57.03
Operating profit before working capital changes	**816.00**	**406.44**
Adjustments for :		
(Increase)/decrease in inventories	(9.74)	5.17
(Increase) / decrease in trade receivables	(127.76)	63.94
(Increase) / decrease in financial & other assets	(14.38)	(11.41)
Increase/(decrease) in trade payables	(46.99)	48.46
Increase / (decrease) in financial & other liabilities	114.15	36.10
Increase /(decrease) in provisions	13.42	(0.73)
Movement in Loans	102.95	(269.23)
Cash generated from operations	**847.65**	**278.74**
Income tax paid, net of refund	(26.03)	37.10
Net cash generated from operating activities	**821.62**	**315.84**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including movement in capital work-in-progress, payable for capital creditors and capital advances)	(274.44)	(391.64)
Proceeds from sale of property, plants and equipment	4.94	87.84
Purchase of intangible assets	(0.06)	(1.21)
Intangibles under development	(1.70)	(1.41)
Purchase of current investments	(284.38)	(617.40)
Proceeds from sale of current investments	20.00	646.16
Movement in Deposits	(0.03)	(0.03)
Interest received	39.19	27.62
Net cash (used in) investing activities	**(496.48)**	**(250.07)**
C. Cash flows from financing activities		
Repayment of principal component of lease obligation	(68.60)	(32.55)
Payment of interest on lease obligation	(51.05)	(57.03)
(Repayment)/ proceeds from short-term borrowings (net)	139.56	(125.71)
Proceeds from loan taken	739.29	577.19
Repayment of principal component of borrowings	(164.20)	(171.98)
Interest Paid	(132.97)	(152.89)
Net cash generated from financing activities	**462.03**	**37.03**
Net increase in cash and cash equivalents (A+B+C)	**787.17**	**102.80**
Cash and cash equivalents at the beginning of the year	128.08	25.28
Cash and cash equivalents at the end of the year	**915.25**	**128.08**

Cash and cash equivalents above are comprise the following :		
Balances with banks:		
- in current accounts	905.33	116.56
Cash in hand	5.67	7.64
Term Deposits (with maturity up to 3 months)	4.25	3.88
Cash and cash equivalents at the end of the year	**915.25**	**128.08**

Note : The above Cash Flow Statement has been prepared under the indirect method as set out in the applicable Indian Accounting Standard [Indian Accounting Standard - 7 on "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015.]

This is the Standalone Cash Flow Statement referred to in our report of even date

As per our report of even date

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

Rohit Arora
Partner
Membership No: 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

1. **Corporate information**

Regency Hospital Limited (the 'Company') is a public limited Company, incorporated on 8 June 1987. The Company provides a wide range of super specialty services in the field of healthcare. The shares of the Company were listed at Bombay Stock Exchange (BSE) and stand delisted with effect from 18 November 2015 on receipt of notice from BSE dated 3 November 2015 in response to Company's application for delisting under Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2015.

2. **Basis of preparation of financial statements**

These financial statements have been prepared in accordance with the recognition and measurement requirements of Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 assuming transition date of 01 April 2020.

Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in Note 51.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements have been prepared under historical cost convention basis except for the following -

- Certain financial assets which are measured at fair value;
- Defined benefit plans - plan assets measured at fair value;

Recent pronouncements

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020 notifies new standard or amendments to the standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 - Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. This amendment comes into effect from April 1, 2022.

The Company does not expect the amendment to have any significant impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Provisions, contingent liabilities and contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 109 - Financial Instruments

The amendment specifies that for the purpose of paragraph 3.3.2 of IndAS 109, the terms shall be considered to be substantially different if the discounted present value of the cash flows under the new terms of a debt instrument, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. This amendment comes into effect from April 1, 2022.

The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

3. Summary of significant accounting policies

a. Property plant and equipment

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided using written down value method over the estimated useful life of the assets in a manner prescribed in Part C of Schedule II of the Companies Act, 2013.

The identified components are depreciated separately over their useful lives. The remaining components are depreciated over the life of the principal property, plant and equipment.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 and use that carrying value as the deemed cost of the property, plant and equipment.

b. Intangible assets

Recognition and initial measurement

Purchased intangible assets are stated at cost less accumulated amortization and impairment, if any.

Subsequent measurement (amortisation)

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. 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.

Residual values and useful lives are reviewed at each reporting date. Intangible assets are amortised over the period of 5 years on a straight line method.

Good will is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de- recognized.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2020 and use that carrying value as the deemed cost of the intangible assets.

c. Leases

The Company as a lessee

Accounting at the time of transition to Ind AS

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2020 (i.e. Ind AS transition date applicable to the Company).

Under this approach, the lease liability is measured at the present value of remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. The right of use assets is measured at an amount equal to lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Accounting post transition to Ind AS

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

e. Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

a) at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

b) in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

i. **Financial assets at amortised cost -** a financial instrument is measured at amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities are subsequently measured at amortised cost using effective interest method. Amortised cost is calculated after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

f. Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights.

When estimating the cash flows, the Company is required to consider -

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

(i) **For debtors that are not past due -** The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised upon initial recognition of receivables. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The Company uses the expected credit loss model to assess any required allowances and uses a provision matrix to compute the expected credit loss allowance for trade receivables. Life time expected credit losses are assessed and accounted based on company's historical collection experience for customers and forecast of macro-economic factors for each identified segment.

The Company defines default as an event when the financial asset is past due for more than 365 days. This definition is based on management's expectation of the time period beyond which if a receivable is outstanding, it is an objective evidence of impairment.

(ii) **For debtors considered past due -** any enhancement in the accrual done for expected credit loss on individually significant receivables is made to recognise any additional expected credit loss on amount recoverable. The Company writes off trade receivables when there is no objective evidence that such amounts would not be recovered. Financial assets that are written-off are still subject to enforcement activity by the Company.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

g. Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹ million unless otherwise stated)

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

h. Fair value measurement

The Company measures certain financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Refer note 42 for fair value hierarchy.

i. Investment in subsidiaries

In accordance with Ind AS 27 - Separate Financial Statements, investments in equity instruments of subsidiaries can be measured at cost or at fair value in accordance with Ind AS 109. The Company has opted to measure such investments at cost at initial recognition.

Subsequently, such investments in subsidiaries is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

j. Inventories

Inventories comprise of pharmacy, drugs, consumable and implants which are valued at lower of cost and net realizable value. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are computed using weighted average cost formula. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories.

k. Revenue recognition

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services net of returns and allowances, trade discounts and volume rebates. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue is usually recognized when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retained neither ownership nor effective control over the goods sold or services rendered.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from sale of pharmacy and pharmaceutical supplies is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the pharmacy and pharmaceutical items. The Company collects goods and service tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company and thus excluded from revenue. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates

Revenue from healthcare services

Revenue from rendering of healthcare services (including drugs, consumables and implants used in delivery of such services) is recognized over the time based on the performance of related services to the customers as per the terms of contract. Income from medical services and operation and management fee is recognised as and when obligations arising out of the contractual arrangements are fulfilled and services are provided in terms of such agreements

Revenue from other services

Income from other services like sponsorship income, education income, clinical trials and other ancillary activities is recognized based on the terms of the contract and it is probable that economic benefits associated with the transaction will flow to the entity and amount of revenue can be measured reliably.

Other income

Interest

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost (refer 'e' above), interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

l. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

m. Foreign currency transactions and translations

Functional and presentation currency

The financial statements are presented in Indian Rupee ('₹'), which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

n. Post-employment and short term employee benefits

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity and has no obligation to pay any further amounts. Specified monthly contributions to the recognised provident fund and approved superannuation schemes, which are defined contribution schemes, are charged to the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefits remains with the Company.

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

Leave encashment benefits

Provision for compensated absences when determined to be short term benefit is made on the basis of Company policy as at the end of the year. Provision related to short term compensated absences of employees is provided on actual basis.

Short-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o. Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

p. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q. Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

4. Significant management judgements in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant management estimates

Allowance for doubtful debts - The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Company has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other plant and equipment.

Defined benefit obligations (DBO) - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Provisions - The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

Impact of COVID-19 (pandemic) - The Company has taken into account all the possible impacts of COVID-19 in preparation of the financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

Significant management judgments

Evaluation of indicators for impairment of non-financial assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Leases - The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

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

Contingent liabilities - The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

A. Equity share capital

	Amount
Balance as at 1 April 2020	**140.43**
Equity share capital issued during the year	-
Balance as at 31 March 2021	**140.43**
Equity share capital issued during the year	-
Balance as at 31 March 2022	**140.43**

B. Other equity

	General reserve	Securities Premium	Retained earnings	Total
Balance as at 1 April 2020	**418.74**	**981.26**	**23.88**	**1,423.88**
Adjustments on account of transition to IndAS	-	-	(16.52)	(16.52)
Restated balance as at 1 April 2020	**418.74**	**981.26**	**7.36**	**1,407.36**
Profit for the year	-	-	(69.45)	(69.45)
Other comprehensive income/(loss) (net of tax)	-	-	(0.10)	(0.10)
Balance as at 31 March 2021	**418.74**	**981.26**	**(62.19)**	**1,337.81**
Profit for the year	-	-	273.02	273.02
Other comprehensive (loss)/income (net of tax)	-	-	(7.97)	(7.97)
Balance as at 31 March 2022	**418.74**	**981.26**	**202.86**	**1,602.86**

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

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

For and on behalf of the Board of Directors of
Regency Hospital Limited

Rohit Arora
Partner
Membership No: 504774

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Gurugram
Date : 9 August 2022

Place : Kanpur
Date : 9 August 2022

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

5. Property, plant and equipment - Tangible*

Particulars	Computers	Furniture and fixtures	Office equipment	Vehicles	Electrical equipments	Plant & machinery	Building	Lease hold land	Leasehold improvements	Freehold land	Total
Gross carrying value											
As at 1 April 2020	**22.82**	**65.16**	**13.49**	**34.43**	**66.94**	**1,249.16**	**936.60**	**108.96**	**139.93**	**664.46**	**3,301.95**
Transfer to right of use assets on account of transition to IndAS 116	-	-	-	-	-	-	-	-	-	-	-
Deemed cost adjustment on account of transition to IndAS	18.81	28.80	8.17	15.88	33.53	400.88	100.61	3.19	42.73	-	652.60
Restated balance as at 1 April 2020	**4.01**	**36.36**	**5.32**	**18.55**	**33.41**	**848.28**	**835.99**	**105.77**	**97.20**	**664.46**	**2,649.35**
Additions	4.63	2.71	1.66	15.22	15.00	282.93	336.64	-	-	56.76	715.55
Transfer to right of use assets #	-	-	-	-	-	-	35.00	105.77	-	-	140.77
Disposals	-	-	-	7.87	0.17	1.76	-	-	0.15	80.00	89.95
As at 31 March 2021	**8.64**	**39.07**	**6.98**	**25.90**	**48.24**	**1,129.45**	**1,137.63**	**-**	**97.05**	**641.22**	**3,134.18**
Additions	2.47	3.22	1.91	11.04	2.37	143.49	64.46	-	5.18	0.84	234.98
Disposals	-	0.07	0.05	4.99	-	3.94	-	-	-	-	9.05
As at 31 March 2022	**11.11**	**42.22**	**8.84**	**31.95**	**50.61**	**1,269.00**	**1,202.09**	**-**	**102.23**	**642.06**	**3,360.11**
Accumulated depreciation											
As at 1 April 2020	**18.81**	**28.80**	**8.17**	**15.88**	**33.53**	**400.88**	**104.52**	**3.19**	**42.73**	**-**	656.51
Transfer to right of use assets on account of IndAS116	-	-	-	-	-	-	3.91	-	-	-	3.91
Deemed cost adjustment on account of transition to IndAS	18.81	28.80	8.17	15.88	33.53	400.88	100.61	3.19	42.73	-	652.60
Restated balance as at 1 April 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	2.80	5.77	1.68	3.52	6.61	99.27	43.34	-	15.35	-	178.34
Adjustment for disposals	-	-	-	1.00	-	0.01	-	-	-	-	1.01
As at 31 March 2021	**2.80**	**5.77**	**1.68**	**2.52**	**6.61**	**99.26**	**43.34**	**-**	**15.35**	**-**	**177.33**
Charge for the year	2.36	5.79	1.82	3.86	6.45	106.61	48.26	-	15.61	-	190.76
Adjustment for disposals	-	-	-	1.25	-	1.30	-	-	-	-	2.55
As at 31 March 2022	**5.16**	**11.56**	**3.50**	**5.13**	**13.06**	**204.57**	**91.60**	**-**	**30.96**	**-**	**365.54**
Net block											
Restated balance as at 1 April 2020	**4.01**	**36.36**	**5.32**	**18.55**	**33.41**	**848.28**	**835.99**	**105.77**	**97.20**	**664.46**	**2,649.35**
Balance as at 31 March 2021	**5.84**	**33.30**	**5.30**	**23.38**	**41.63**	**1,030.19**	**1,094.29**	**-**	**81.70**	**641.22**	**2,956.85**
Balance as at 31 March 2022	**5.95**	**30.66**	**5.34**	**26.82**	**37.55**	**1,064.43**	**1,110.49**	**-**	**71.27**	**642.06**	**2,994.57**

Notes:

Depreciation for the year has been included in "Depreciation and amortisation expenses" line item in statement of profit and loss (refer note 36).

