

27TH ANNUAL REPORT

2022–2023

BOARD OF DIRECTORS

Dr. Vayalil Parambath Shamsheer
Chairman

Mr. P.M Sebastian
Vice Chairman

Mr. S K Abdulla
Managing Director

Mr. K.N Prabhakaran Nair

Dr. K.V Johny

Mr. P.D Mathew

Mr. A. Janardhana Pai

Mr. M.M Mathai

Mr. Job Varghese

Dr. K Chithrathara

Mr. V Venugopal

CHIEF FINANCIAL OFFICER

Mr. R. Narayanan

COMPANY SECRETARY

Mr. R Muraleedharan

REGISTERED OFFICE & HOSPITAL

XV/612, Maradu, Kanayannur Taluk
Nettoor P.O., Ernakulam
Kochi – 682040

STATUTORY AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy
Kochi – 16

INTERNAL AUDITORS

M/s. Varma & Varma
Kochi – 19

SECRETARIAL AUDITORS

M/s. BVR & Associates Company Secretaries LLP
Kochi – 16

COST AUDITORS

M/s. BBS & Associates
Kochi – 35

BANKERS

HDFC Bank Ltd.
AXIS Bank Ltd.
Federal Bank Ltd.

LEGAL ADVISORS

M/s. Menon & Pai
Kochi – 18

M/s. Thomas & Thomas
Kochi – 18

M/s. Dandapani Associates
Kochi – 35

CHAIRMAN'S MESSAGE

Dear Shareholders,

My Hearty Greetings to you once again!

It is my pleasure to present the Annual Report in this, the 20th year since the hospital commenced its operations (2003-2023) and to present the financials for the year ended March 31, 2023.

I am pleased to inform you that during the year ended 31.03.2023 the company achieved a total income of ₹424 crores compared to ₹362 crores of the previous year, an increase of 17% and Net Profit was ₹58 crores compared to ₹43 crores of the previous year, an increase of 34%. The Earning per share went up from ₹4.29 to ₹5.75. I am pleased to announce that the Board has approved a dividend of ₹1.70 per share (17%) and the dividend will be disbursed immediately after approval at the ensuing annual general meeting.

During the year under report, we have delivered health care services to 343,876 out-patients and 21,087 in-patient's. During the year, the number of foreign patient's numbers also increased from 6,008 to 20,047. The major contributors of the revenue were Nephrology, Medical Oncology, Cardiology, Neuro Surgery, Orthopedics, Urology and transplant and GI Surgery. During the reporting year, 53 live liver donor transplantation and 212 renal transplantation were completed with a success rate of over 95%. I would like to mention here that the hospital follow all the rules and regulations in respect of organ transplants notified by the government from time to time.

The outlook for the current financial year (2023-24) looks good for healthcare sector. We have projected a high single to mid double digit growth in revenue, with an enhanced growth in profitability, flowing through to profit before tax. The major focus next year would be adding robotic surgery systems one more MRI, a new CT, strengthening the marketing of the existing facilities, automation of patient feedback system to provide better patient care, conversion of all manual patient files to electronic medical records (EMR), renovation of existing facility, to explore possibility of starting few more centers in other districts of Kerala etc.

The Kozhikode Medical Centre is picking up slowly and during the reporting period medical centre provided healthcare delivery to over 12,000 patients.

We had spent about ₹60 lakhs during the reporting year on CSR activities and the funds were mainly utilised for projects related to education, preventive healthcare, support to senior citizens, support to oncology patients and other community support projects. Under the CSR programme we have successfully completed the first phase of 'snehaswaram' project, ie., providing free cochlear implant surgery to six deserving congenitally hearing-impaired children. The hospital is committed to provide free follow-up auditory verbal therapy to all the kids who have undergone the surgery in future.

We have also provided concession in treatment charges amounting to ₹9.08 crores during the reporting year (₹8.55 crores previous year) to the needy and economically backward patients.

I would like to express my sincere thanks to all our doctors, nurses and support staff for their excellent service and with their support, I am sure that the company will reach greater heights.

On behalf of the Company, I thank all the shareholders, the Board of Directors, Bankers, the Central and State Governments for their support. I look forward to your continued support in the years ahead.

My warm personal regards to all of you,

Place : Abu Dhabi
Date : 17th August 2023

Dr. Shamsheer Vayalil
Chairman



NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of the company will be held at **12.00 Noon (IST)** on **Friday, the 29th September 2023** through Video Conferencing (VC) to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts, Report of Board of Directors and Auditors thereon.

To receive, consider and adopt audited financial statements (including consolidated financial statements) for the year ended March 31, 2023 together with the Report of the Board of Directors and Independent Auditors report thereon.

2. Declaration of Dividend.

To declare dividend on equity shares.

3. Re- appointment of Director.

To appoint a director in the place of Mr. K N Prabhakaran Nair (DIN: 00900836) who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. Re-appointment of Director.

To appoint a director in the place of Mr. M M Mathai (DIN: 00904368) who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Remuneration to Cost Auditor:

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

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s BBS & Associates, Cost Accountants, Kochi (FRN: 00273) the cost auditors appointed by the board of directors of the Company, to conduct the audit of cost records of the company for the financial year ending March 31, 2024, be paid the remuneration of One lakh Twenty Five Thousand (rupees one lakh Twenty Five Thousand only) plus tax as applicable.

RESOLVED FURTHER THAT the board of directors of the company be and are hereby authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.

6. Approval of Remuneration to Managing Director:

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

RESOLVED THAT the remuneration including perquisites paid/payable to Sri S K Abdulla Kunhi as Managing Director of the company during the period of his appointment for five years from 18th July 2022 to 17th July 2027 as provided in the agreement entered into with him by the company on 18th July 2022 as per which the remuneration to him in his hands (exclusive of perquisites) shall be net of tax of ₹7 lakhs (Rupees Seven lakhs) per month and annual increments as may be fixed by the Board and that the tax on salary and perquisites paid/provided to him shall be borne by the company, be and is hereby approved. Accordingly, the gross remuneration including perquisites paid/provided to him as Managing Director for the period ended on 31st March 2023 amounting to ₹1,12,19,759 (one crore twelve lakhs nineteen thousand seven hundred and fifty nine only) subject to deduction of tax at source, be and is hereby approved.

RESOLVED FURTHER THAT pursuant to Section 197 and Part II of Section I of Schedule V of the Companies Act, 2013, the Board of Directors be and is hereby authorised to pay remuneration to Mr S K Abdulla Kunhi, Managing Director not exceeding 5% of the net profit of the Company.

RESOLVED FURTHER THAT in case the Company has no profits or profits are inadequate the Board of Directors be and is hereby authorised to pay remuneration to the Managing Director in excess of the limits prescribed under Part II of Section II of Schedule V of the Companies Act, 2013.

Place : Kochi

Date : 14th August 2023

Regd. Office: XVI/ 612, Maradu,

Nettoor P.O, Kochi – 682040

By Order of the Board

Sd/-

R Muraleedharan
Company Secretary

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. MCA vide General Circular No.10/2022 dated 28.12.2022 has decided to allow the companies whose AGM's are due in the year 2023, to conduct their AGM's on or before 30th September 2023 through Video Conference (VC) or Other Audio Visual Means (OAVM). In the light of the above circular the 27th AGM will be conducted on virtual mode. The deemed venue of the e-AGM will be the registered office of the company. In compliance with the said requirements of the MCA Circulars, electronic copy of the notice along with the Annual Reports for the Financial year ended 31st March 2023 consisting of financial statements including Board's Report, Auditor's Report and other documents required to be attached therewith (collectively referred to as the Notice) have been sent to those members whose-mail ids are registered with the Company or the Registrars & Share Transfer agents or the Depository Participant(s) through electronic means and no physical copy of the notice has been sent by the Company to any others. The Notice of the meeting and Annual Report are available on the website of the Company at www.vpslakeshorehospital.com.
3. In compliance with the said circulars, the Company has sent communication for all shareholders whose email addresses are not registered, for registering their email address with the Company. The members who have not yet registered their e-mail ids to cs@lakeshorehospital.org for registering their email address.
4. In view of the MCA Circulars, no proxy shall be appointed by the members. However, Corporate Members are requested to send to the Company/RTA a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting through VC.
5. The register of members and share transfer books of the Company will be closed from **September 23, 2023 to September 29, 2023** (both days inclusive) for the purpose of payment of dividend on equity shares subject to approval by the Members, at the 27th Annual General Meeting to be held on 29th September 2023.
6. **Change of Address:** Members are requested to notify any change of address, email address and bank details to their depository participants in respect of their holdings in electronic form and in respect of shares held in physical form, to the



Secretarial Department at the registered office of the Company or to the Registrar and Share Transfer Agent, M/s. Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No: 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017. **E-mail: corpseerv@integratedindia.in**. Members whose shareholdings are in electronic mode are requested to approach their respective depository participants for effecting change of address.