The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition. Refer note 51 for details.

The Company had purchased land measuring 5,766.22 sq.mtr from Cawnpore Laceworks Limited for a consideration ₹ 502.40 million which was registered on 18 July 2017 vide Sale Deed dated 18 July 2017. The Company had paid ₹ 400.00 million at the time of registration of Sale Deed and balance amount of ₹ 100.00 million was payable after change of land use and approval of Hospital map of the Company. Cawnpore Laceworks Limited could not get the land use approved for the Hospital map on aforesaid land and filed a petition before the Hon'ble Court of Civil Judge (Senior Division), Kanpur Nagar for balance payment of ₹ 100.00 million. The Company has settled the aforesaid dues for ₹ 20.00 million and both parties filed compromise and the Court has passed an Order dated 9 April 2021 based on compromise filed by both the parties, resulting this the balance amount of ₹ 80.00 million has been reduced from the cost of land capitalized in the books of account.

*Refer note 24(a) for charge created on the Property, plant and equipment.

Amount of ₹ 35.00 million and ₹ 108.96 million has been transferred from building and leasehold land respectively to ROU is due to adjustment on account of transition to IndAS 116.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

6 Right of use asset

	ROU- Land	ROU- Building	Total
Gross carrying value			
Balance as at 01 April 2020	-	-	-
Addition on account of transition to IndAS	-	254.67	254.67
Restated balance as at 01 April 2020	**-**	**254.67**	**254.67**
Addition during the year	-	145.94	145.94
Transfer from Building / Leashold Land (refer note 5 PPE)	105.77	35.00	140.77
Balance as at 31 March 2021	**105.77**	**435.61**	**541.38**
Addition during the year	-	11.60	11.60
Balance as at 31 March 2022	**105.77**	**447.21**	**552.98**
Accumulated depreciation			
Balance as at 01 April 2020	**-**	**-**	**-**
Addition on account of transition to IndAS 116	-	3.91	3.91
Restated balance as at 01 April 2020	**-**	**3.91**	**3.91**
Charge for the year	0.74	68.20	68.94
Balance as at 31 March 2021	**0.74**	**72.11**	**72.85**
Charge for the year	0.74	65.89	66.63
Balance as at 31 March 2022	**1.48**	**138.00**	**139.48**
Net block			
Balance as at 01 April 2020	**-**	**-**	**-**
Restated balance as at 01 April 2020	**-**	**250.76**	**250.76**
Balance as at 31 March 2021	**105.03**	**363.50**	**468.53**
Balance as at 31 March 2022	**104.29**	**309.21**	**413.50**

Note :
Refer note 45 for detailed lease disclosure

7 Capital work-in-progress

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Plant and machinery pending installation and building under construction	90.79	64.22	401.66
	90.79	**64.22**	**401.66**

Movement in capital work in progress:

Particulars	**Amount**
Balance as at 01 April 2020	513.55
Adjustment on account of transition to IndAS	(111.89)
Restated balance as at 01 April 2020	**401.66**
Add: Additions during the year	62.92
Less: Capitalisation during the year	(400.36)
Balance as at 31 March 2021	**64.22**
Add: Additions during the year	59.82
Less: Capitalisation during the year	(33.25)
Balance as at 31 March 2022	**90.79**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022	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	59.82	30.97	-	-	90.79
Projects temporarily suspended	-	-	-	-	-
Total	**59.82**	**30.97**	**-**	**-**	**90.79**

As at 31 March 2021	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	62.92	-	1.30	-	64.22
Projects temporarily suspended	-	-	-	-	-
	62.92	**-**	**1.30**	**-**	**64.22**

As at 1 April 2020	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	270.65	131.01	-	-	401.66
Projects temporarily suspended	-	-	-	-	-
	270.65	**131.01**	**-**	**-**	**401.66**

8 Other intangible assets

	Intangible	Total
Gross carrying value		
Balance as at 01 April 2020	20.03	20.03
Deemed cost adjustment on account of transition to IndAS	4.98	4.98
Restated balance as at 01 April 2020	**15.05**	**15.05**
Additions	2.02	2.02
Disposals	-	-
Balance as at 31 March 2021	**17.07**	**17.07**
Additions	0.06	0.06
Disposals	-	-
Balance as at 31 March 2022	**17.13**	**17.13**
Accumulated depreciation		
Balance as at 01 April 2020	4.98	4.98
Deemed cost adjustment on account of transition to IndAS	4.98	4.98
Restated balance as at 01 April 2020	**-**	**-**
Charge for the year	3.91	3.91
Disposals	-	-
Balance as at 31 March 2021	**3.91**	**3.91**
Charge for the year	4.13	4.13

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Disposals	-	-
Balance as at 31 March 2022	**8.04**	**8.04**
Net block		
Restated balance as at 01 April 2020	**15.05**	**15.05**
Balance as at 31 March 2021	**13.16**	**13.16**
Balance as at 31 March 2022	**9.09**	**9.09**

Note:
The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition. Refer note 51 for details.

9 Intangible assets under development

	As at 31 March 2022	**As at 31 March 2021**	**As at 01 April 2020**
Intangible assets under development	6.67	4.97	4.37
	6.67	**4.97**	**4.37**

Movement in intangible assets under development:

Particulars	**Amount**
Restated balance as at 01 April 2020	**4.37**
Add: Additions during the year	1.41
Less: Capitalisation during the year	(0.81)
Balance as at 31 March 2021	**4.97**
Add: Additions during the year	1.70
Less: Capitalisation during the year	-
Balance as at 31 March 2022	**6.67**

Intangible assets under development Ageing Schedule

As at 31 March 2022	**Amount in Intangible assets under development for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	1.70	1.41	3.56	-	6.67
Projects temporarily suspended	-	-	-	-	-
Total	**1.70**	**1.41**	**3.56**	**-**	**6.67**

As at 31 March 2021	**Amount in Intangible assets under development for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress	1.41	3.56	-	-	4.97
Projects temporarily suspended	-	-	-	-	-
Total	**1.41**	**3.56**	**-**	**-**	**4.97**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

As at 1 April 2020	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	4.37	-	-	-	4.37
Projects temporarily suspended	-	-	-	-	-
Total	**4.37**	**-**	**-**	**-**	**4.37**

Note: Intangible assets under development represents the cost incurred for the purpose of new software being developed by the Company. The Company has incurred ₹ 1.70 million on the same during the current year and the development is in process.

10 Investments (non-current)

	As at 31 March 2022	**As at 31 March 2021**	**As at 1 April 2020**
Investment in equity shares (unquoted, at cost)			
Wholly owned subsidiaries			
Sibling Lifecare Private Limited	0.10	0.10	0.10
10,000 (31 March 2021: 10,000, 31 March 2020: 10,000)			
Equity shares of ₹ 10 each fully paid up			
Regency Institute of Nursing	1.00	1.00	1.00
100,000 (31 March 2021: 100,000, 31 March 2020: 100,000)			
Equity shares of ₹ 10 each fully paid up			
Associate			
Regency Nephrocare Private Limited	14.21	14.21	14.21
1,421,000 (31 March 2021: 1,421,000, 31 March 2020: 1,421,000)			
Equity shares of ₹ 10 each fully paid up			
	15.31	**15.31**	**15.31**

11 Other financial assets (non-current)
(unsecured, considered good)

	As at 31 March 2022	**As at 31 March 2021**	**As at 1 April 2020**
Security deposits	64.15	56.67	43.57
Deposits with maturity more than 12 months*	338.52	448.92	195.74
Interest accrued but not due on others	3.88	3.91	0.96
	406.55	**509.50**	**240.27**

*Total deposits of ₹ 9.63 million (31 March, 2021 ₹ 14.18 million, 01 April, 2020 ₹ 35.74 million are pledged with HDFC Bank Limited, Yes Bank Limited, Bank of Baroda against fund based and non fund based limit.

12 Income tax assets (net)

	As at 31 March 2022	**As at 31 March 2021**	**As at 1 April 2020**
Income tax assets (net)			
Advance income tax	119.37	93.34	129.25
Less: Provision for income tax	38.98	2.06	0.87
	80.39	**91.28**	**128.38**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

13 Deferred tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deferred tax liabilities (net)	110.49	57.53	72.72
Deferred tax asset arising on account of :			
Provision for employee benefits	(4.33)	(0.66)	(0.88)
Allowance for expected credit loss	(12.05)	(14.56)	(18.08)
Provision for bonus	(8.15)	(4.21)	(3.34)
Right of use asset and related laibilties	(22.24)	(22.88)	(12.45)
Expenses incurred on capital raising	(7.06)	(7.27)	(7.48)
Unabsorbed depreciation as per the Income- tax Act, 1961	-	(44.62)	(14.88)
	(53.83)	**(94.20)**	**(57.11)**
Deferred tax liability arising on account of :			
Temporary difference on account of property, plant and equipment	158.62	147.20	128.26
Fair value measurement of investment	0.69	-	-
Deferred lease rent recoverable	5.01	4.53	1.57
	164.32	**151.73**	**129.83**
Net deferred tax liabilities	**110.49**	**57.53**	**72.72**

Notes:

(i) Movement in deferred tax assets/(liabilities) for year ended 31 March 2022:

	As at 01 April 2021	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at 31 March 2022
Deferred tax asset/(liability) arising on account of :				
Provision for employee benefits	0.66	2.68	0.99	4.33
Allowance for expected credit loss	14.56	-	(2.51)	12.05
Provision for bonus	4.21	-	3.94	8.15
Lease accounting	22.88	-	(0.64)	22.24
Expenses incurred on capital raising	7.27	-	(0.20)	7.06
Unabsorbed depreciation as per the Income- tax Act, 1961	44.62	-	(44.62)	-
Deferred lease rent recoverable	(4.53)	-	(0.48)	(5.01)
Fair value measurement of investment	-	-	(0.69)	(0.69)
Temporary difference on account of property, plant and equipment	(147.20)	-	(11.42)	(158.62)
Net deferred tax assets/(liabilities)	**(57.53)**	**2.68**	**(55.63)**	**(110.49)**

(ii) Movement in deferred tax assets/(liabilities) for year ended 31 March 2021:

	As at 01 April 2020	Recognised in other comprehensive income	Recognised in statement of profit and loss	As at 31 March 2021
Deferred tax asset/(liability) arising on account of :				
Provision for employee benefits	0.88	0.03	(0.25)	0.66
Allowance for expected credit loss	18.08	-	(3.52)	14.56
Provision for bonus	3.34	-	0.87	4.21

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Lease accounting	12.45	-	10.43	22.88
Expenses incurred on capital raising	7.48	-	(0.21)	7.27
Unabsorbed depreciation as per the Income- tax Act, 1961	14.88	-	29.74	44.62
Deferred lease rent recoverable	(1.57)	-	(2.96)	(4.53)
Temporary difference on account of property, plant and equipment	(128.26)	-	(18.94)	(147.20)
Net deferred tax assets/(liabilities)	**(72.72)**	**0.03**	**15.16**	**(57.53)**

Note: A deferred tax shall be recognised for all deductible temporary differences to the extend that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

14 Other non-current assets
(unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deferred lease rent recoverable	8.65	7.60	6.23
Advance to others	2.23	2.39	2.80
Capital advances	9.66	14.03	33.08
	20.54	**24.02**	**42.11**

15 Inventories (valued at lower of cost or net realisable value)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Pharmacy	50.81	38.39	38.28
Surgical, pathological and kitchen items	49.78	52.80	56.00
Other miscellaneous consumable items	10.27	8.57	9.26
	110.86	**99.76**	**103.54**
Goods in transit	1.64	3.00	4.39
	112.50	**102.76**	**107.93**

16 Investments (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Investment in Mutual Funds (quoted, at fair value)			
4,37,546.66 (31 March, 2021-Nil, 1 April, 2020- 4,20,983) units of HDFC Low Duration Funds - LT - Growth	20.48	-	17.54
47,538.62 (31 March, 2021-1,630, 1 April, 2020-1,340) units of Axis Treasury Advantage Fund - Regular Plan - Growth	118.71	3.90	3.00
43,350.18 (31 March, 2021-Nil, 1 April, 2020- 3,586) units of Reliance Low Duration funds	132.07	-	9.60
	271.26	**3.90**	**30.14**

17 Trade receivables

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Unsecured, considered good	298.33	224.00	349.61
Credit impaired	47.87	57.85	71.84
Less: Allowance for expected credit loss	(47.87)	(57.85)	(71.84)
	-	-	-
	298.33	**224.00**	**349.61**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Outstanding for following periods from due date of payment - 31 March 2022

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	213.90	44.36	16.89	7.37	15.81	**298.33**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	13.15	2.73	1.04	0.45	30.50	**47.87**
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Outstanding for following periods from due date of payment - 31 March 2021

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	140.97	31.58	20.62	10.76	20.07	**224.00**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	18.74	4.20	2.74	1.43	30.74	**57.85**
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Outstanding for following periods from due date of payment - 1 April 2020

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	157.16	100.88	42.94	20.15	28.48	**349.61**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	27.76	17.82	7.59	3.56	15.11	**71.84**
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

18 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Balances with banks:			
- in current accounts *	905.33	116.56	15.55
Cash in hand	5.67	7.64	5.97
Term Deposits (with maturity up to 3 months)**	4.24	3.87	3.74
Interest accrued but not due on fixed deposits	0.01	0.01	0.02
	915.25	**128.08**	**25.28**

* ₹ 653.95 million out of the balances with banks in current accounts as on 31 March, 2022 has been utilised for repayment of Term Loans from Indusind bank Limited on 7th April, 2022 .

**Total deposits of ₹ 4.24 million (31 March, 2021 ₹ 3.87 million, 01 April, 2020 ₹ 3.74 million) are pledged with HDFC Bank Limited against non fund-based limits.

19 Other bank balances

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Deposits with maturity more than three months but less than 12 months*	0.87	0.84	0.81
Interest accrued but not due on fixed deposits	0.01	0.01	-
	0.88	**0.85**	**0.81**

*Total deposits of ₹ 0.87 million (31 March, 2021 ₹ 0.84 million, 01 April, 2020 ₹ 0.81 million) are pledged with HDFC Bank Limited against non fund based limits.

20 Other financial assets (current)
(unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Unbilled revenue	41.23	45.91	31.27
Interest accrued on income tax refund	2.56	-	-
	43.79	**45.91**	**31.27**

21 Other current assets
(unsecured, considered good)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Prepaid expenses	20.78	13.59	15.90
Advances to vendor	13.05	4.48	14.10
Advance to employees	3.07	2.71	2.81
Advances to others	0.42	0.91	0.37
Balances with statutory and government authorities	0.15	0.16	0.24
	37.47	**21.85**	**33.42**

22 Equity share capital

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Authorised equity share capital			
55,000,000 (31 March 2021 : 55,000,000; 31 March 2020 : 55,000,000) Equity shares of Rs 10 each	550.00	550.00	550.00
	550.00	**550.00**	**550.00**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Issued, subscribed and paid up equity share capital			
14,042,779 (31 March 2021 : 14,042,779; 31 March 2020 : 14,042,779) Equity shares of Rs 10 each	140.43	140.43	140.43
	140.43	**140.43**	**140.43**

i) Rights, preferences and restrictions attached to equity shares:

As per the Memorandum of Association, the Company's authorised share capital consists of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on show of hand or through proxy shall be in proportion to his share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

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

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	14,042,779	140.43	14,042,779	140.43	14,042,779	140.43
Add: Issued during the year	-	-	-	-	-	-
Balance at the end of the year	**14,042,779**	**140.43**	**14,042,779**	**140.43**	**14,042,779**	**140.43**

iii) Shareholders holding more than 5% of share/ Promoters with any number of shares of the Company as at balance sheet date:

Name of Shareholder	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Promoters and Promoter group (with any number of shareholding)						
Dr. Rashmi Kapoor	3,433,502	24.45%	3,433,502	24.45%	3,433,502	24.45%
Dr. Atul Kapoor *	2,702,260	19.24%	2,702,260	19.24%	2,702,260	19.24%
Atul Kapoor (HUF)	1,182,523	8.42%	1,182,523	8.42%	1,182,523	8.42%
Anant Ram Kapoor *	886,252	6.31%	886,252	6.31%	886,252	6.31%
Soni Kapoor	649,210	4.62%	649,210	4.62%	649,210	4.62%
Abhishek Kapoor	177,508	1.26%	177,508	1.26%	177,508	1.26%
Arun Akshat Kapoor HUF	67,200	0.48%	67,200	0.48%	67,200	0.48%
Arun Kapoor HUF	52,272	0.37%	52,272	0.37%	52,272	0.37%
Arun Kapoor *	5,000	0.04%	5,000	0.04%	5,000	0.04%
Others (with shareholding more than 5% of share)						
International Finance Corporation	2,802,217	19.95%	2,802,217	19.95%	2,802,217	19.95%
Kois Holdings	908,590	6.47%	908,590	6.47%	908,590	6.47%
Healthquad Fund	770,832	5.49%	770,832	5.49%	770,832	5.49%

* Shares held by Mr. Anant Ram Kapoor, who deceased on 10th December, 2021, have been transferred equally in the names of his legal heirs Mr. Atul Kapoor and Mr. Arun Kapoor subsequent to the Balance Sheet date.

iv) The Company has neither issued equity shares pursuant to contract without payment being received in cash or any bonus shares nor has there been any buy-back of shares in the current year and five years immediately preceding the balance sheet date.

23	Other equity	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
	Securities Premium			
	Opening balance	981.26	981.26	981.26
	Additions during the year	-	-	-
		981.26	**981.26**	**981.26**
	General reserve			
	Opening balance	418.74	418.74	418.74
	Add: Transferred from statement of profit and loss	-	-	-
		418.74	**418.74**	**418.74**
	Retained earnings			
	Opening balance	(62.19)	7.36	23.88
	Adjustment on account of transition to IndAS	-	-	(16.52)
	Profit for the year	273.02	(69.45)	-
	Other comprehensive income (net of tax)	(7.97)	(0.10)	-
		202.86	**(62.19)**	**7.36**
		1,602.86	**1,337.81**	**1,407.36**

Nature and purpose of reserves :

Securities Premium Reserve: Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve : General reserve represents profits transferred from retained earnings from time to time to general reserve for appropriate purposes based on the provisions of the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. It can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained earnings are the profits of the Company earned till date net of appropriations.

24 Borrowings - Non-current *

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Secured			
Term loans *			
- from banks	2,366.76	1,791.60	1,390.68
Vehicle loan			
- from banks	1.38	1.73	1.98
- from others	11.25	10.97	6.43
	2,379.39	1,804.30	1,399.09
Less: Current maturities of long-term borrowings (refer note 26)	(889.86)	(177.30)	(90.34)
	1,489.53	**1,627.00**	**1,308.75**

*Refer note 24(a) for terms of borrowings.

* Term Loan from Banks as on 31 March, 2022 includes Term Loan from IndusInd Bank Limited amounting to ₹ 653.95 million which has been fully repaid on 7th April, 2022.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)

24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
HDFC Bank Limited	0.04	4.97	6.88	Duration: 81 months (including 6 months moratorium) beginning from 20 Aug 2015 to 20 April 2022-:- 49 Equated Monthly Instalments (EMIs) of ₹ 0.43 million per month beginning from 20 Feb 2016 to 20 Feb 2020 - 6 months moratorium availed under relief package provided by RBI- 20 EMIs of ₹ 0.43 million per month from 20 Sept 2020 till 20 April 2022	Secured by way of charge on movable plant and machinery, and other fixed assets.
HDFC Bank Limited	23.43	30.62	32.21	Duration: 101 Months (including 12 Months Moratorium) beginning from 01 Oct 2016 to 01 Feb 2025 details as follows:-, 29 Equated Monthly Instalments of ₹ 0.76 million from 01 Oct 2017 to 01 Feb 2020- 6 months moratorium availed under relief package provided by RBI from March 2020 to August 2020 -54 Equated Monthly Instalments of ₹ 0.76 million from 01 Sept 2020 to 1Feb 2025	1. First and exclusive charge on all current assets of Regency Hospital Limited. 2. First and exclusive charge on all present and future fixed assets (movable & immovable) excluding assets specifically charged to others lender. 3. Hypothecation and exclusive charge on plant & machinery & other assets of the Company (both current and future) 4. Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. 5. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) 117/138 B-2 Sarvodya Nagar, Kanpur c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
HDFC Bank Limited	46.99	59.24	62.45	Duration: 107 months (including 15 months moratorium) beginning from 01 Oct 2016 to 01 Aug 2025 details as follows:-- 3 (EMIs) of ₹ 0.67 million per month from 01 Jan 2018 to 01 March 2020- 23 (EMIs) of ₹ 1.34 million per month from 01 April 2018 to 01 Feb 2020- 6 months moratorium availed under relief package provided by RBI from March 20 to Aug 2020 - 60 EMIs of ₹ 1.34 million per month from 01 Sept 2020 till 01 Aug 2025	
HDFC Bank Limited	47.11	59.84	61.59	Duration: 105 months Equated Monthly Instalments (EMIs) beginning from 05 Oct 2016 to 05 June 2022 details as follows:- - 41 Equated Monthly Instalments (EMIs) of ₹ 1.38 million per month beginning from 05 Oct 2016 to 05 Feb 2020 - 6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 58 EMIs of ₹ 0.43 million per month from 05 Sept 2020 till 05 June 2022	
HDFC Bank Limited	26.08	31.07	31.78	Duration: 105 Equated Monthly Instalments (EMIs) beginning from 20 January 2018 to 20 Sept 2026 details as follows-:-6 EMI of ₹ 0.56 million from 20 January 2018 to 20 June 2018. -20 EMI of ₹ 0.59 million from 20 July 2018 to 20 February 2020.-6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 -73 EMI of ₹ 0.59 million from 20 September 2020 to 20 September 2026	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)
Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)
24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
HDFC Bank Limited	46.34	53.78	54.44	Duration: 107 Equated Monthly Instalments (EMIs) (including 12 months moratorium) beginning from 01 April 2018 to 01 Feb 2027 details as follows-:-11 EMI of ₹ 0.92 million from 01 April 2019 to 01 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 78 EMI of ₹ 0.92 million from 20 September 2020 to 01 Feb 2027	Kapoor *. SPDC with SI for all activities as per bank requirement from Company and Promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed. The said policy to be endorsed in the name of HDFC Bank Limited. 7. Hedging of Fx exposures as appointed by the bank, General Insurance for all assets to be lien marked in favour of HDFC Bank Limited as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)-117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
Yes Bank Limited	26.72	31.13	33.51	88 Equated Monthly Instalments (EMIs) ranging from ₹ 0.0023 million to ₹ 0.11 million	Hypothecation on Original Invoices and Insurance Copies
HDFC Bank Limited	114.23	115.33	110.00	Loan With a Door to Door tenure of 10.42 years. Repayment in 37 quarterly ended structured instalments as per repayment schedule given below: **Year** — **Repayment** Till May 21 — Nil June 21 to May 22 — 1% of TL with interest June 22 to May 23 — 4% of TL with interest June 23 to May 24 — 5% of TL with interest June 24 to May 25 — 6% of TL with interest June 25 to May 26 — 8% of TL with interest June 26 to May 27 — 9% of TL with interest June 27 to May 28 — 19% of TL with interest June 28 to May 29 — 19% of TL with interest June 29 to April 30 — 28% of TL with interest	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. SPDC with SI for all activities as per bank requirement from company and promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed . The said policy to be endorsed in the name of HDFC Bank Limited. 7. Hedging of Fx exposures as appointed by the bank, General Insurance for all assets to be lien marked in favor of HDFC Bank Limited as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)-117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP d) 113/104, Swaroop Nagar Kanpur e) Plot No 1/PS Ambedhkarpuram, Scheme No 3, Kalyanpur, Kanpur
HDFC Bank Limited	99.85	101.02	96.36	Loan With a Door to Door tenure of 10.3 years. Repayment in 36 quarterly ended structured instalments as per repayment schedule given	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)
Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)
24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
				below : **Year** **Repayment** Till May 21 Nil June 21 to May 22 1% of TL with interest June 22 to May 23 5% of TL with interest June 23 to May 24 6% of TL with interest June 24 to May 25 8% of TL with interest June 25 to May 26 9% of TL with interest June 26 to May 27 12% of TL with interest June 27 to May 28 23% of TL with interest June 28 to May 29 23% of TL with interest June 29 to May 30 13% of TL with interest	
HDFC Bank Limited	81.82	102.30	106.23	Duration: 70 Equated Monthly Instalments (EMIs) beginning from 20 Dec 2019 to 20 Sept 2025 details as follows-:-3 EMI of ₹ 2.26 million on 20 Dec 2019 to 20 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 -61 EMI of ₹ 2.26 million from 20 Sept 2020 to 20 Sept 2025	
HDFC Bank Limited	9.09	69.43	92.98	Duration: 30 Equated Monthly Instalments (EMIs) beginning from 20 Dec 2019 to 20 May 2022 details as follows-:-1 EMI of ₹ 5.29 million on 20 Dec 2019 -2 EMI of ₹ 5.29 million from 20 Jan 2020 to 20 Feb 2020. -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 -21 EMI of ₹ 5.29 million from 20 September 2020 to 20 May 2022	
HDFC Bank Limited	-	63.60	29.01	Duration: 113 Months EMIs (including 12 Months Moratorium) beginning from 20 Dec 2019 to 20 April 2029 details are as follows- 1 EMI of ₹ 0.83 million on 20 Dec 2020- 1 EMI of ₹ 0.85 million on 20 Jan 2021- 3 EMI of ₹ 0.88 million from 20 Feb 2021 to 20 April 2021. - 96 EMIs of ₹ 0.89 million per month from 20 May 2021 till 20 Apr 2029	
HDFC Bank Limited	27.62	29.03	18.88	Duration: 95 Months (including 12 Months Moratorium) beginning from 20 February 20 to 20 Dec 2027 details are as follows- 1 EMI of ₹ 0.45 million on 20 Feb 2021 - 82 EMIs of ₹ 0.46 million per month beginning from 20 March 2021 till 20 Dec 2027	
HDFC Bank Limited	11.07	19.91	23.20	Duration: 41 Months beginning from 20 Dec 2019 to 20 April 2023 details are as follows- 3 EMI of ₹ 0.90 million from 20 Dec 2019 to 20 Feb 2021- 6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 32 EMIs of ₹ 0.90 million per month beginning from 20 Sept 2020 till 20 April 2023	
HDFC Bank Limited	-	6.60	6.43	Duration: 115 EMIs (including 12 Months Moratorium) beginning from 20 Jan 2020 to 20 July 2029 details as follows-:-103 EMI of ₹ 0.05	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts are in ₹ million unless stated otherwise)

Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)

24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
				million on 20 Jan 2021 to 20 July 2029	
HDFC Bank Limited	6.37	7.28	7.35	Duration: 97 Months beginning from 05 July 2019 to 05 July 2027 details are as follows- 8 EMI of ₹ 0.08 million from 05 July 2019 to 05 Feb 2020 -6 months moratorium availed under relief package provided by RBI from March 20 to August 2020 - 83 EMIs of ₹ 0.12 million per month beginning from 05 Sept 2020 till 05 July 2027	
IndusInd Bank Limited**	611.16	31.07	17.38	Loan With a Door to Door tenure of 7 years . Repayment in 24 quarterly ended structured instalments as per repayment schedule given below : **Year** — **Repayment** Till Dec 20 — Nil Jan 21 to Dec 21 — 17% of TL with interest Jan 22 to Dec 22 — 10% of TL with interest Jan 23 to Dec 23 — 13% of TL with interest Jan 24 to Dec 24 — 13% of TL with interest Jan 25 to Dec 25 — 13% of TL with interest Jan 26 to Dec 26 — 34% of TL with interest	1. Exclusive charge on the medical equipment and other movable fixed assets (both present and future) in Oncology and Gastro Centre. 2. Exclusive charge by way of equitable mortgage on the land and building of the Oncology and Gastro Centre 3. Exclusive charge on all current assets (both present & future) of Oncology and Gastro Centre.
IndusInd Bank Limited**	42.79	611.16	600.00	Loan With a Door to Door tenure of 10 years . Repayment in 36 quarterly ended structured instalments as per repayment schedule given below : **Year** — **Repayment** Till Sept 20 — Nil Oct 20 to Sep 21 — 3% of TL with interest Oct 21 to Sep 22 — 2% of TL with interest Oct 22 to Sep 23 — 5% of TL with interest Oct 23 to Sep 24 — 7% of TL with interest Oct 24 to Sep 25 — 8% of TL with interest Oct 25 to Sep 26 — 10% of TL with interest Oct 26 to Sep 27 — 19% of TL with interest Oct 27 to Sep 28 — 19% of TL with interest Oct 28 to Sep 29 — 27% of TL with interest	
HDFC Bank Limited	122.25	126.84	-	Duration: 60 Months (including 12 Months Moratorium), Equated Monthly Instalments (EMIs) of ₹ 3.05 million per month beginning from 07 Feb 2022 till 20 Jan 2026	Extension of Second Ranking Charge over existing primary and collateral securities including mortgages created in favour of Bank
HDFC Bank Limited	177.81	184.48	-	Duration: 60 Months (including 12 Months Moratorium), Equated Monthly Instalments (EMIs) of ₹ 4.44 million per month beginning from 07 Feb 2022 till 20 Jan 2026	Extension of Second Ranking Charge over existing primary and collateral securities including mortgages created in favour of Bank
HDFC Bank Limited	-	52.90	-	Duration: 79 Months EMIs beginning from 20 Nov 2020 to 20 April 2027 details are as follows- 1 EMI of ₹ 0.11 million on 20 Nov 2020- 3 EMI of ₹ 0.42 million from 20 Dec 2020 to 20 Feb 2021- 1 EMI of ₹ 0.50 million from 20 March 2021. - 1 EMI of ₹ 0.80 million on 20 April 2021- 73 EMIs of ₹ 0.89 million from 20 May 2021 till 20 Apr 2027	1. First and exclusive charge on all current assets (Stock, consumables and book debts of Regency Hospital Limited (Both present & future of MSH) 2. First and exclusive charge on fixed assets (movable & immovable) including Land & Building of Regency Hospital Limited (both current & future of MSH) 3. First & exclusive charge through equitable

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)
Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)
24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
					mortgage of Regency Hospital Limited 4. Hypothecation and exclusive charge on plant & machinery & other assets of the company RHL-MSH facility (Both current & future) 5. Co-applicancy/Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. SPDC with SI for all activities as per bank requirement from company and promoters. 6. The customer has to ensure insurance cover against all risk on the equipment financed . The said policy to be endorsed in the name of HDFC Bank LimitedLtd. 7. Hedging of Fx exposures as appointed by the bank , General Insurance for all assets to be lien marked in favor of HDFC Bank Limited Ltd. as the first loss payee as applicable. 8. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) M/s Abhirev Healthcare Pvt Ltd. (amalgamated with Regency Hospital Ltd.)-117/138 B-2 Sarvodaya Nagar Kanpur UP c) 117/101, K-Block Kakadeo Hospital Kanpur, UP d) 113/104, Swaroop Nagar Kanpure) Plot No 1/PS Ambedhkarpuram, Scheme No 3, Kalyanpur, Kanpur
Axis Bank Limited **	611.16	-	-	Total Tenure 7 Yrs. 6 Months Interest payment on monthly basis Principal Repayment 22 Quarterly Instalments as below:- - 2 quarterly instalments of ₹ 6.00 million starting from 30.06.2022 to 30.09.2022 - 4 quarterly instalments of ₹ 7.50 million starting from 31.12.2022 to 30.09.2023 - 4 quarterly instalments of ₹ 10.50 million starting from 31.12.2023 to 30.09.2024 - 4 quarterly instalments of ₹ 12.00 million starting from 31.12.2024 to 30.09.2025 - 4 quarterly instalments of ₹ 15.00 million starting from 31.12.2025 to 30.09.2026 - 4 quarterly instalments of ₹ 30.00 million starting from 31.12.2026 to 30.09.2027	Primary:- * Exclusive charge on all the present and future current assets of Oncology & Gastro unit.*Exclusive charge on all the medical equipment and other movable fixed assets, present and future in Oncology & Gastro unit Collateral: Exclusive charge by the way of equitable mortagage of commercial property-located at A-4, Sarvodaya nagar Oncology & Gastro unit Kanpur nagar Uttar-Pradesh (208005). Company to maintain minimum collateral coverage of 42.50% thoughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank. Guarantors:- a) Mr. Atul Kapoor b) Mrs. Rashmi Kapoor
Axis Bank Limited **	42.79	-	-	Total Tenure 5 Yrs. 9 Months Interest payment on monthly basis Principal Repayment 23 Quarterly Instalments as below:- 15 quarterly instalments of ₹ 1.94 million starting from 30.06.2022 to 31.12.2025- 3 quarterly instalments of ₹ 2.25 million starting from 31.03.2026 to 30.09.2026- 5 quarterly instalments of ₹ 1.39 million starting from 31.12.2026 to 31.12.2027	Primary:- * Exclusive charge on all the present and future current assets of Oncology & Gastro unit.*Exclusive charge on all the medical equipment and other movable fixed assets, present and future in Oncology & Gastro unit Collateral: Exclusive charge by the way of equitable mortagage of commercial property-located at A-4, Sarvodaya nagar Oncology & Gastro unit Kanpur nagar Uttar-Pradesh (208005). Company to maintain minimum collateral coverage of 42.50% thoughout the tenor of facility. Shortfall, if any, to be made good by way of additional collateral security acceptable to the bank. Guarantors:- a) Mr. Atul Kapoor b) Mrs. Rashmi Kapoor
HDFC Bank Limited	115.99	-	-	Duration: 8 years and 4 months beginning from 20 Jan 2021 to 20 April 2029-Yearly loan	1. First and exclusive charge on all current assets of Regency Hospital Limited.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)
Terms of repayment and security disclosure for the outstanding long term borrowings (including current maturities of long term borrowings)
24 (a) Secured term loans from banks

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Repayment terms	Details of security
				repayment schedule-- **Year** **Loan repayments** 2021-22 0.96 million 2022-23 4.01 million 2023-24 5.88 million 2024-25 10.75 million 2025-26 20.66 million 2026-27 30.58 million 2027-28 22.84 million 2028-29 21.26 million	2. First and exclusive charge on all present and future fixed assets (movable & immovable) excluding assets specifically charged to others lender. 3. Hypothecation and exclusive charge on plant & machinery & other assets of the company (both current and future) 4. Personal guarantee of Mr. Atul Kapoor and Mrs. Rashmi Kapoor and Mr. A.R. Kapoor *. 5. Equitable mortgage of residential as well as commercial property as mentioned below: a) 117/A-2 Sarvodya Nagar, Kanpur b) 117/138 B-2 Sarvodya Nagar, Kanpur c) 117/101, K-Block Kakadeo Hospital Kanpur, UP
HDFC Bank Limited	33.17	-	-	Duration:- 9 years beginning from 20 Feb 2022 to 20 Jan 2030-First Instalment of ₹ 0.07 million on 20.02.2022-Two Instalments of ₹ 0.40 million on 20.03.2022 and 20.4.2022-Two Instalments of ₹ 0.50 million on 20.05.2022 and 20.6.2022-103 Monthly instalments of ₹ 0.57 million starting from 20.7.2022 to 20.1.2030	
HDFC Bank Limited	42.88	-	-	Duration:- 6 years and 6 months beginning from 20 Nov 2020 to 20 April 2027-First Instalment of ₹ 0.11 million on 20.11.2020-Five Instalments of ₹ 0.42 million on 20.12.2020 and 20.4.2021-Four Instalments of ₹ 0.52 million on 20.05.2021 and 20.8.2021-one Instalment of ₹ 0.59 million on 20.09.2021-one Instalment of ₹ 0.70 million on 20.10.2021-one Instalment of ₹ 0.72 million on 20.11.2021-64 Monthly instalments of ₹ 0.83 million starting from 20.12.2021 to 20.03.2027-one Instalment of ₹ 0.52 million on 20.04.2027	
HDFC Bank Limited (Vehicle Loan)	1.38	1.73	1.98	Equated Monthly Instalments (EMIs) of ₹ 0.04 million	Secured by way of charge on vehicle on vehicle financed through loan facility.
Kotak Mahindra Prime Limited (Vehicle Loan)-Loan from NBFC	11.25	10.97	6.43	Equated Monthly Instalments (EMIs) ranging from ₹ 0.02 million per month to ₹ 0.11 million	Secured by way of charge on vehicle on vehicle financed through loan facility.
Total-A	**2,379.39**	**1,804.30**	**1,399.09**		
Current maturities of long term debt	889.86	177.30	90.34		
Total-B	**1,489.53**	**1,627.00**	**1,308.75**		

* Mr. Anant Ram Kapoor has thus deceased on 10 December 2021.