7. The Company has engaged CDSL to provide VC/OAVM facility to its shareholders for participation in the e-AGM.
8. Shareholders will be able to attend the AGM by using their e-Voting login credentials.
9. The deemed venue for the 27th AGM shall be the Registered office of the Company.
10. All documents referred to in the accompanying Notice and Explanatory Statement setting out material facts are open for inspection by the members only in electronic format on all working days between 02.00 PM and 05.00 PM up to the date of the 27th Annual General Meeting.

12 TDS on Dividend:

Pursuant to amendment made to the provisions relating to taxability of dividend, in the Finance Act, 2020, dividend income is taxable in the hands of Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source on dividend paid to Shareholders at the prescribed rates. For prescribed rates of TDS on various categories of persons, the Shareholders are requested to refer the amended provisions of the Income Tax Act, 1961.

The Shareholders are requested to furnish their PAN to the Company (in case of shares held in physical mode) or to the Depositories (in case of shares held in demat mode). A Resident individual Shareholder with PAN, enjoying exemption under one or the other provisions of the Income Tax Act can submit a yearly declaration in Form No.15G/15H, to avail the benefit of non-deduction of tax at source, by email to Company at the email Id: cs@lakeshorehospital.org on or before 22nd September 2023. Shareholders are requested to note that in case their PAN is not furnished, the tax will be deducted at a higher rate of 20%.

Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents viz., declaration of No Permanent Establishment in India and declaration of Beneficial Ownership, Tax Residency Certificate (TRC), Form 10F, any other document which may be required to avail the tax treaty benefits, by sending an email to the company at the email Id: cs@lakeshorehospital.org by 22th September 2023.

Shareholders desirous of registering or updating his / her registered address, email id, mobile number, PAN against the folio under which shares are held, may contact the Company Secretary of the Company.

11. Dividend of prior years: In terms of Sections 124 of the Companies Act, 2013, the dividend which remains unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the “Investor Education and Protection Fund” established by the Central Government. According to the relevant provisions of the Companies Act, 2013, no claim shall lie against the said Fund or the Company for the amount of dividend so transferred to the said Fund. Members, who have not encashed the dividend warrant so far for the Financial Year ended 31st March, 2021 & 31st March 2022 are requested to send their claim directly to the Company.
12. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company as on 26th September 2022 and (Date of last annual general Meeting) on the website of the Company (www.vpslakeshorehospital.com/investors zone/Details of Unpaid or Unclaimed Dividend) and on the website of the Ministry of Corporate Affairs.

13. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or to M/s Integrated Registry Management Services Private Limited. The Company entered into agreement with NSDL and CDSL to enable Members to demat and hold the shares of the Company in electronic form. Any member desirous to dematerialise his holding may do so through any of the depository participants who is connected to NSDL & CDSL. The ISIN of the equity shares of the Company is **INE01TI01010**.

CDSL E-VOTING SYSTEM – FOR E-VOTING AND JOINING VIRTUAL MEETINGS.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 20, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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 Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, May 05 2022 and December 28, 2022 the Company is providing facility of venue e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. 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 to at least 1000 members on first come first served basis. This will not include large Shareholders (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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.vpslakshorehospital.org. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.



7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 20, 2022.
8. In continuation of this Ministry’s General Circular No. 20/2020, dated 05th May, 2020 and General Circular No. 02/2022 dated 05th May, 2022 after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2023, to conduct their AGMs on or before 30.09.2023, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 10/2022.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins **at 12.00 Noon on Friday, 29th September 2023 and ends at 02.00 PM**. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **22nd September 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly. |



| | |
|--|---|
| | <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
|--|---|

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. CDSL and NSDL.

| Login type | Helpdesk details |
|---|--|
| 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 toll free no. 1800 22 55 33 |

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |



- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Lakeshore Hospital and Research Centre Ltd on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: cs@lakeshorehospital.org (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



PROCESS FOR THOSE SHAREHOLDERS WHO'S EMAIL/MOBILE NUMBERS ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

STATEMENT

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

ITEM NO. 5: Ratification of remuneration payable to Cost Auditor for the financial year 2022-23.

The Board, on the recommendation of the Audit Committee has approved the appointment of M/s BBS & Associates, Cost Accountants, Kochi (FRN:00273) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31.03.2024 on a remuneration of ₹1,25,000/- (Rupees One lakh Twenty Five Thousand only) plus tax as applicable.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an ordinary resolution as set out at item No. 05 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2024.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in this item of business.

The Board of Directors recommends the aforesaid resolution for the approval by the members as an Ordinary Resolution.

ITEM NO. 6: Approval of Remuneration to Managing Director

The Board of Directors of the Company at their meeting held on 18th July 2022 approved the payment of remuneration to Sri S K Abdulla Kunhi, Managing Director from 18th July 2022 to 17th July 2027 and an agreement was entered into on this with him by the Company on 18th July 2022, which was placed at the 26th Annual General Meeting of the Company held on 26th September 2022 at which the terms of his appointment were approved. It is considered necessary to confirm and approve the terms of appointment as relates to the payment of remuneration net of tax to him provided therein and to provide that such remuneration inclusive of perquisites shall be in accordance with the provisions of the Companies Act, 2013 and schedule V thereof.



Accordingly the gross remuneration and perquisites subject deduction of tax at source paid to Managing Director amounting to ₹1,12,19,759 (one crore twelve lakhs nineteen thousand seven hundred and fifty nine only) for the financial year 2022-23 is placed before the shareholders for approval as a Special Resolution.

No Director of Key Managerial Personnel of the Company or their relatives other than Mr S K Abdulla Kunhi is concerned or interested in the said Resolution.

Place : Kochi

Date : 14th August 2023

Regd. Office: XVI/ 612, Maradu,

Nettoor P.O, Kochi – 682040

By Order of the Board

Sd/-

R Muraleedharan

Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER SECRETARIAL STANDARD-2 ON GENERAL MEETINGS IS FURNISHED BELOW:

| Name of Director | Mr K N P PRABHAKARAN NAIR (DIN: 00900836) | Mr M M MATHAI (DIN: 00904368) |
|---|--|--|
| Date of Birth, Age | 11.10.1943 – 81 Years | 25.05.1943 – 80 Years |
| Date of First Appointment | 25.06.1988 | 17.12.2004 |
| Qualifications: | Intermediate | Intermediate |
| Nature of experience/ Expertise: | Mr K N PRABHAKARAN Nair is managing own shipping and logistics business in Sharjah for over forty years. | Mr. M M Mathai is an NRI industrialist based at Kuwait. He is M.D of Lima Petroleum Services Co. WLL which is engaged in pipeline Services & Supplies, Bolts, Nuts and Ball Values |
| Terms and conditions of appointment or re-appointment and details of remuneration | Director retiring by rotation, eligible offer himself for re-appointment | Director retiring by rotation, eligible offer himself for re-appointment |
| Relationship with other Directors | NIL | NIL |
| Number of Meetings of the Board attended during the year | 3 out of 4 meetings | 3 out of 4 meetings |
| Number of other listed Cos. In which Directorship is held: | NIL | NIL |
| Names of the committees of the Board of Other Companies in which Membership/ Chairmanship are held: | NIL | NIL |
| Shareholding in the company | 0.70% | 1.33 % |

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 27th Annual Report and the audited financial statements for the year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

The highlights of results for the financial year 2022–23 with respect to the previous year are tabled hereunder.

(₹ in lakhs)

| FOR THE YEAR ENDED | Standalone | | Consolidated | |
|------------------------|------------|------------|--------------|------------|
| | 31.03.2023 | 31.03.2022 | 31.03.2023 | 31.03.2022 |
| Income from Operations | 41904 | 35847 | 41918 | 35859 |
| Other Income | 542 | 317 | 536 | 307 |
| Gross Income | 42446 | 36164 | 42454 | 36166 |
| Gross Operating Profit | 11217 | 8484 | 10721 | 8481 |
| Finance Charges | 211 | 257 | 211 | 257 |
| Depreciation | 2269 | 2146 | 2269 | 2146 |
| Total Expenses | 34204 | 30083 | 34212 | 30088 |
| Profit before tax | 8242 | 6881 | 8241 | 6078 |
| Provision for tax | 2490 | 1790 | 2490 | 1790 |
| Profit for the year | 5752 | 4291 | 5751 | 4288 |

During the year under review, the Company has made profit before tax of ₹8242 lakhs as against ₹6881 lakhs of the previous year and a Net Profit of ₹5752 lakhs as against ₹4291 lakhs of the previous year.

DIVIDEND

The Board of Directors has recommended a dividend of 17% (₹1.70 per share) on the equity share capital of the Company for the year subject to approval of the shareholders. The outflow on account of payment of dividend would be ₹17 crores.

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

SHARE CAPITAL

During the year under report the Authorised Capital of the Company remained unchanged consisting of ₹100 crores equity share capital (divided into 10 crores Equity Shares of ₹10/- each).