The above loans carry an interest rate ranging from 6.10 % p.a. to 8.40% p.a. (previous year 7.80% p.a. to 9.50% p.a).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

24 (a) Security Disclosure for the outstanding short term borrowings (including working capital facilities)

Name of bank Financial Institution	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020	Details of security
IndusInd Bank Limited**	-	1.01	29.52	1. Exclusive charge on Land & Building located at A-4, Sarvodaya Nagar, Kanpur. 2. Exclusive charge on all movable fixed and current assets (both present & future).
HDFC Bank Limited	220.83	125.60	222.80	Same as above
Axis Bank Limited	45.34	-	-	Same as above
Bank of Baroda overdraft account	-	-	-	Secured against Term deposit
	266.17	**126.61**	**252.32**	

The above working capital facilities carry an interest rate ranging from 6.10% p.a. to 8.40% p.a. (previous year 7.75% p.a. to 11.30%).

** Term loans and working capital facilities availed from IndusInd Bank have been repaid on 7 April 2022 and the charge thereon has been duly satisfied.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

25 Other financial liabilities (non-current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Security deposit (unsecured, considered good)	42.22	35.61	32.12
Creditors for capital goods	1.00	3.36	107.89
	43.22	**38.97**	**140.01**

26 Borrowings- Current

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Working capital loans *	266.17	126.61	252.32
Current maturities of long-term debt	889.86	177.30	90.34
	1,156.03	**303.91**	**342.66**

*Refer note-24(a) for details.

e. Reconciliation of liabilities arising from financing activities

	Long-term borrowings (including current maturities)	Lease liabilities	Short-term borrowings	Interest	Total
As at 31 March 2021	1,804.30	490.38	126.61	4.30	2,425.59
Cash flows:					
Proceeds	739.29	-	139.56	-	878.85
Repayment of borrowings	(164.20)	(68.60)	-	(132.97)	(365.77)
Payment of interest on lease obligation	-	(51.05)	-		(51.05)
Non-cash:					
Interest expenses	-	51.05	-	135.69	186.74
Increase in lease Liability	-	11.60	-	-	11.60
As at 31 March 2022	**2,379.39**	**433.38**	**266.17**	**7.02**	**3,085.96**

	Long-term borrowings (including current maturities)	Lease liabilities	Short-term borrowings	Interest	Total
As at 31 March 2020	1,399.09	275.85	252.32	3.49	1,930.75
Cash flows:					
Proceeds	577.19	-	-	-	577.19
Repayment of borrowings	(171.98)	(32.55)	(125.71)	(152.89)	(483.13)
Payment of interest on lease obligation	-	(57.03)	-	-	(57.03)
Non-cash:					
Impact of amortised cost adjustment for borrowings	-	(3.38)	-	-	(3.38)
Interest expenses	-	57.03	-	153.70	210.73
Increase in lease Liability	-	250.46	-	-	250.46
As at 31 March 2021	**1,804.30**	**490.38**	**126.61**	**4.30**	**2,425.59**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

27 Trade payables

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Outstanding dues of Micro Enterprises and Small Enterprises	4.40	11.79	4.91
Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	239.51	279.11	237.53
	243.91	**290.90**	**242.44**

Trade Payables Ageing Schedule
As on 31 March 2022

Particulars	Outstanding for the following periods from the due date of payment				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME	4.40	-	-	-	4.40
(b) Others	227.95	8.61	2.36	0.59	239.51
Total	**232.35**	**8.61**	**2.36**	**0.59**	**243.91**

Trade Payables Ageing Schedule
As on 31 March 2021

Particulars	Outstanding for the following periods from the due date of payment				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME	11.79	-	-	-	11.79
(b) Others	162.21	1.51	7.34	108.05	279.11
Total	**174.00**	**1.51**	**7.34**	**108.05**	**290.90**

Trade Payables Ageing Schedule
As on 01 April 2020

Particulars	Outstanding for the following periods from the due date of payment				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) MSME	4.91	-	-	-	4.91
(b) Others	213.37	13.34	8.69	2.13	237.53
Total	**218.28**	**13.34**	**8.69**	**2.13**	**242.44**

a. Dues to micro and small enterprises pursuant to section 22 of the Micro and Small Enterprises Development Act (MSED), 2012

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro and Small Enterprises Development Act , 2012 (MSED Act, 2012) and based on the information available with the company, the following are the details:

i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	4.40	11.79	4.91
ii) Interest due thereon	0.01	0.11	0.21

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

iii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	0.41	-
iv) 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 period) but without adding the interest specified under this Act;	-	-	-
v) the amount of interest accrued and remaining unpaid at the end of each accounting period; and	0.01	-	0.30
vi) the amount of further interest remaining due and payable even in the succeeding periods, 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 section 23.	-	-	-

28 Other financial liabilities (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Interest accrued but not due	7.02	4.30	3.49
Security deposit received	10.71	9.04	8.15
Creditor for capital goods	82.11	99.36	131.94
Consultant fee payable	81.95	80.11	64.72
Employee related payables	72.55	51.98	48.81
Other payables	33.49	3.13	9.52
	287.83	**247.92**	**266.63**

29 Other current liabilities

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance from customers	163.47	113.56	103.68
Statutory dues	20.26	14.36	10.58
Other liabilities	4.29	4.65	6.11
	188.02	**132.57**	**120.37**

30 Provisions (current)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for employee benefits*			
Gratuity	15.79	2.61	3.50
Compensated absences	5.40	5.16	5.00
	21.19	**7.77**	**8.50**

*Refer note 41 for details.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

31 Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Healthcare services	3,369.74	2,450.95
Pharmacy and surgical sales	265.44	180.77
	3,635.18	**2,631.72**

32 Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on		
bank deposits	32.41	22.06
others	6.78	5.57
Provision/liabilities no longer required written back	5.25	7.62
Profit on sale of mutual funds	2.98	2.52
Rental Income	15.81	17.24
Sale of food items	4.85	2.63
Miscellaneous income	7.72	3.98
Gain on modification of lease	-	3.38
	75.80	**65.00**

33 Cost of materials consumed

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock	91.19	94.23
Add : Purchases during the year	866.53	627.59
Less : Closing stock	(100.59)	(91.19)
Cost of materials consumed	**857.13**	**630.63**

34 Employee benefit expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	528.01	446.51
Contribution to provident and other funds	18.56	10.99
Gratuity*	4.42	3.85
Staff welfare expenses	3.95	8.80
	554.94	**470.15**

*Refer note 41 for details.

35 Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on		
lease obligations	51.05	57.03
term loans	132.06	136.47

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

vehicle loans	1.09	0.85
working capital facilities	0.32	15.14
others	0.03	0.31
Other borrowing cost	2.19	0.93
	186.74	**210.73**

36 Depreciation and amortisation expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 5)	190.76	178.34
Depreciation on right of use asset (refer note 6)	66.63	68.94
Amortisation of intangible assets (refer note 8)	4.13	3.91
	261.52	**251.19**

37 Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Doctor and other professional fees	867.35	659.95
Power and fuel	114.48	104.11
Bill processing and collection charges	21.75	17.56
Rent	15.45	13.05
Repair and Maintenance		
on plant and machinery	54.34	49.20
on building	5.28	12.66
on vehicles	6.21	5.10
on others	57.97	44.69
Insurance	5.84	6.02
Rates and taxes	5.69	5.32
Advertisement expenses	21.99	15.51
Travelling and conveyance	7.53	5.13
Communications	1.64	1.59
Medical service fee	81.81	73.63
House keeping expenses	82.33	70.23
Corporate social responsibilty expenses (refer note 49)	1.50	3.11
Legal and professional	16.37	17.66
Payment to Auditors *	3.96	2.36
Loss on sale /retirement of property, plant and equipment	1.56	1.10
Security expenses	22.67	20.02
Printing and stationary	20.31	15.44
Bad debts and provision for doubtful debts	53.43	61.67
Bank charges	0.37	0.61
Bank commission	7.99	5.89
Miscellaneous expenses	7.26	7.00
	1,485.08	**1,218.61**

Notes:

*** Payments to Auditors'**

	For the year ended 31 March 2022	For the year ended 31 March 2021
As Auditors :		
Statutory audit fee	2.60	2.21
Tax audit fee	0.18	0.15
Other services	1.18	-
	3.96	**2.36**

38 Tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	36.92	-
Deferred tax	52.95	(15.17)
	89.87	**(15.17)**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company and the reported tax expense in profit or loss are as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before income tax	365.57	(84.59)
Tax at the applicable rate of tax (25.168%)	92.01	(21.29)
Tax effect of amounts which are not deductible (taxable)		
in calculating taxable income:		
Non-deductible expenses for tax purposes	0.38	6.01
Others	0.16	0.14
Impact of deferred tax on OCI	(2.68)	(0.03)
	89.87	**(15.17)**

39 Earnings per equity share

	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Net profit/(loss) attributable to equity shareholders	273.02	(69.45)
b) Weighted average number of shares	14,042,779	14,042,779
c) Nominal value of shares	10	10
d) Earnings per share		
Basic earnings per share	19.44	(4.95)
Diluted earnings per share	19.44	(4.95)

40 Revenue from Contracts with Customers

The Company provides various category of healthcare services, pharmacy, surgical, pathological and kitchen items.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Description of nature of goods sold
Pharmacy
Surgical, pathological and kitchen items
Other miscellaneous consumable items
Description of nature of services rendered
Healthcare services

a. Disaggregation of revenue from contracts with customers

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year ended 31 March 2022

	Goods	Services	Total
Revenue by geography			
Domestic	265.44	3,369.74	3,635.18
	265.44	**3,369.74**	**3,635.18**
Revenue by time			
Revenue recognised at point in time	265.44	-	265.44
Revenue recognised over time	-	3,369.74	3,369.74
	265.44	**3,369.74**	**3,635.18**

For the year ended 31 March 2021

	Goods	Services	Total
Revenue by geography			
Domestic	180.77	2,450.95	2,631.72
	180.77	**2,450.95**	**2,631.72**
Revenue by time			
Revenue recognised at point in time	180.77	-	180.77
Revenue recognised over time	-	2,450.95	2,450.95
	180.77	**2,450.95**	**2,631.72**

b. Assets and liabilities related to contracts with customers

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Assets			
Contract assets			
Unbilled revenue			
Current	41.23	45.91	31.27
Advance from customers			
Current	163.47	113.56	103.68

c. Significant change in contract assets and liabilities

i) Unbilled revenue

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	45.91	31.27	35.28
Revenue billed during the year	(45.91)	(31.27)	(35.28)

Additions during the year	41.23	45.91	31.27
Closing balance	**41.23**	**45.91**	**31.27**

iii) Advance from customers

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	113.56	103.68	80.90
Goods and services delivered during the period	(89.88)	(85.37)	(65.54)
Advances received during the period	139.79	95.25	88.32
Closing balance	**163.47**	**113.56**	**103.68**

d. Reconciliation of revenue recognised with contract price

	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	3,635.18	2,630.72	2,535.79
Less: Rebates and discounts	-	-	-
Revenue from contracts with customers	**3,635.18**	**2,630.72**	**2,535.79**

e. The Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

41 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

41.1 Defined contribution plans

Provident fund

The Company also has certain defined contribution plans. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 18.56 million (31 March 2021: ₹ 10.99 million).

41.2 Defined benefit plans

A Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The liability below is funded by plan assets.

(i) Amount recognized in the balance sheet is as under:

Particulars	31 March 2022		31 March 2021		01 April 2020	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	-	15.79	-	2.61	-	3.50

(ii) Amount recognized in the statement of profit and loss and comprehensive income is as under:

Description	31 March 2022	31 March 2021	01 April 2020
Current service cost	4.31	3.78	2.65
Net interest cost	0.11	0.07	(0.12)
Net impact on profit (before tax)	**4.42**	**3.85**	**2.53**
Actuarial loss/(gain) recognized during the year	10.65	0.13	3.68
Amount recognized in total comprehensive income	**15.07**	**3.98**	**6.21**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

(iii) Movement in the present value of defined benefit obligation recognized in the balance sheet is as under:

Description	31 March 2022	31 March 2021	01 April 2020
Present value of defined benefit obligation as at the start of the year	(2.61)	(3.50)	0.33
Current service cost	(4.31)	(3.78)	(2.65)
Interest cost	(0.11)	(0.07)	0.12
Actuarial loss/(gain) recognized during the year	(10.65)	(0.13)	(3.68)
Employer contributions	1.89	4.87	2.38
Present value of defined benefit obligation as at the end of the year	**(15.79)**	**(2.61)**	**(3.50)**

(iv) Breakup of actuarial (gain)/loss:

Description	31 March 2022	31 March 2021	01 April 2020
Actuarial loss/(gain) on arising from change in financial assumption	(1.08)	(0.23)	2.99
Return on plan assets less than discount rate	0.05	0.05	0.03
Actuarial loss/(gain) on arising from experience adjustment	11.68	0.31	0.66
Total actuarial loss/(gain)	**10.65**	**0.13**	**3.68**

(v) Actuarial assumptions

Description	31 March 2022	31 March 2021	01 April 2020
Discount rate	7.10%	6.80%	6.70%
Future salary increase	5.00%	5.00%	5.00%
Expected average remaining working lives of employees (years)	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) ultimate table.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(vii) Sensitivity analysis for gratuity liability

Description	31 March 2022	31 March 2021	01 April 2020
Impact of the change in discount rate			
- Impact due to increase of 1 %	(3.21)	(2.11)	(2.99)
- Impact due to decrease of 1 %	3.83	2.51	3.71
Impact of the change in salary increase			
- Impact due to increase of 1 %	3.69	2.44	3.44
- Impact due to decrease of 1 %	(3.16)	(2.08)	(2.84)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2022	31 March 2021	01 April 2020
Within next 12 months	7.45	5.93	0.75
Between 1-5 years	10.23	6.23	4.89
Beyond 5 years	28.30	18.31	15.91

B Compensated absences (unfunded)

The leave obligations cover the Company's liability for earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance below. These are the amounts which have been recognised in the statement of profit and loss for the respective years.

Particulars	31 March 2022		31 March 2021		01 April 2020	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	5.40	-	5.16	-	5.00	-

42 Financial instruments

i) Financial assets and liabilities

The carrying amounts of financial instruments by category measured at amortised cost*

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Financial assets			
Investments in Mutual Funds *	271.26	3.90	30.14
Trade receivables	298.33	224.00	349.61
Cash and cash equivalents	915.25	128.08	25.28
Other bank balances	0.88	0.85	0.81
Other financial assets	450.34	555.41	271.54
Total	**1,936.06**	**912.24**	**677.38**
Financial liabilities			
Borrowings	2,645.56	1,930.91	1,651.41
Lease liabilities	433.38	490.38	275.85
Trade payables	243.91	290.90	242.44
Other financial liabilities	331.05	286.89	406.64
Total	**3,653.90**	**2,999.08**	**2,576.34**

*Investments in Mutual Funds are valued at FVTPL applying level 1 of valuation, remaining all Financial assets and Financial liabilities are valued at amortised cost.

Investment in subsidiaries and associate are measured at cost as per Ind AS 27, 'Separate financial statements' and Ind AS28, 'Investments in associates and joint ventures' and hence, not presented here.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

ii) Fair values hierarchy

The Company does not have any financial assets or financial liabilities carried subsequently at fair value.

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

43 Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required

The Company's risk management is carried out by a finance department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and investment of excess liquidity.

I Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

(i) *Credit risk rating*

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.(i) Low credit risk(ii) Moderate credit risk(iii) High credit risk. Assets are written off when there is no reasonable

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss.

Financial assets (other than trade receivables) that expose the entity to credit risk (gross exposure) –

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Low credit risk on financial reporting date			
Cash and cash equivalents	915.25	128.08	25.28
Other bank balances	0.88	0.85	0.81
Other financial assets	450.34	555.41	271.54

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans and other financial assets measured at amortized cost

Other financial assets measured at amortised cost includes security deposits, lease receivables, deposits with remaining maturity more than 12 months, accrued revenue and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Trade receivables

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for).

b) Expected credit losses for financial assets

As at 31 March 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	915.25	-	915.25
Other bank balances	0.88	-	0.88
Trade receivables	346.20	(47.87)	298.33
Other financial assets	450.34	-	450.34

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

As at 31 March 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	128.08	-	128.08
Other bank balances	0.85	-	0.85
Trade receivables	281.85	(57.85)	224.00
Other financial assets	555.41	-	555.41

As at 1 April 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	25.28	-	25.28
Other bank balances	0.81	-	0.81
Trade receivables	421.45	(71.84)	349.61
Other financial assets	271.54	-	271.54

II Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2022	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	69.49	248.27	115.62	433.38
Borrowings	1,156.03	943.67	545.86	2,645.56
Trade payables	243.91	-	-	243.91
Other financial liabilities	287.83	43.22	-	331.05
Total	**1,757.26**	**1,235.16**	**661.48**	**3,653.90**

As at 31 March 2021	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	67.37	241.87	181.14	490.38
Borrowings	303.91	1,104.46	522.54	1,930.91
Trade payables	290.90	-	-	290.90
Other financial liabilities	247.92	38.97	-	286.89
Total	**910.10**	**1,385.30**	**703.68**	**2,999.08**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

As at 1 April 2020	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	32.61	146.31	96.93	275.85
Borrowings	342.66	741.29	567.46	1,651.41
Trade payables	242.44	-	-	242.44
Other financial liabilities	266.63	140.01	-	406.64
Total	**884.34**	**1,027.61**	**664.39**	**2,576.34**

III Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk. The Company does not have any borrowings which carry variable rate of interest, hence, it is not exposed to interest rate risk. The Company does not have any financial instrument which exposes it to price risk.

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar (CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company has taken forward contracts to manage its exposure. The Company does not hedge theses foreign currency exposures by a derivative instrument or otherwise.

(i) Foreign currency risk exposure in USD:

The Company's exposure to foreign currency risk at the end of the reporting period (unhedged) are as follows:

Particulars	As at 31 March 2022 (Amount in ₹ million)	As at 31 March 2021 (Amount in ₹ million)	As at 1 April 2020 (Amount in ₹ million)
Payables	-	6.22	17.74
Net exposure to foreign currency risk (liabilities)	**-**	**6.22**	**17.74**
Value in USD	-	0.09	0.24
Exchange rate (INR per USD)	-	69.11	73.92

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 1 April 2020
USD sensitivity			
INR/USD- increase by 5%	-	0.31	0.89
INR/USD- decrease by 5%	-	(0.31)	(0.89)

** Holding all other variables constant*

44 Capital management

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's capital management is to maximize shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company has long-term and short term borrowings .

Debt equity ratio

Particulars	**As at 31 March 2022**	**As at 31 March 2021**	**As at 1 April 2020**
Total Debt*	2,645.56	1,930.91	1,651.41
Total equity	1,743.29	1,478.24	1,547.79
Net debt to equity ratio	**1.52**	**1.31**	**1.07**

* Debt includes long-term and short term borrowings

45 Lease related disclosures

The Company has leases for land and office premises. With the exception of short-term lease underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over premises, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	**31 March 2022**	**31 March 2021**
Short-term leases	15.45	13.05
Variable lease payments	-	-
Total	**15.45**	**13.05**

B Total cash outflow for leases for the year ended 31 March 2022 was ₹ 119.65 million (31 March 2021: ₹ 89.58 million)

C Set out below are the carrying amounts of lease liabilities (included under borrowings) and the movements during the year

	31 March 2022	**31 March 2021**
Opening balance	490.38	-
Additions	11.60	526.31
Deletions	-	-
Accretion of interest	51.05	57.03
(Gain)/loss in PL	-	(3.38)
Payments	(119.65)	(89.58)
Closing balance	**433.38**	**490.38**

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

31 March 2022	**Minimum lease payments due**				
	Within 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Lease payments	69.49	60.07	60.94	242.88	433.38
Total	**69.49**	**60.07**	**60.94**	**242.88**	**433.38**

31 March 2021	**Minimum lease payments due**				
	Within 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Lease payments	67.37	65.93	55.88	301.20	490.38
Total	**67.37**	**65.93**	**55.88**	**301.20**	**490.38**

01 April 2020	**Minimum lease payments due**				
	Within 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Lease payments	32.61	38.59	43.92	160.73	275.85
Total	**32.61**	**38.59**	**43.92**	**160.73**	**275.85**

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2022 is of ₹ Nil

F **Information about extension and termination options.**

Right of use assets	**Number of leases**	**Range of remaining term (In months)**	**Average remaining lease term (In months)**	**Number of leases with extension option**	**Number of leases with purchase option**	**Number of leases with termination option**
Property leases	11	7-108	35.82	7	-	6

G The total future cash outflows as at 31 March 2022 for leases that had not yet commenced is of ₹ nil (31 March 2021: ₹ nil).

H **Current and non-current balances**

Particulars	**31 March 2022**	**31 March 2021**	**31 March 2020**
Current	69.49	67.37	32.61
Non-current	363.89	423.01	243.24
Total	**433.38**	**490.38**	**275.85**

I **As a lessor**

Operating leases

The Company has leased some of its premises to third parties under the lease agreements that qualifies as operating lease. Rental income for operating leases for the years ended on 31 March, 2022 and 31 March, 2021 aggregate to ₹ 15.81 million and ₹ 17.24 million.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

46 Related party transactions

a) Related parties and nature of the relationship where control exists, irrespective of whether or not there have been transactions between the related parties:

Subsidiary company

Sibling Lifecare Private Limited
Regency Institute of Nursing

b) Other related parties and nature of the relationship with whom transactions have taken place during the year:

Key management personnel

Dr. Atul Kapoor (Managing Director)
Dr. Rashmi Kapoor (Whole Time Director)
Mr. Deepak Gupta (Chief Financial Officer)
Ms. Ankita Gupta (Company Secretary)

Relatives of KMP and relationship

Late Mr. Anant Ram Kapoor (hence deceased on 10th December, 2021)	- Father of Dr. Atul Kapoor
Mr. Arun Kapoor	- Brother of Dr. Atul Kapoor
Mr. Abhishek Kapoor	- Son of Dr. Atul Kapoor and Dr Rashmi Kapoor
Mrs. Jahnvi Kapoor	- Wife of Mr. Abhishek Kapoor

Associate Company

Regency Nephrocare Private Limited

Enterprises owned or significantly influenced by KMP or their relatives	Amrita Charitable Trust

c) Transactions with related parties are summarized below:

Nature of transactions	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease rent income - from building		
Regency Nephrocare Private Limited	8.10	10.48
Regency Institute of Nursing	4.96	4.96
Maintenance service for building		
Regency Nephrocare Private Limited	0.21	0.21
Fee for medical services received		
Regency Nephrocare Private Limited	81.81	73.63
Dr. Rashmi Kapoor	16.54	13.67
Share in investigation charges		
Dr. Rashmi Kapoor	3.60	4.53
Purchases		
Sibling Lifecare Private Limited	421.71	283.60