REVIEW OF OPERATIONS

The healthcare sector in India passed through yet again a difficult year in 2022–23, as the COVID –19 pandemic persisted. The shortage of allied healthcare professionals, including nurses, was exacerbated by the increased migration of nursing professionals to foreign countries, posed unparalleled challenges to the health and well being of the population. Despite the hardships, we managed to respond effectively to the crisis by increasing our capacity, infrastructure, and technology to treat patients, as well as providing care to all the patients. We also utilized our digital platforms and telemedicine services to extend our reach and accessibility to remote and rural areas.



We take pride in our accomplishments in the year 2022-23, which include:

OPERATIONAL EXCELLENCE HIGHLIGHTS

Treating over 20,025 inpatients in 2022 as compared to 17,312 in 2021. • Treating over 3,33,622 outpatients as compared to 2,60,562 in 2021 • Performed over 7588 surgeries. • Performed over 257 organ transplantations, which include 208 renal and 49 liver transplant surgeries. • Increasing referral patients from 3,222 to 6,843 this year. • Conducted 21,118 dialysis • The number of international patients availing treatment increased from 4035 to 17031 in 2022. • 5,038 Preventive Health check-ups done. Cobras Pro Integrated Solutions is a newly installed most modern, high throughput chemistry and immunology Modular Analyser for sample testing. It is the first one to be installed in the State of Kerala and Tamilnadu.

CLINICAL EXCELLENCE

VPS Lakeshore continues its academic excellence. A total of 16 students cleared the DNB conducted by the National Board of Examinations. Super speciality DNB program for Neurosurgery (6 years course) and DNB for critical care medicine were approved by the National Board this year.

AWARDS & ACCOLADES

As recognition of our efforts to improve patient safety and better clinical outcome, we faced surveillance and process audits.

- ISO 9001:2015 Audit – Surveillance audit.
- Green OT – Surveillance.
- ISO 22000 Audit (F&B) – Surveillance audit.
- NABL – Audit.
- National Safety Council – Kerala Chapter our hospital received ‘Abhinandan Pathra’ in connection with safety week celebration on achieving the commendation in safety.
- Budding Star State Level Competition– Department of Clinical Nutrition won 1st, 2nd and 3rd.
- Completed 103 Peroral Endoscopy Myotome (POEM) – by Dr. Roy J Mukkada, First in Kerala.
- Pioneer award for Dr. KV Johny – by Indian society of Nephrology.
- ND Purushotham award for innovation to Dr. Shwetha Shenoy– Consultant– ENT.
- Legend in anaesthesia award Dr. Mohan A Mathew for completing 50 uninterrupted services in Anaesthesia.
- Kerala’s first diabetic foot camp conducted in VPS Lakeshore in November 2022 under the leadership of Dr. Rajesh Simon.
- Dr. Maya Peethambaran was awarded for her excellent presentation of VOICE (Video of interesting cases in Endoscopy) at the (the annual conference of ISPGHAN 2022 in Jaipur.
- Kerala’s 2nd TAVI (Trans Catheter Aortic Valve implantation) conducted under the leadership of Dr Anand Kumar–HOD Cardiology and his team in October 2022.
- Chief Diet dietician, Manju P George received her citation award from Smt. Anandiben Patel, UP Governor on 28.9.2022 from Avinashilingam Institute Coimbatore for securing the National award by IAPEN for excellence in digitization during the COVID pandemic at VPS Lakeshore.
- VPS Lakeshore, in association with the Association of Cochin Nephrologists, successfully hosted the 5th National Kidney Transplant Update Seminar in Kochi on August 6, 2023
- Dr. Rajesh Simon has been unanimously elected as the President of the Indian Foot and Ankle Society for the year 2022
- Dr Anjana Saseendran (Associate Consultant, ENT (Laryngology), Dept. of Head & Neck Surgical Oncology) received the certificate from Shri Arif Mohammad Khan–Honourable Governor of Kerala, for completing the AOI Kerala Observational Fellowship in Laryngology.

- Dr. Roy J Mukkada for being selected as the president of the Indian Society of Gastroenterology, Kerala Chapter.
- Lakeshore Cricket Team won the first place in All Kerala hospital cricket League for the year 2022.

INFORMATION TECHNOLOGY

VPS Lakeshore has made it a priority to enable Artificial Intelligence (AI) for patient engagement and better patient experience. Few of the initiatives taken are

- AI Chat gpt was implemented for registration, appointment booking, lab reports, feedback collection etc.
- All invoices had been digitalized. Patients had the option to choose between physical or digital bill.
- All lab machines interface with HIS to reduce transcription errors.
- Associated with Pine labs, a leading merchant commerce Omni Channel payment gateway to increase the ease of financial transactions.
- Bank reconciliation – 32 billing terminals integrated with HIS to automate the bank reconciliation process.
- Created WhatsApp payment gateway and messaging gateway for digital marketing.
- Data security and recovery – Data security and data recovery and backup optimization has been reinstalled & security measures like data encryption, data masking with row level security process implemented to prevent data from tapering/intruders.

The projects that are in progress include RPA Automation for Purchase, Doctors Pay Out, Assets Management Software, HR Software, Digitization of Old Medical Records, Implementation of EMR.

PROJECTS

To be in par with international standards the hospital has taken up renovation work of the hospital blocks. The work of the 10th Floor of the Main hospital block completed with 10 A/c rooms. Nephrology & Urology OPD relocated to the 3rd floor with the best infrastructure. The ER temporarily shifted to the newly constructed protocabin as the area will undergo renovation as per the international accreditation standards. The State of the art 11 bedded Comprehensive liver care unit started functioning. The renovation works of 9th floor, newly expanded dialysis unit with 21 beds in the 3rd floor will be completed in the coming months. The next financial year will see the renovation of the ground floor, which includes the Main Lobby, Op Pharmacy, Radiology, Ortho & Neuro OPDS and Emergency. The OT complex on the first floor will be renovated to house the pre & post recovery lounge and a surgical day care unit. The coming months will see initiation of Robotic Surgery in the newly build dedicated OT. The radiology will be renovated to accommodate the second MRI & CT machines.

As we look forward to the next year, we are committed to continuing our efforts to improve our services, facilities, and outcome. We are also focused on pursuing new opportunities for growth and innovation, such as:

Expanding our current physio rehabilitation to a comprehensive neuro and ortho rehab, Expanding our reach by joint venture or takeover of specific department in peripheral hospitals /clinics to develop a hub and spoke model, Completing the renovation of the main hospital block to be on par with international standards, Investing in new technologies and equipment to enhance our diagnosis and treatment capabilities, expanding & strengthening our overseas patient engagement, Developing new programs and initiatives for preventive care, wellness, and personalized medicine, Strengthening our academic wing and training programs for medical professionals, Collaborating with national and international institutions for research and knowledge exchange.

We are confident that with our vision, values, and strategies, we will be able to overcome the challenges and seize the opportunities that lie ahead. We look forward to your continued support and feedback in our journey of providing quality and affordable healthcare services.



CONSOLIDATED FINANCIAL STATEMENTS

According to the provisions of Section 129 of the Companies Act, 2013 and Indian Accounting Standards (Ind AS 110), the consolidated audited financial statements together with Auditors Report are provided in the Annual Report.

In compliance with Section 129 (3) of the Companies Act, 2013 and Rule 8 of the Companies (Account) Rules, 2014, a report on the performance and the financial position of the subsidiary is included in the Consolidated Financial Statements is annexed in the Annual Report in Form **AOC -1. Annexure I.**

OUTLOOK

During the reporting year the company has achieved a turnover of ₹419.04 crores (last year ₹358.47 crores) and made a net profit of ₹57.52 crores (last year ₹42.92 crores). We have projected a turn over ₹473 crores and profit before tax of ₹117 crores for the financial year 2023-24.

ACCEPTANCE OF DEPOSITS

The company has not accepted/renewed fixed deposit during the year under consideration.

BOARD COMPOSITION AND INDEPENDENT DIRECTORS

The Board consists of the Chairman, Managing Director, two Independent Directors and seven non-executive directors including a woman director.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. K N Prabhakaran Nair (DIN: 00900836) and Mr. M M Mathai (DIN: 00904368), Directors of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Necessary resolution in this behalf is being placed before the members for approval.

None of the Directors are disqualified under Section 164 of the Companies Act, 2013.

ANNUAL GENERAL MEETING

The MCA vide Circular dated 28th December 2022 permitted Companies to conduct general meetings that become due in the year 2023 on virtual mode/video conference till 30.09.2023. Therefore, the 27th Annual General Meeting of the members of the company will be held on virtual mode on 29th September 2023.

BOARD MEETINGS

During the reporting year 4 (Four) Board Meetings were held on 30th May 2022, 18th July 2022, 3rd November 2022 and 25th February 2023.

GENERAL MEETINGS

During the reporting period 26th Annual General Meeting was held on 26th September 2023.

Attendance of each Director, at the Board Meetings held during the financial year 2022-23 and at the 26th Annual General Meeting, is furnished hereunder:

| Sl.No | Name of the Director | Board meetings | | Last Annual General Meeting (Yes/No) |
|-------|--------------------------|----------------|----------|--------------------------------------|
| | | Held | Attended | |
| 1 | Dr. Shamsheer Vayalil | 4 | 4 | No |
| 2 | Mr. Sebastian P M | 4 | 3 | No |
| 3 | Mr. K N Prabhakaran Nair | 4 | 3 | Yes |

| | | | | |
|----|----------------------|---|---|-----|
| 4 | Dr. K V Johny | 4 | 2 | Yes |
| 5 | Mr. P D Mathew | 4 | 3 | No |
| 6 | Mr. A Janardhana Pai | 4 | 4 | No |
| 7 | Mr. M M Mathai | 4 | 3 | Yes |
| 8 | Mr. Job Varghese | 4 | 2 | No |
| 9 | Dr. K Chitrathara | 4 | 4 | Yes |
| 10 | Mr V Venugopal | 4 | 4 | Yes |
| 11 | Mr. S.K Abdulla | 4 | 2 | Yes |

A separate meeting of the Independent Directors of the Company was held on 28th March 2023.

AUDIT COMMITTEE

The Audit Committee constituted in terms of Section 177 of the Companies Act, 2013 with two Independent Directors and a Non-Executive Director as members. During the Financial Year 2022-23, the Committee members met three times i.e., on 12th July 2022, 01st November 2022, 14th February 2023.

The composition of the committee and attendance at the meetings during the year under report is given hereunder:

| Sl No | Name | Position | Audit Committee Meetings | |
|-------|---------------------|----------|--------------------------|----------|
| | | | Held | Attended |
| 1 | Mr A Janardhana Pai | Chairman | 3 | 3 |
| 2 | Dr K V Johny | Member | 3 | 3 |
| 3 | Mr V Venugopal | Member | 3 | 3 |

The Audit Committee confirms to Section 177 of the Act in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, related party transactions and accounting treatment for major items. Appointment of Statutory Auditor, Cost Auditor, Secretarial Auditor and Internal Auditor are being done on the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee of the Board which consists of two Independent Directors and one Non- Executive Director as members. During the Financial Year 2022-23 the Committee members met only once on 12th July 2022. The composition of the committee and attendance of directors at the said meeting is given hereunder:

| Sl No | Name | Position | Nomination & Remuneration Committee Meetings | |
|-------|---------------------|----------|--|----------|
| | | | Held | Attended |
| 1 | Mr A Janardhana Pai | Chairman | 1 | 1 |
| 2 | Dr K V Johny | Member | 1 | 1 |
| 3 | Mr V Venugopal | Member | 1 | 1 |

The powers, role and terms of reference of the Committee cover the areas as contemplated under Section 178 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors.

The salient features of the Nomination and Remuneration policy is attached as **Annexure II** to the Board's Report. The Nomination and Remuneration policy approved by the Board of Directors in terms of provision 178(4) of the Companies Act, 2013 is available on the website of the company www.vpslakeshorehospital.com.



CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Company has a Corporate Social Responsibility Committee, as required under Section 135 of the Companies Act, 2013 which consists of two Independent Directors and one non-executive director as members. During the reporting year, the Company had implemented CSR projects as per policy approved by the Board of Directors of the Company and the Board ensured the money spend on the various projects successfully.

During the Financial Year 2022-23, the Committee members met twice on 1st November 2022 and 14th February 2023. The composition of the Committee and attendance at the meetings during the year under report is given hereunder:

| Sl No | Name | Position | CSR Committee Meetings | |
|-------|---------------------|----------|------------------------|----------|
| | | | Held | Attended |
| 1 | Mr A Janardhana Pai | Chairman | 2 | 2 |
| 2 | Dr K V Johny | Member | 2 | 2 |
| 3 | Mr V Venugopal | Member | 2 | 2 |

The gist of the CSR Policy, the annual report on CSR activities for the financial year 2022-23 along with the reasons for not spending the amount is specified in **Annexure III** attached to this report.

LOANS, GUARANTEES OR INVESTMENTS

The company did not give any Loan or Guarantee or provide any security or make investment covered under Section 186 of the Companies Act, 2013 during the year.

RISK MANAGEMENT POLICY

The Company has identified the risks/uncertainty associated with the company and developed and implemented a Risk Management Policy in terms of Section 134(3)(n) of the Companies Act, 2013. The said policy is being implemented and monitored by the Audit and Risk Management Committee.

DEMATERIALISATION

In terms of the notification of Ministry of Corporate Affairs dated 10th September 2018, the Company has entered into agreement with NSDL and CDSL to enable Members to have the option of holding and dealing the shares of the Company in electronic form. Shareholders are requested to convert their holdings to dematerialised form to derive its benefits by availing the demat facility provided by NSDL and CDSL. As per the aforesaid circular the share transfer is permitted only under demat mode. The ISIN Number allotted to Equity Shares of the Company is: INE01TIO1010.

As on 31.03.2023 out of 772 shareholders, 353 shareholders are holding 34706077 equity shares in demat mode.

REGISTRAR AND SHARE TRANSFER AGENT:

Integrated Registry Management Services (P) Ltd
2nd Floor, 'Kences Towers', No.1, Ramakrishna Street,
North Usman Road, T.Nagar, Chennai-600017
Phone: 044 28140801, 28140803,
Fax: 044 – 28143378, 28142479
E-mail: corpserv@integratedindia.in

INVESTOR EDUCATION AND PROTECTION FUND

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. The details of the Shareholders, who have not claimed their dividend, are available on the Company's website.

RELATED PARTY TRANSACTIONS

During the financial year 2022-23, all transactions with the Related Parties as defined under the Act, read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. There are no materially significant related party transactions made by the Company which may have potential conflict with interest of the Company at large. Statement of all related party transactions is presented before the Audit Committee and Board for its approvals, specifying the nature, value and terms and conditions of transactions. The details of the contracts entered during the year are attached as **Annexure IV – Form AOC 2**.

FORMAL ANNUAL EVALUATION

The Companies Act, 2013 states that a formal annual evaluation needs to be carried out by the Board of its own performance and that of its, committees and of individual directors.

Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The formal annual evaluation as prescribed under Section 134 (3) (p) has been conducted and recorded by the Board of its own performance and that of its Committees, individual directors and Independent Directors at its duly constituted meeting. The evaluation is being carried out using a questionnaire specifically designed for the purpose.

ANNUAL RETURN

In accordance with Section 92(3) read with Section 134 (3) (a) of the Companies Act, 2013, the Annual Return in the prescribed format is available on the website of the Company at the link www.vpslakeshorehospital.com under Investor Zone.

CREDIT RATING

During the year under review, CARE, the Credit Rating Agency, maintained the 'CARE A; Stable/CARE A1 [Single A; Outlook: Stable/A One]' for the Company's bank facilities.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has two Independent Directors in terms of Section 149(4) of the Companies Act, 2013 and received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Act. The letter of appointment of Independent Directors have been placed on the Company's website.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors confirm that:

- (i) In the preparation of the annual accounts for the financial year ended March 31, 2023 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) 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 for the financial year ended March 31, 2023 and of the profit and loss of the company for that period;
- (iii) 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;
- (iv) The directors had prepared the annual accounts on a 'going concern basis'; and
- (v) 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.



STATUTORY AUDITORS

M/s Krishnamorthy & Krishnamoorthy, Chartered Accountants, (FRN:001488S), were appointed as the statutory auditors of the company at the 26th Annual general Meeting for a period of five years whose present term of office expires on 31st Annual general Meeting to be held for the financial year 2026–27.

The report of the Independent Auditor's for the financial year 2022–23 is attached with this annual report and the said report does not contain any qualification, reservation or adverse remarks.

SECRETARIAL AUDITORS

The Board appointed M/s BVR & Associates Company Secretaries LLP, as the Secretarial Auditors to conduct the Secretarial Audit for the financial year 2022–23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith as **Annexure V** and there are no qualifications, reservation or adverse remarks.

INTERNAL AUDITORS

The Board of Directors of your Company has appointed M/s Varma & Varma, Chartered Accountants, Ernakulam (FRN:004532S) as Internal Auditors, pursuant to the provisions of Section 138 of the Companies Act 2013 for the financial year 2023–24.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, your Directors had, on the recommendation of the Audit Committee, appointed M/s BBS & Associates, Cost Accountants, Kochi (FRN: 00273) to audit the cost accounts of the Company for the financial year 2023–24 on a remuneration of ₹1,25,000/- plus tax as applicable. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for ratification. Accordingly, a resolution seeking ratification of the remuneration payable to M/s BBS & Associates is included at item No.5 of the notice convening 27th Annual General Meeting.

The Company has received a letter from them to the effect that their re-appointment would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013.

The Company has maintained the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

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

The company is not engaged in any manufacturing process; therefore, no particulars have been furnished in this report as required under Section 134(1)(m) of the Companies Act 2013, relating to conservation of energy and technology absorption.

During the year under review, the foreign exchange earning of the Company was ₹12.06 crores (₹7.91 crores) and out go is ₹5.01 lakhs. (₹46.39 crores).