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Lease rent expense		
- Late Mr. Anant Ram Kapoor	6.78	8.61
- Dr. Atul Kapoor	0.96	-
- Dr. Rashmi Kapoor	3.90	3.90
- Shri Arun Kapoor	0.96	-
Transfer of Liability		
- Regency Institute Of Nursing	-	0.97
Payments made on behalf of		
- Regency Nephrocare Private Limited	0.56	1.19
- Sibling Lifecare Private Limited	-	0.17
- Amrita Charitable Trust	-	0.08
- Regency Institute of Nursing	0.30	1.18
Transfer of Assets		
-Regency Institute Of Nursing	-	0.27
Corporate social responsibility expenses		
- Amrita Charitable Trust	1.50	3.00

	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration		
- Dr. Atul Kapoor	12.00	12.00
- Dr. Rashmi Kapoor	9.47	9.14
- Mr. Arun Kapoor	2.49	2.15
- Mr. Abhishek Kapoor	6.63	4.24
- Mrs. Jahnvi Kapoor	1.44	0.80
- Mr. Deepak Gupta	2.20	1.97
- Ms. Ankita Gupta	0.97	0.54
Sitting fees		
Mr. Anil Kumar Khemka	0.18	0.29
Mr. Rabindra Nath Mohanty	0.21	0.29
Mr. Charles Antoine Janssen	0.06	0.15
Mr Arun Shrivastava	0.15	0.21
Ms. Tanushree Shyam Bagrodia	0.06	0.12

d) Outstanding balances as at the year end

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Payables			
Payable for medical services received			
- Dr. Rashmi Kapoor	1.67	2.10	4.38
- Regency Nephrocare Private Limited	20.00	25.01	21.07
Rent Payable			
- Dr. Rashmi Kapoor	-	-	0.29

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Salary Payable			
- Dr. Atul Kapoor	0.52	0.89	1.33
- Dr. Rashmi Kapoor	0.88	0.78	0.43
- Mr. Arun Kapoor	0.23	0.20	0.17
- Mr. Abhishek Kapoor	0.48	0.47	0.34
- Mrs. Jahnvi Kapoor	0.13	0.06	-
Payable for purchase of pharmacy and surgical items			
- Sibling Lifecare Private Limited	111.37	111.75	82.73
Payable for fees received on behalf of			
- Regency Institute of Nursing	2.31	2.69	2.71
Receivables			
Rent receivable			
- Regency Nephrocare Private Limited	2.04	2.66	1.87
Receivable for expenses incurred on behalf of			
- Amrita Charitable Trust	-	-	0.03
Security deposit receivable			
- Dr. Rashmi Kapoor	5.83	5.83	5.83
Advance given			
- Late Mr. Anant Ram Kapoor	-	0.55	0.60
Investments in equity shares			
- Regency Nephrocare Private limited	14.21	14.21	14.21
- Sibling Lifecare Private Limited	0.10	0.10	0.10
- Regency Institute of Nursing	1.00	1.00	1.00

Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMPs can not be segregated as these are based on acturial valuation for all the employees of the Company.

e) **Other arrangements**

Personal guarantee given by Dr. Atul Kapoor and Dr. Rashmi Kapoor for loans the outstanding balance as on 31 March 2022 of which is ₹ 1385.99 million (31 March 2021: ₹ 801.94 million) obtained by the Company from various banks.

Personal guarantees have been given by Mr. Anant Ram Kapoor for loans obtained by the Company from HDFC Bank against which the balance outstanding as at 31 March, 2022, is ₹ 732.04 mllion (31 March, 2021: ₹ 801.94 mllion).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

47 The schedule of provisions as required to be disclosed in compliance with Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets" is as under:

Particulars	**Contingent liabilities**		
	For the year ended 31 March 2022	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Claims against the Company not acknowledged as debt [refer note (i) below]	43.53	35.63	39.88
Disputed demand of Customs Department [refer note (ii) below]	1.92	1.92	1.92
Bank guarantee furnished to Director, CGHS and ECHS, Railways and Regency School of Nursing	8.26	7.10	6.73
Bonus [refer note (iii) below]	3.50	3.50	3.50
Income taxes (Assessment year 2016-17)	-	0.26	0.26
Inland letter of credit	4.88	2.24	15.32
Closing balance at the end of year	**62.09**	**50.65**	**67.61**

Note

(i) Includes total amount of claims under various legal cases alleging medical negligence against the hospital as on 31 March 2022 is ₹ 41.68 million (previous year ₹ 35.63 million). The Company has taken professional indemnity insurance policy for all cases and basis this professional indemnity policy and historical trend of settlement in this matter management is confident that no liability is likely to devolve on the Company.

(ii) The Company had deposited an amount of ₹ 1.92 million (being 50% of disputed amount of ₹ 3.84 million) under protest with the Commissioner of Custom (Import and general) in accordance with the order dated 05 February 2007 passed by Hon'ble Allahabad high court, which had been written off in the previous financial years.

(iii) The Payment of Bonus (Amendment) Act, 2015 dated 31 December 2015 (which was made elective from 01 April 2014) revised the thresholds for coverage of employees eligible for bonus and also enhanced the ceiling limits for computation of bonus. However, taking cognizance of the stay granted by various High Courts and pending disposal of such matter, the Company has not recognized the differential amount of bonus off ₹ 3.50 million for the period 1 April 2014 to 31 March 2015 and accordingly has recognized the expense in accordance with the Payment of Bonus (Amendment) Act, 2015 w.e.f. 1 April 2015 and onwards.

(iv) Interest and claims by customers, suppliers, lenders and employees may be payable as and when the outcome of the related matters are finally determined and hence have not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Company in respect of these matters.

The Hon'ble Supreme Court of India pronounced a ruling dated 28 February 2019 in which it was held that 'allowance' paid to employees, will be included in scope of 'basic wages' and thus, will be subject to provident fund contributions. Management believes that this will not result in any material liability on the Company which is also the view of a PF consultant engaged by the management.

48 **Commitments:**

A

Particulars	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Estimated amount of contracts remaining to be executed on account of capital commitments (net of capital advances)	21.57	16.72	50.88
Lease commitments under non-cancellable lease arrangements	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

49 In accordance with the provisions of Section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. The details of CSR expenditure are summarised below:

Particulars	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
(a) Amount required to be spent on CSR as per Section 135 of the Companies Act, 2013	1.03	1.75
(b) Amount of expenditure incurred	1.50	3.11
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-
(e) Reason for shortfall	N.A.	N.A.
(f) Nature of CSR Activities	Education	Education
(g) Details of related party transactions	Amrita Charitable Trust - Rs.1.5 million	Amrita Charitable Trust - Rs.3.0 million
(h) Liability against contractual obligations for CSR	-	-

50 World Health Organization (WHO) declared outbreak of Corona virus disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020. Subsequently, the second wave of Covid-19 has emerged in India, due to which, various state governments have also imposed lockdowns in their respective states. The Company is engaged in the business of running hospital, being essential services, there has been no suspension of operations. One of the Company's hospitals located at Govind Nagar in Kanpur was dedicated for treatment of COVID-19 patients during the second wave from 12th April, 2021 to 27th May, 2021. However, the second wave of COVID-19 pandemic has not significantly impacted the revenues and profitability of the Company. The Company took various initiatives to support operations and optimize the cost and has been able to significantly reduce the negative impact of COVID-19 on its business. The Company has considered internal and certain external sources of information in determining the impact of this pandemic on various elements on its standalone financial statements. Basis above, the management has estimated its cash flow projection of next year which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact on its ability to meeting its liabilities as and when they fall due. The Company expects to recover the carrying amount of its assets and have sufficient liquidity for business operations for at least another twelve months from the date of approval of this standalone financial statement. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions and impact on its business.

51 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 March 2022, the comparative information presented in these financial statements for the year ended 31 March 2021 and in the preparation of an opening Ind AS balance sheet at 01 April 2020 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Ind AS optional exemptions

1 Deemed cost for property, plant and equipment, and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

2 Deemed cost for investments in Subsidiaries

The Company has elected to continue with the carrying value of all of its investments in Subsidiaries recognised as of transition date measured as per the Previous GAAP as its deemed cost as at the date of transition.

3 Leases

The Company has elected to measure the right of use assets at the date of transition an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS. Further, the following expedients were used on transition to Ind AS:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as on the transition date as short-term leases
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application.
- use of hindsight, such as in determining the lease term as the contract contains the options to extend and terminate the lease.

B Ind AS mandatory exceptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01 April 2020 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

The Company has applied modified retrospective approach to all lease contracts existing as at 01 April 2020 under Ind AS 101. Further, The Company has elected not to include initial direct costs in the measurement of the right of use asset for operating leases in existence at the date of initial application of Ind AS.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

3 Impairment of financial assets

At the date of transition to Ind AS, determine whether there has been a significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the Company has recognized a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized.

C Reconciliations between Previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2021 and 01 April 2020

	Notes	31 March 2021	31 March 2020
Total equity (shareholder's funds) as per Previous GAAP		**1,501.90**	**1,564.31**
Ind AS adjustments on account of			
Expected credit loss on financial assets	Note – 1	(8.40)	(19.12)
Financial assets and liabilities carried at amortised cost	Note – 2	(1.29)	(2.83)
Lease accounting adjustment under Ind AS 116	Note – 3	(21.06)	0.83
Deferred tax effect on above adjustments	Note – 5	7.09	4.60
Total adjustments		**(23.66)**	**(16.52)**
Total equity as per Ind AS		**1,478.24**	**1,547.79**

2 Reconciliation of total comprehensive income for the year ended 31 March 2021

	Notes	31 March 2021
Profit after tax as per Previous GAAP		**(62.40)**
Ind AS adjustments on account of		
Expected credit loss on financial assets	Note – 1	10.72
Financial assets and liabilities carried at amortised cost	Note – 2	1.52
Lease accounting adjustment under Ind AS 116	Note – 3	(21.88)
Actuarial gain/loss	Note – 4	0.13
Deferred tax effect on above adjustments	Note – 5	2.46
Total adjustments		**(7.05)**
Profit as per Ind AS for the year ended 31 March 2021		**(69.45)**
Other comprehensive income		
Re-measurement (losses) on post employment benefit obligations	Note – 4	(0.13)
Income tax effects of OCI adjustment	Note – 5	0.03
Total comprehensive income for the year ended 31 March 2021		**(69.55)**

3 Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 31 March 2021 is as follows:

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		3,092.95	(136.10)	2,956.85

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Right of use asset	Note – 3	-	468.53	468.53
Capital work-in-progress		64.22	-	64.22
Other intangible assets		13.16	-	13.16
Intangible assets under development		4.97	-	4.97
Financial assets				
Investments		15.31	-	15.31
Loans and advances	Note – 2	83.61	(83.61)	-
Other financial assets		-	509.50	509.50
Income tax assets (net)		91.28	-	91.28
Other non-current assets		9.93	14.09	24.02
Total non-current assets		**3,375.43**	**772.41**	**4,147.84**
Current assets				
Inventories		102.76	-	102.76
Financial assets				
Investments		3.90	-	3.90
Trade receivables	Note – 1	232.41	(8.41)	224.00
Cash and cash equivalents		124.20	3.88	128.08
Other bank balances		453.63	(452.78)	0.85
Loans and advances		8.28	(8.28)	-
Other financial assets		-	45.91	45.91
Other current assets		63.64	(41.79)	21.85
Total current assets		**988.82**	**(461.47)**	**527.35**
Total assets		**4,364.25**	**310.94**	**4,675.19**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		140.43	-	140.43
Other equity	Note – 1, 2, 3, 4 & 5	1,361.47	(23.66)	1,337.81
Total equity		**1,501.90**	**(23.66)**	**1,478.24**
Non-current liabilities				
Financial liabilities				
Borrowings	Note – 2	1,626.99	0.01	1,627.00
Lease liabilities	Note – 3	-	423.01	423.01
Other financial liabilities	Note – 2	-	38.97	38.97
Deferred tax liabilities (net)		64.63	(7.10)	57.53
Other non-current liabilities		187.67	(187.67)	-
Total non-current liabilities		**1,879.29**	**267.22**	**2,146.51**
Current liabilities				
Financial liabilities				
Borrowings	Note – 2	126.61	177.30	303.91
Lease liabilities (CM)	Note – 3	-	67.37	67.37
Trade payables				
(a) total outstanding dues to micro and small enterprises		11.79	-	11.79
(b) total outstanding dues of creditors other than micro and				