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the year under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the reporting year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the year under review.

INTERNAL COMPLAINTS COMMITTEE

The company has an Internal Complaints Committee as prescribed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress complaints of sexual harassment reported by women staff or such other person on behalf of the victim. During the reporting year, the company received one complaint of sexual harassment and the enquiry in respect of which is on. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the said Act.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and wish to place on record their sincere thanks and appreciation of the co-operation received by the Company from the customers, suppliers, investors, bankers and others associated with the company.

Your Directors take this opportunity to thank all employees for their outstanding services and also thank all the Shareholders for their unstinted support and confidence reposed by them in the Management and look forward to their continued support.

For and on behalf of the Board

Sd/-

Dr. Vayalil Parambath Shamsheer

Chairman

(DIN: 02371712)

Place : Kochi

Date : 14th August 2023

FORM AOC-1

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

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

Part A Subsidiaries

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

| | | |
|----|---|--|
| 1 | Sl.No. | 1 |
| 2 | Name of the subsidiary | Lakeshore Food and Beverages Private Ltd |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 31.03.2023 |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | INR |
| 5 | Share capital | 5,00,000/- |
| 6 | Reserves and surplus | (-) 6,96,000/- |
| 7 | Total assets | 21,71,50,000/- |
| 8 | Total Liabilities | 21,71,50,000/- |
| 9 | Investments | Nil |
| 10 | Turnover | 14,83,63,000/- |
| 11 | Profit before taxation | (-) 38,02,000/- |
| 12 | Provision for taxation | 4,64,000/- |
| 13 | Profit after taxation | (-) 42,66,000/- |
| 14 | Proposed Dividend | Nil |
| 15 | Extent of shareholding | 100% |

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

- Names of subsidiaries which are yet to commence operations : Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
(Not applicable)

For and on behalf of the Board of Directors of
Lakeshore Hospital and Research Centre Ltd

Place : Kochi
Date : 14th August 2023

Sd/-
Dr. Vayali Parambath Shamsheer
Chairman

SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY

As prescribed under Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company constituted a Nomination and Remuneration Committee (N&RC) consisting of three non-executive directors out of which not less than one-half are Independent Directors and Chaired by an Independent Director.

This salient feature of the policy is as follows.

OBJECTIVE

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / Key Managerial Personnel's (KMP) / Senior Managerial Personnel's (SMP) of the quality required to run the Company / Hospital successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, KMP & SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company / Hospital and its goals.

ROLE OF THE COMMITTEE

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board and carry out their performance evaluation.
- To identify persons who are qualified to become Directors and who may be appointed as SMP in accordance with the criteria laid down in this policy.
- To recommend to the Board the appointment and removal of Directors and SMP.
- To recommend to the Board policy relating to remuneration for Directors, KMP and SMP.
- Succession planning for replacing KMP & SMP and overseeing.
- To carry out any other function as is mandated by the Board or enforced by any statutory notification, amendment or modification, as may be applicable.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP's and SMP's

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or as SMP and recommend 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 authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its, Managing Director or Whole-time Director for a term not exceeding five years at a time.

b) Independent Director:

An Independent Director shall be a person duly qualified to be appointed as shall hold office for a term up to five consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company.



No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

RETIREMENT

The Director, KMP and SMP's 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, SMP for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SMP's

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration, perquisites etc. to be paid to Managing Director / Whole-time Directors etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under and the approvals obtained from the Members of the Company.
- b) The N & R C shall make such recommendations to the Board of Directors with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Independent Directors:

- a) The Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013, recommended by the N & RC and approved by the Board of Directors.
- b) All the remuneration of the Independent Directors (excluding the sitting fee) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under recommended by the N & R C and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - a) The Services are rendered by such Director in his capacity as the professional; and
 - b) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to KMP's & SMP's:

- a) The remuneration to KMP's & SMP's shall consist of salary and perquisites in compliance with the provisions of the Companies Act, 2013 and as decided by the Board of Directors .
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option / Purchase Schemes, shall determine the stock options and other share based payments to be made to KMP's & SMP's.
- c) The remuneration package shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund and other statutory dues, if any, as decided from to time.

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief Outline on CSR Policy of the Company:

The Board of Directors adopted the CSR Policy from April 2014 in terms of Section 135 of the Companies Act, 2013.

Lakeshore Hospital & Research Centre Ltd., (hereinafter described as “the Company”) is a super specialty tertiary level hospital delivering state-of-the-art medical care over the last eighteen years. The hospital has gained reputation locally, nationally and internationally. The company has been instrumental in bringing the latest technology to the country whereby creating access to the best possible treatment at an affordable cost.

For those deserving persons who could not afford the cost, the hospital has been providing treatment at a subsidised rate. Apart from philanthropic activities and medical management within the hospital, it has been associating with several NGOs in conducting medical camps, health awareness classes, school health programme etc. in the community where specialist doctors also participate.

The CSR policy of the company reflects its commitment to humanity more than the statutory requirements. Policies and programs of the company are structured over the four pillars – Ethics, community, environment and diversity. Our policies explicitly express our desire to give back to our communities while the company prospers. Being ethical is the main pillar where we act with integrity and adhere to codes of ethics and cultural values. We strive hard to deliver the best to the community in which we exist, operating our business which is environmentally efficient, actively protecting the environment and respecting the diversity of the population by being non-discriminative based on caste, creed, gender, thought and experience.

AREAS OF ACTIVITIES AND INTERVENTION

The Company shall be undertaking the CSR activities mainly connected to Eradication of hunger and malnutrition, Preventive Health Care, Supporting Government initiatives in healthcare especially in preventive health, maternal and child health and care of older persons, Sanitation, Availability of safe drinking water. Campaign against use of alcohol, smoking, drug abuse etc., and Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement.

2. The composition of the CSR Committee:

| Sl No | Name | Position | CSR Committee Meetings | |
|-------|-----------------------|----------------------------------|------------------------|----------|
| | | | Held | Attended |
| 1 | Shri A Janardhana Pai | Chairman Independent Director | 2 | 2 |
| 2 | Dr K V Johny | Member | 2 | 2 |
| 3 | Mr V Venugopal | Independent Director | 2 | 2 |

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company www.vpslakeshorehospital.com
- Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014; if applicable (attach the report).
Not Applicable



5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.
NIL
6. Average net profit of the company as per Section 135(5): ₹33.18 crores
7. (a) Two per cent of average net profit of the company as per Section 135(5): ₹66.36 lakhs.
(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): ₹ 66.36 lakhs
8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spend for FY 2023 (Rs in lakhs) | Amount Unspent (₹ in lakhs) | | | | |
|--|--|------------------|---|--------|------------------|
| | 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 |
| ₹60.92 | ₹5.44 | 30.04.2023 | Nil | Nil | Nil |

(b) Details of CSR amount spent against on-going projects for the financial year (2022-23):

(₹ in lakhs)

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|--------|--|---|---------------------|-------------------------|----------------------|------------------|---|---|--|---|--|-------------------------|
| Sl. No | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (in ₹) | 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 |
| 1. | Cochlear Implant Surgery to kids from economically backward sector | (i) | No | To the children | from whole of Kerala | 18 months | 26.70 | 21.21 | 5.50 | Direct | -- | -- |

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

| Sl No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes /No) | Location of the project | | Amount spend for the project (₹ in lakhs) | Mode of implementation Direct (Yes/No) | Mode of Implementation - Through implementing agency | |
|--------|---|---|----------------------|-------------------------|-------------|---|--|--|----|
| | | | | Name | CSR Regn No | | | | |
| 1 | Distribution of Books to Raman Master LP School, Maradu | (ii) | Yes | Kerala | Ernakulam | 1.44 | Yes | -- | -- |
| 2 | Distribution of Books to students of Anganwadis, Maradu | (ii) | Yes | Kerala | Ernakulam | 2.48 | Yes | -- | -- |

| | | | | | | | | | |
|----|--|-------|-----|--------|-----------|-------|-----|-----------------------|-------------|
| 3 | Distribution of Educational Awards | (ii) | Yes | Kerala | Alappuzha | 5.00 | Yes | -- | -- |
| 4 | Medical Awareness Programme at Tribal Area, Wayanad | (i) | Yes | Kerala | Wayanad | 0.61 | Yes | -- | -- |
| 5 | Anti-Drug usage Campaign in Schools, Kozhikode | (i) | Yes | Kerala | Kozhikode | 0.52 | Yes | -- | -- |
| 6 | Support to Cochin Cancer Society, Ernakulam | (i) | Yes | Kerala | Ernakulam | 16.80 | No | Cochin Cancer Society | CSR00012448 |
| 7 | Educational support to Govt.LP School, Udayathumvathukkal | (ii) | Yes | Kerala | Ernakulam | 0.31 | Yes | -- | -- |
| 8 | Ecco Van to Sehion Preshitha Sangam, Kochi | (i) | Yes | Kerala | Ernakulam | 6.43 | Yes | -- | -- |
| 9 | Promotion of sports – Challengers Panangad | (vii) | Yes | Kerala | Ernakulam | 1.50 | Yes | -- | -- |
| 10 | Support to Sangeethamae Jeevitham Foundation for medical camp and health awareness program for the students of Rajiv Gandhi Memorial Residential Higher Secondary School | (i) | Yes | Kerala | Wayanad | 0.23 | Yes | -- | -- |
| 11 | Support to Senior Citizens, Maradu | (iii) | Yes | Kerala | Ernakulam | 0.55 | Yes | -- | -- |
| 12 | Support to NH Anwar Trust, Kochi for undertaking project Ente Kanmani. | (i) | Yes | Kerala | Ernakulam | 2.00 | No | NH Anwar Trust | CSR00048355 |

(d) Amount spent in Administrative Overheads: 48,000/-

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 60.92 lakhs.

(g) Excess amount for set off, if any

| Sl.No. | Particulars | Amount (₹ in lakhs) |
|--------|--|---------------------|
| (i) | Two percent of average net profit of the Company as per Section 135(5) | ₹66.36 |
| (ii) | Total amount spent for the Financial Year | ₹60.92 |
| (iii) | Excess amount spent for the financial year ((ii) – (i)) | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any. | -- |
| (v) | Amount available for set off in succeeding financial years ((iii)-(iv)) | Nil |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|--------------------------|---|---|--|-----------------|------------------|--|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| 1. | 31.03.2022 | 12.20 | 12.20 | -- | -- | -- | -- |
| 2. | 31.03.2021 | NIL | | | | | |
| 3. | 31.03.2020 | NIL | | | | | |
| | Total | | | | | | |

10 Details of CSR amount spent against on-going projects of the preceding financial years:

(₹ in lakhs)

| Sl No | Project ID | Name of the Project | Financial year in which the project was commenced | Project Duration | Total amount allocated for the project | Amount spent on the project in the reporting FY | Cumulative amount spent at the end of the reporting financial year | Status of the project completed/ or ongoing |
|-------|------------|---|---|------------------|--|---|--|---|
| 1 | 1 | Support to childrens play area Kumbalam panchayath, Ernakulam Dist. | 2021-22 | 18 months | 5.05 | 4.33 | 5.05 | Completed |
| 2 | 2 | Renovation of Underpass-Nettoor Thodu | 2021-22 | 18 months | 5.19 | 5.19 | 5.19 | Completed |
| 3 | 3 | Construction of two Bus shelters NH at Nettoor | 2021-22 | 18 months | 4.79 | 2.68 | 4.79 | Completed |

11. 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): NIL

12. 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 the Board of Directors of
Lakeshore Hospital and Research Centre Ltd

Place : Kochi
Date : 14th August 2023

sd/-
Dr. Vayalil Parambath Shamsheer
Chairman

sd/-
A. Janardhana Pai
Chairman – CSR Committee

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.)

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

(I) Lakeshore Food & Beverages Private Ltd, Kochi:

| SNo. | Particulars | Details |
|------|---|---|
| (a) | Name of the related party & nature of relationship | Lakeshore Food & Beverages Private Ltd, Kochi – Wholly owned subsidiary of the Company. |
| (b) | Nature of contracts/arrangements/transaction | Promoted a wholly owned subsidiary to undertake catering business outside. Provided space for running the business. |
| (c) | Duration of the contracts/arrangements/transactions | For a period of three years from 01.11.2019 to 31.10.22. This was further extended for a period of one year up to 31.10.23. |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any. | Invested in 5000 Equity shares of Rs. 100/- each amounting to Rs 5 lakhs. Supply of goods & services amounting to Rs 6.37 lakhs. Security Deposit Received – Rs. 0.30 lakhs. Trade Receivables – Rs.15.47 lakhs. |
| (e) | Date of approval by the Board | 14 th August 2019. |
| (f) | Amount paid as advances, if any. | Nil |

(II) Lease agreement with VPS Healthcare Private Ltd, Kochi.

| SNo. | Particulars | Details |
|------|---|---|
| (a) | Name of the related party & nature of relationship | VPS Healthcare Private Ltd, Ernakulam – 682 024 promoted and controlled by Dr Shamsheer Vayalil, Chairman & Managing Director. |
| (b) | Nature of contracts/arrangements/transaction | Leasing of Property – payment of rent. |
| (c) | Duration of the contracts/arrangements/transactions | 8 years. |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any. | Leasing of the land measuring 13.440 cents and building measuring 12621 Sq.Ft on Survey No.165/1 & 41/A4 at Kasaba Village of Kozhikode to be used as a medical centre. The lease rent payable at 7,65,650/- per month. |
| (e) | Date of approval by the Board | 17 th February 2019. |
| (f) | Amount paid as advances, if any. | An interest free refundable security deposit of Rs 40,26,000/- paid by the Company to Lessor. This will be retained by the Lessor during the lease period and will be refunded to the company without interest on termination of lease agreement. |



(III) M/s Humming Tree

| S No. | Particulars | Details |
|-------|---|--|
| (a) | Name of the related party & nature of relationship | M/s Humming Tree, 2/C1853, Eranjipalam, Calicut-673006 The Principal Architect of the firm is a related to the Managing Director. |
| (b) | Nature of contracts/arrangements/transaction | Work order dated 11.01.2022 issued to the above said firm to undertake the Interior Design Consultancy for Lakeshore Hospital and Research Centre Ltd. |
| (c) | Duration of the contracts/arrangements/transactions | Till the completion of the renovation of the main block. |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any. | Professional Fee ₹150/- per Sq.Ft+ Applicable Taxes. |
| (e) | Date of approval by the Board | 14 th August 2023 |
| (f) | Amount paid as advances, if any. | ₹20.95 lakhs. |

For and on behalf of the Board of Directors of
Lakeshore Hospital and Research Centre Ltd

Sd/-

Dr. Vayali Parambath Shamsheer
Chairman

Place : Kochi

Date : 14th August 2023

Form No: MR3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Lakeshore Hospital and Research Centre Limited

CIN: U85110KL1996PLC010260.

XVI/612, Maradu, Kanayannur Taluk,

Nettoor P O, Ernakulam,

Kerala- 682 040

We, BVR & ASSOCIATES Company Secretaries LLP, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Lakeshore Hospital and Research Centre Limited [CIN:U85110KL1996PLC010260] (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given 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 31st March, 2023 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under.
2. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment

As informed to us the following Laws specifically applicable to the Company as under:

1. Clinical Establishments (Registration & Regulations) Act, 2010.
2. Drugs and Cosmetics Act 1940 and Rules 1945.
3. The Drugs (Control) Act, 1950.
4. The Pharmacy Act, 1948.
5. The Atomic Energy Act, 1962 and Rules thereunder
6. Narcotics and Psychotropic Substances Act, 1985.



7. The Transplantation of the Human Organs Act, 1994.
8. The Births, Deaths and Marriages Registration Act, 1886.
9. Ear Drums and Ear Bones (Authority For Use For Therapeutic Purposes) Act, 1982
10. The Epidemic Diseases Act, 1897
11. The Medical Termination of Pregnancy Act, 1971 and Rules.
12. The Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994.
13. Bio-Medical Waste Management Rules, 2016.
14. Consumer Protection Act and Medical Profession.
15. Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 (Ethics Regulations)
16. Atomic Energy and Protection Rules, 2004.
17. Registration of Births and Deaths Act, 1969.
18. Hazardous and Other Wastes (Management, and Transboundary Movement) Rules, 2016.

The other laws applicable to the Company are:-

1. The Competition Act, 2002
2. The Kerala Shop and Commercial Establishment Act, 1960.
3. The Water (Prevention and Control of Pollution) Act, 1974.
4. Environment Protection Act, 1986.
5. Petroleum Act, 1934.
6. Electricity Act, 2003.
7. Kerala Lifts and Escalators Act, 2013.
8. Kerala Municipality Building Rules, 1999 (Kerala Municipality Act 1994).
9. Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013
10. Indian Stamp Act, 1899.
11. The Building And Other Construction Workers (Regulation Of Employment And Conditions Of Service) Act, 1996
12. The Inter-State Migrant Workmen (Regulation Of Employment And Conditions of Service) Act, 1979
13. The Contract Labour (Regulation And Abolition) Act, 1970

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable.
- 2) Corporate Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;

We report that, during the year under review:

1. The status of the Company has been that of an Unlisted Public Company. The Company has not been a holding or subsidiary of another company.
2. The Company has a Wholly Owned Subsidiary, Lakeshore Food And Beverages Private Limited (CIN: U55209KL2019PTC059635), as defined under Sec. 2(87)(ii) of Companies Act, 2013, incorporated on 18.09.2019 having registered at XVI/612, Maradu, Kanayannur Taluk, Nettoor P.O, Kochi, Ernakulam, Kerala – 682040.

3. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, 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.
4. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel and also with regard to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
5. The Company has complied with the provisions of Companies (Appointment and Qualification of Directors) Rules, 2014 and necessary returns were filed.
6. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) and non-banking financial companies. The Company has not issued Debentures and collected Public Deposits.
7. All registrations under the various state and local laws as applicable to the company are valid as on the date of report.
8. The Company does not have any unpaid dividend during the financial year due for transfer to Investor Education and Protection Fund but Statement of unclaimed and unpaid amounts has been intimated to the Registrar of companies within the prescribed time.
9. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.
10. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. The Committee under Sec 135. (1) of Companies Act, 2013 has met periodically and record the minutes as per the provisions of law under review. The CSR spending of the company for the reporting year was as per the provisions of the law and according to the decision of the CSR committee recommendation in accordance with the adopted CSR policy of the Company.
2. The Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India;
3. The Company has complied with the provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the company is ensuring fair competition in the market among its competitors.
4. The Company has complied with the Rule 6 of Companies (Appointment and Disqualification of Directors) Rules, 2014 regarding the inclusion of name of the Independent Director in the Data Bank maintained by the Institute and the online proficiency self-assessment test thereof.
5. The Company has complied with sub-rule (8) of Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 regarding filing of Reconciliation of Share Capital Audit Report on half yearly basis with Registrar of Companies.



The Company filed following E-form with MCA for the Financial Year under Review:-

| Sl. No | Date of filing | SRN | Form |
|--------|----------------|-----------|--------|
| 1. | 11/04/2022 | T94903804 | PAS-6 |
| 2. | 22/04/2022 | T96962808 | DIR-12 |
| 3. | 02/06/2022 | F03935509 | CSR-2 |
| 4. | 29/06/2022 | F11450962 | DIR-12 |
| 5. | 21/07/2022 | F16268815 | DPT-3 |
| 6. | 21/07/2022 | F16344533 | MGT-14 |
| 7. | 26/07/2022 | F17142365 | DIR-12 |
| 8. | 05/08/2022 | F19042159 | MGT-14 |
| 9. | 05/08/2022 | F19037209 | DIR-12 |
| 10. | 05/08/2022 | F19111657 | CRA-2 |
| 11. | 27/09/2022 | F26549360 | ADT-1 |
| 12. | 28/09/2022 | F26632190 | MGT-14 |
| 13. | 28/09/2022 | F26704882 | MR-1 |
| 14. | 06/10/2022 | F27671221 | DIR-12 |
| 15. | 06/10/2022 | F27668391 | MGT-14 |
| 16. | 07/10/2022 | F27908284 | PAS-6 |
| 17. | 19/10/2022 | F31402175 | AOC-4 |
| 18. | 20/10/2022 | F31836406 | IEPF-2 |
| 19. | 25/10/2022 | F32979130 | CRA-4 |
| 20. | 07/11/2022 | F40787103 | MGT-7 |

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

sd/-

CS YOGINDUNATH S

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

Membership Number: F7865

Certificate of Practice No: 9137

UDIN: F007865E000788722

PEER REVIEW NUMBER: P2010KE020500

Date: 14th August 2023

Place: Cochin

‘Annexure A’

To,
The Members,
M/s. Lakeshore Hospital and Research Centre Limited

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

1. 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.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. 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 procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

sd/-

CS YOGINDUNATH S

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

Membership Number: F7865

Certificate of Practice No: 9137

UDIN: F007865E000788722

PEER REVIEW NUMBER: P2010KE020500

Date: 14th August 2023

Place: Cochin

INDEPENDENT AUDITOR'S REPORT

To the Members of Lakeshore Hospital and Research Centre Limited Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Lakeshore Hospital And Research Centre Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and the Statement of changes in equity for the year then ended, and notes to the standalone financial statements, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (“Ind AS”) specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2023, its profits including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s 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 audit opinion on the standalone financial statements.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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.

When we read the annual report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s responsibilities Relating to Other Information.

Responsibility of Management for standalone financial statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the



provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g) The managerial remuneration for the year ended March 31, 2023 has been paid by the Company to its directors in accordance with the provisions of section 197 of the Act, to the extent that an additional amount of ₹10.16 lakhs paid to the Managing Director has approved by the Board of Directors is being placed before the ensuing annual general meeting of the Company for approval of the shareholders; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note no 41 and 42 to the standalone Financial Statements;



- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 48 to the standalone Financial Statements:
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity (“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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

sd/-

R. Venugopal
Partner

Place : Kochi
Date : 14th August 2023

Membership No. 202632
UDIN: 23202632BGTCUM6958

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Property, Plant and Equipment and right-of-use assets of the Company have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets and that no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and the confirmation from financial lender in respect of title deeds deposited with them and based on the details of land and building furnished to us by the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the period.
 - (e) No proceedings have been initiated during the period or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
 - b. The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Quarterly returns/statements filed by the company with such banks/financial institutions are in agreement with the books of the company.
- iii. The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause 3(iii) of the Order is not applicable.
- iv. The company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of making investments. The company has not granted any loans, or given any guarantees or security for which the provisions of section 185 and 186 of the Companies Act 2013 are applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the Company, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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

(b) Dues outstanding in respect of statutory dues referred to in sub-clause (a), which have not been deposited on account of any dispute are as follows

| Nature of Dues | Statute | Amount in Rupees lakhs | Period to which the amount relates | Forum where the dispute is pending |
|-----------------------|---|---------------------------------|------------------------------------|---|
| Service Tax | The Finance Act, 2004 and the Service Tax Rules | 43.49 (Net of Rs. 2.40 paid) | 2009-10 & 2010-11 | Customs, Excise and Service Tax Appellate Tribunal, Bangalore |
| | | 4.20 (Net of Rs.0.55 paid) | 2011-12 | Customs, Excise and Service Tax Appellate Tribunal, Bangalore |
| | | 7.99 (Net of Rs.0.88 paid) | 2012-13 | Customs, Excise and Service Tax Appellate Tribunal, Bangalore |
| | | 3.05 (Net of Rs.0.40 paid) | 2013-14 | Customs, Excise and Service Tax Appellate Tribunal, Bangalore |
| Value Added Tax | The Kerala Value Added tax Act, 2003 | 126.11 | 2008-09 | High Court |
| | | 165.47 | 2009-10 | High Court |
| | | 168.44 | 2010-11 | High Court |
| | | 192.65 | 2011-12 | High Court |
| | | 1.74 | 2016-17 | Joint Commissioner (Appeal)Ernakulam |
| | | 1.32 | 2016-17 | Joint Commissioner (Appeal)Ernakulam |
| Goods and Service tax | Central Goods and Service tax 2017 | 1.08 | AY 2017-18 | Central GST |
| Income Tax | Income Tax Act, 1961 | 4.72 | AY 2010-11 | Income Tax Appellate Tribunal |
| | | 26.41 | AY 2011-12 | Commissioner of Income Tax (Appeals) |
| | | 7.00 | AY 2016-17 | Income Tax Appellate Tribunal |
| | | 221.05 | AY 2016-17 | Commissioner of Income Tax (Appeals) |

| | | | | |
|--------------------------|---|--------|----------------------|--------------------------------------|
| Income Tax | Income Tax Act, 1961 | 148.61 | AY 2018-19 | Commissioner of Income Tax (Appeals) |
| | | 97.78 | AY 2018-19 | Commissioner of Income Tax (Appeals) |
| Employees Provident Fund | Employees Provident Fund and Miscellaneous Provisions Act | 65.12 | High Court of Kerala | |

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, company has not raised funds on short-term basis and hence reporting on clause 3(ix)(d) of the Order is not applicable.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the period.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. The company has not received any whistle blower complaints during the period and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) (a), (b) and (c) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.

- xv. During the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a) and (b) of the Order is not applicable.
- b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- c. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

sd/-

R. Venugopal
Partner

Place : Kochi
Date : 14th August 2023

Membership No. 202632
UDIN: 23202632BGTCUM6958

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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")

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the standalone financial statements based on the internal control criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal financial controls with reference to standalone financial statements

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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance

that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial controls with reference to standalone financial statements

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

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, 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 issued by the ICAI.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

sd/-

R. Venugopal

Partner

Membership No. 202632

UDIN: 23202632BGTCUM6958

Place : Kochi

Date : 14th August 2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Balance Sheet as at March 31, 2023