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

small enterprises	Note – 2	282.24	(3.13)	279.11
Other financial liabilities	Note – 2	-	247.92	247.92
Other current liabilities		554.65	(422.08)	132.57
Provisions		7.77	-	7.77
Total current liabilities		**983.06**	**67.38**	**1,050.44**
Total liabilities		**2,862.35**	**334.60**	**3,196.95**
		-		-
Total equity and liabilities		**4,364.25**	**310.94**	**4,675.19**

4 **Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 01 April 2020 is as follows:**

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		2,645.44	3.91	2,649.35
Right of use asset	Note – 3	-	250.76	250.76
Capital work-in-progress		513.55	(111.89)	401.66
Other intangible assets		15.05	-	15.05
Intangible assets under development		4.37	-	4.37
Financial assets				
Investments		15.31	-	15.31
Loans and advances	Note- 2	83.84	(83.84)	-
Other financial assets		-	240.27	240.27
Income tax assets (net)		128.38	-	128.38
Other non-current assets		9.05	33.06	42.11
Total non-current assets		**3,414.99**	**332.27**	**3,747.26**
Current assets				
Inventories		107.93	-	107.93
Financial assets				
Investments		30.14	-	30.14
Trade receivables	Note – 1	368.74	(19.13)	349.61
Cash and cash equivalents		21.52	3.76	25.28
Other bank balances		200.29	(199.48)	0.81
Loans and advances		17.52	(17.52)	-
Other financial assets		-	31.27	31.27
Other current assets		48.15	(14.73)	33.42
Total current assets		**794.29**	**(215.83)**	**578.46**
Total assets		**4,209.28**	**116.44**	**4,325.72**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		140.43	-	140.43
Other equity	Note – 1, 2, 3, 4 & 5	1,423.88	(16.52)	1,407.36
Total equity		**1,564.31**	**(16.52)**	**1,547.79**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Non-current liabilities				
Financial liabilities				
Borrowings	Note – 2	1,308.74	0.01	1,308.75
Lease liabilities	Note – 3	-	243.24	243.24
Other financial liabilities		-	140.01	140.01
Deferred tax liabilities (net)	Note – 5	77.31	(4.59)	72.72
Other non-current liabilities (Rent equalisation reserve)		278.32	(278.32)	-
Total non-current liabilities		**1,664.37**	**100.35**	**1,764.72**
Current liabilities				
Financial liabilities				
Borrowings	Note – 2	252.32	90.34	342.66
Lease liabilities	Note – 3	-	32.61	32.61
Trade payables				
(a) total outstanding dues to micro and small enterprises		4.91	-	4.91
(b) total outstanding dues of creditors other than micro and small enterprises		247.05	(9.52)	237.53
Other financial liabilities	Note – 2	-	266.63	266.63
Other current liabilities		467.82	(347.45)	120.37
Provisions		8.50	-	8.50
Total current liabilities		**980.60**	**32.61**	**1,013.21**
Total liabilities		**2,644.97**	**132.96**	**2,777.93**
Total equity and liabilities		**4,209.28**	**116.44**	**4,325.72**
		-		-

** The previous year numbers has been regrouped/reclassed to meet the presentation criteria defined under Division II of Schedule III to The Companies Act 2013.*

5 Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at 31 March 2021 is as follows:

	Notes	Per Previous GAAP*	Ind AS adjustments	As per Ind AS
Income				
Revenue from operations		2,631.72	-	2,631.72
Other income	Note – 2	63.65	1.35	65.00
Total income		**2,695.37**	**1.35**	**2,696.72**
Expenses				
Cost of material consumed		630.63	-	630.63
Employee benefits expense	Note – 4	470.27	(0.12)	470.15
Finance cost	Note – 2 & 3	153.98	56.75	210.73
Depreciation and amortisation expense	Note – 3	182.99	68.20	251.19
Other expenses		1,332.58	(113.97)	1,218.61
Total expenses		**2,770.45**	**10.86**	**2,781.31**
		(75.08)	**(9.51)**	**(84.59)**
Tax expense				
Current tax		-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

Deferred tax	Note – 5	(12.68)	(2.46)	(15.14)
Total tax expense		**(12.68)**	**(2.46)**	**(15.14)**
Net Profit/(loss) for the year		**(62.40)**	**(7.05)**	**(69.45)**
Other Comprehensive Income/(Loss)				
Items that will not be reclassified to profit or loss				
Re-measurement (losses) on post employment benefit obligations	Note – 4	-	(0.13)	(0.13)
Income tax relating to these items	Note – 5	-	0.03	0.03
Other Comprehensive Income/(Loss) for the year		**-**	**(0.10)**	**(0.10)**
Total comprehensive Income/(Loss) for the year		**(62.40)**	**(7.15)**	**(69.55)**

6 **Impact of Ind AS on the adoption in the statement of cash flow for the year ended 31 March 2021**

	Per Previous GAAP*	Ind AS adjustments	Per Ind AS
Net cash flow from operating activities	360.14	(44.30)	315.84
Net cash flow from investing activities	(387.27)	137.20	(250.07)
Net cash flow from financing activities	129.81	(92.78)	37.03
Net increase/(decrease) in cash and cash equivalents	**102.68**	**0.12**	**102.80**
Cash and cash equivalents at the beginning of the year	21.52	3.76	25.28
Cash and cash equivalents at the end of the year	**124.20**	**3.88**	**128.08**

** The previous year numbers has been regrouped/reclassed to meet the presentation criteria defined under Division II of Schedule III to The Companies Act 2013.*

Note – 1

Expected credit loss on financial assets

Under Previous GAAP, the amount of revenue was usually determined at consideration received or receivable for the product or service explicitly specified in the contract between the parties. Under Ind AS, where the sale transaction of the Company includes separately identifiable performance obligation, such as after sales services and extended warranties, it is necessary to apply the recognition criteria for each separately identifiable performance obligations. Revenue from each performance obligation so identified is only recognized when such goods are sold or services are rendered i.e. when performance obligation is satisfied. Accordingly, revenue attributable to unsatisfied performance obligations has been deferred.

Note – 2

Measurement of financial assets and financial liabilities at amortised cost

Under previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest / amortisation cost method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the fair value amount on the date of recognition of financial asset or financial liability.

Note – 3

Lease accounting adjustment under Ind AS 116

The Company has leases for office buildings. Under the pervious GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, the accounting is a little different as each lease is reflected on the balance sheet as a right of use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Company classifies its right of use assets in a consistent manner to its property, plant and equipment.The above adjustment has also impacted cash flow statement of the Company as under the previous GAAP, the rent paid was used to be classified as operating activity; while the payments of lease liability under Ind AS 116 is classified under financing activities as per Ind AS 7.

Note – 4

Actuarial gain/loss

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in Previous GAAP.

Note – 5

Deferred tax effect on above adjustments

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also led to recognition of deferred taxes on new temporary differences.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

52 Ratio analysis

Sl. No.	Particulars	Numerator	Denominator	Year ended 31-Mar-22	Year ended 31-Mar-21	Change (%)	Reason for Variance
1	Debt- Equity Ratio	Total Debts=Borrowings+ Lease Liabilities	Shareholders' total equity	1.52	1.31	16%	
2	Debt Service Coverage Ratio	Earnings available for debt service=Net profit after taxes + Non cash operating expenses	Debt service=Interest & lease payments+principal repayments	1.73	0.95	83%	While principal repayment and interest there on remained almost the same, there was a substantial increase in profit due to increase in revenue by approx. 38% in FY 2021-22, leading to increase in DSCR
3	Current Ratio	Total Current Assets	Total Current Liabilities	0.85	0.50	70%	While there is increase in debtors due to increase in revenue, there is decrease in creditors due to better payment, leading to increase in current ratio.
4	Debtors Turnover	Revenue from operations	Average trade receivables	4.42	2.60	70%	While average receivable has not changed significantly, revenue operations has increased significantly in FY 2021-22 as compared to FY 2020-21.
5	Inventory Turnover	Revenue from operations	Average inventory	7.96	5.99	33%	While average inventory has not changed significantly, revenue operations has increased significantly in FY 2021-22 as compared to FY 2020-21.
6	Net Profit Ratio	Net profit after taxes	Revenue from operations	7.36%	-2.58%	-386%	There was net profit in FY 2021-22 as compared to a net loss in FY 2020-21.
7	Trade payable turnover ratio	Purchases	Average trade payable	7.19	5.05	42%	This is due to increase in purchase by 38%
8	Net capital turnover ratio	Revenue from operations	Working capital=Current assets-Current liabilities	(4.02)	(1.43)	182%	Revenue from operations has increased by 55% and working capital was a negative of ~Rs.52 crore last year as compared to ~Rs.29 crore in the current year.
9	Return on Capital Employed	Earnings before interest and taxes	Capital employed=Tangible net worth+total debts	12.32%	3.66%	237%	Due to substantial increase in profit in FY 2021-22, Earnings before interest and taxes has increased by ~320 %. However, Capital Employed increased by ~30% only.
10	Return on Equity	Net profit after taxes	Average share holders' equity	16.95%	-4.59%	-469%	While average shareholders' equity has not changed significantly, there was net profit in FY 2021-22 while there was net loss in FY 2020-21.
11	Return on Investment	Net profit after taxes	Total Assets	1.95%	7.79%	-75%	While return from investments (profit on sale of mutual funds) was almost the same, the average investments has increased considerably (373%) in the current year as compared to the previous year.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts are in ₹ million unless stated otherwise)

53 Other Statutory Information

(i) Title deeds of Immovable Properties are in the name of the Company.

(ii) The Company had not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and the Related Parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(iii) The Company was not holding any benami property and no proceedings were initiated or pending against theCompany for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(iv) The Company had not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters.

(v) The Company did not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

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

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during year ended March 31,2022.

(viii) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds 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.

(ix) The Company has not received any funds from any other 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 parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(x) No adjusting or significant non-adjusting events have occurred between 31 March 2022 till date of approval of accounts.

(xi) Previous year’s figures has been regrouped and/or reclassified wherever necessary to confirm to the current year’s groupings an classifications

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

Rohit Arora
Partner
Membership No: 504774

Place : Gurugram
Date : 9 August 2022

For and on behalf of the Board of Directors of
Regency Hospital Limited

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Form AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each Subsidiary to be presented with amounts in ₹)

1.	**Name of the Subsidiary**	**Sibling Lifecare Private Limited**	**Regency Institute of Nursing**
2.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	1April 2021 to 31 March 2022	1April 2021 to 31 March 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiaries	NA	NA
4.	Share Capital	100,000	1,000,000
5.	Reserves & Surplus	3,906,814	7,231,728
6.	Total Assets	135,687,907	78,893,737
7.	Total Liabilities	135,687,907	78,893,737
8.	Investments	-	-
9.	Turnover	421,721,657	32,906,158
10.	Profit /(Loss) before taxation	3,441,176	5,830,056
11.	Provision for taxation	867,514	1,617,887
12.	Profit /(Loss) after taxation	2,573,662	4,212,169
13.	Proposed Dividend	-	-
14.	% of shareholding	100%	100%

Notes:
1. Names of Subsidiaries which are yet to commence operations - **None**
2. Names of Subsidiaries which have been liquidated or sold during the year - **None**

On behalf of the Board of Directors of Regency Hospital Limited

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022

Part "B": Associates and Joint Ventures

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

	Name of Associates/Joint Ventures	Regency Nephrocare Private Limited
1.	Latest audited Balance Sheet Date	31 March 2022
2.	Shares of Associate/Joint Ventures held by the Company on the year end No. of Shares Amount of Investment in Associates/Joint Venture Extend of Holding%	 1,42,10,000 1,42,10,000 49%
3.	Description of how there is significant influence	Shareholding more than 20% of total voting power of Company
4.	Reason why the Associate/Joint Venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	40,157,599
6.	Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	 4,737,722 4,931,099

Notes:
1. Names of Associates or Joint Ventures which are yet to commence operations - **None**
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year - **None**

On behalf of the Board of Directors of Regency Hospital Limited

Atul Kapoor
Managing Director
DIN: 01449229

Rashmi Kapoor
Whole Time Director
DIN: 01818323

Rajesh Shroff
Chief Financial Officer

Ankita Gupta
Company Secretary

Place : Kanpur
Date : 9 August 2022


85