(₹ in lakhs)

| Particulars | Note No. | As at 31.03.2023 | As at 31.03.2022 |
|---|----------|------------------|------------------|
| Assets: | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | 4 | 32,764.38 | 34,051.02 |
| (b) Capital work-in-progress | 5 | 567.26 | 15.29 |
| (c) Other Intangible assets | 6 | 43.85 | 52.62 |
| (d) Right-of-use assets | 7 | 423.40 | 479.82 |
| (e) Financial Assets | | | |
| (i) Investments | 8 | 5.00 | 5.00 |
| (ii) Other financial assets | 9 | 1,321.66 | 1,938.63 |
| (f) Non-current tax assets (net) | 10 | 458.65 | 592.53 |
| (g) Other non-current assets | 11 | 155.15 | 216.47 |
| | | 35,739.35 | 37,351.38 |
| Current assets | | | |
| (a) Inventories | 12 | 1,271.85 | 1,106.15 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 13 | 2,014.36 | 2,020.28 |
| (ii) Cash and cash equivalents | 14 | 3,643.15 | 1,153.70 |
| (iii) Bank balances other than (ii) above | 15 | 6,177.08 | 3,898.16 |
| (iv) Loans | 16 | 5.58 | 6.64 |
| (v) Other financial assets | 17 | 986.13 | 669.98 |
| (c) Other current assets | 18 | 187.30 | 190.19 |
| | | 14,285.45 | 9,045.10 |
| Total Assets | | 50,024.80 | 46,396.48 |
| EQUITY AND LIABILITIES | | | |
| Equity : | | | |
| (a) Equity Share capital | 19 | 10,000.00 | 10,000.00 |
| (b) Other Equity | 20 | 27,351.85 | 23,127.68 |
| | | 37,351.85 | 33,127.68 |
| Liabilities : | | | |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 21 | 723.56 | 1,300.95 |
| (ii) Lease liabilities | 22 | 427.46 | 472.04 |

| | | | |
|--|----|------------------|------------------|
| (iii) Other financial liabilities | 23 | - | 841.83 |
| (b) Provisions | 24 | 1,102.09 | 1,070.88 |
| (c) Deferred tax liabilities (Net) | 25 | 1,980.79 | 1,619.92 |
| (d) Other non-current liabilities | 26 | 327.02 | 333.26 |
| | | 4,560.92 | 5,638.88 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 27 | 578.85 | 578.85 |
| (ii) Lease liabilities | 22 | 54.47 | 51.50 |
| (iii) Trade payables | 28 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | 106.11 | 138.52 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,426.27 | 3,176.79 |
| (iv) Other financial liabilities | 29 | 3,521.08 | 3,295.59 |
| (b) Other current liabilities | 30 | 317.29 | 295.50 |
| (c) Provisions | 31 | 107.96 | 93.17 |
| | | 8,112.03 | 7,629.92 |
| Total Equity and Liabilities | | 50,024.80 | 46,396.48 |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lakhs)

| Particulars | Note No. | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------|----------------------------------|----------------------------------|
| Income: | | | |
| Revenue from operations | 32 | 41,903.62 | 35,847.25 |
| Other income | 33 | 541.96 | 317.45 |
| Total Income | | 42,445.58 | 36,164.70 |
| Expenses: | | | |
| Purchase of Medicines & Consumables | 34 | 11,170.49 | 10,251.14 |
| Changes in inventories of Medicines & Consumables | 35 | -165.70 | -186.46 |
| Employee benefits expense | 36 | 6,380.09 | 6,282.33 |
| Finance costs | 37 | 211.01 | 257.31 |
| Depreciation and amortisation expense | 38 | 2,269.08 | 2,146.03 |
| Other expenses | 39 | 14,338.72 | 11,332.94 |
| Total expenses | | 34,203.69 | 30,083.29 |
| Profit before tax | | 8,241.89 | 6,081.41 |
| Tax expense: | | | |
| Current tax | | 2,660.93 | 1,520.99 |
| Tax for earlier years | 10 | 17.09 | 7.93 |
| Deferred tax | | -188.48 | 260.89 |
| | | 2,489.54 | 1,789.81 |
| Profit for the year | | 5,752.35 | 4,291.60 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of post employment benefit obligations | | -39.76 | -187.59 |
| Income tax relating to items that will not be reclassified to profit or loss | | 11.58 | 54.63 |
| Total other comprehensive income for the year | | -28.18 | -132.96 |
| Total Comprehensive Income for the year | | 5,724.17 | 4,158.64 |
| Earnings per equity share of Rs 10 each: | 40 | | |
| Basic (Rs) | | 5.75 | 4.29 |
| Diluted (Rs) | | 5.75 | 4.29 |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

Place : Kochi

Date : 14.08.2023

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman

DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director

DIN: 09627792

sd/-

R. Muraliedharan

Company Secretary

sd/-

A.J. Pai

Director

DIN: 00115688

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Statement of Cash Flows for the year ended March 31, 2023

(₹ in lakhs)

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Cash flow from operating activities | | |
| Profit before tax | 8,202.13 | 5,893.82 |
| Adjustments for : | | |
| Depreciation and amortisation | 2,269.08 | 2,146.03 |
| Interest expense | 211.01 | 257.31 |
| Interest income | -416.14 | -168.67 |
| Net (Profit)/ Loss on sale/write off of Property Plant and Equipment | 67.08 | 237.38 |
| Grant income | -37.44 | -23.34 |
| Bad debts and advances written off | - | - |
| Provision for doubtful debts | 1,098.86 | 400.00 |
| Operating cash flow before working capital changes | 11,394.58 | 8,742.53 |
| Movements in working capital : | | |
| (Increase) / decrease in inventories | -165.70 | -186.46 |
| (Increase) / decrease in trade and other receivables | -2,880.66 | -5,635.37 |
| Increase / (decrease) in trade and other payables | -879.56 | 1,211.26 |
| | 7,468.66 | 4,131.96 |
| Direct taxes paid net of refunds | -1,983.24 | -1,015.20 |
| Net cash flows from operating activities (A) | 5,485.42 | 3,116.76 |
| Cashflow from investing activities | | |
| Additions to Property, Plant & Equipment (including capital work in progress) | -903.61 | -2,645.57 |
| Investment in subsidiaries | - | - |
| Sale or withdrawal of property, plant and equipment | 9.19 | 124.33 |
| Interest received | 229.71 | 117.48 |
| Net cash flows from investing activities (B) | -664.71 | -2,403.76 |
| Cashflow from financing activities | | |
| Proceeds/(Repayment) of Buyers credit/ Term Loan | -577.39 | -1,841.68 |
| Movement in Short term borrowings (Net) | - | - |
| Dividend paid | -1,500.67 | -497.72 |
| Dividend distribution tax paid | - | - |
| Payment of lease liabilities | -83.86 | -73.81 |
| Interest paid | -169.34 | -225.84 |



| | | |
|---|-----------------|------------------|
| Net cash flows from financing activities (C) | -2,331.26 | -2,639.05 |
| Net Increase in Cash & Cash Equivalents (A)+(B)+(C) | 2,489.45 | -1,926.05 |
| Cash and cash equivalent at the beginning of the Year | 1,153.70 | 3,079.75 |
| Cash and cash equivalent at the end of the Year | | |
| Cash on hand | 23.13 | 30.78 |
| Balance with Banks in current account and deposit account | 3,620.02 | 1,122.92 |
| Cash and cash equivalents | 3,643.15 | 1,153.70 |
| Net increase/(decrease) in Cash and Cash equivalents | 2,489.45 | -1,926.05 |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

(₹ in Lakhs)

| As at 01.04.2022 | Changes in equity share capital during the year | As at 31.03.2023 |
|------------------|---|------------------|
| 10000 | - | 10000 |
| As at 01.04.2021 | Changes in equity share capital during the year | As at 31.03.2022 |
| 10000 | - | 10000 |

B. Other Equity

(₹ in Lakhs)

| | Securities Premium | Retained Earnings | Capital Redemption reserve | Total |
|---|--------------------|-------------------|----------------------------|------------------|
| Balance as at April 1, 2021 | 14,000.00 | 4,969.04 | 500.00 | 19,469.04 |
| Profit for the year | | 4,291.60 | | 4,291.60 |
| Add Other comprehensive income for the year | | -132.96 | | -132.96 |
| Total comprehensive income for the year | | 4,158.64 | | 4,158.64 |
| Less Dividends | | 500.00 | | 500.00 |
| Balance as at March 31, 2022 | 14,000.00 | 8,627.68 | 500.00 | 23,127.68 |
| Add Profit for the year | | 5,752.35 | | 5,752.35 |
| Add Other comprehensive income for the year | | -28.18 | | -28.18 |
| Total comprehensive income for the year | | 5,724.17 | | 5,724.17 |
| Less Dividends | | 1,500.00 | | 1,500.00 |
| Balance as at March 31, 2023 | 14,000.00 | 12,851.85 | 500.00 | 27,351.85 |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023



1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate information

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED was incorporated on April 4, 1996 as a Public Limited Company. The Company is domiciled in India and having registered office at Nettoor, Kerala. The Company is engaged in providing healthcare services and has a super speciality hospital at Kochi. The Ind AS standalone financial statements for the year ended March 31, 2023 were approved by the Board of Directors on 14.08.2023

2. Significant Accounting Policies

2.1 Statement of compliance

Standalone Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules issued thereafter.

2.2 Basis of preparation of Financial Statements

The standalone financial statements of the Company have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

2.3 Application of New Accounting Pronouncements

New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2022:

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

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

Amendments to Ind AS 16 – Property, Plant and Equipment – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The adoption of amendments to Ind AS 16 did not have any material impact on the standalone financial statements.

Amendments to Ind AS 37 – Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The adoption of amendments to Ind AS 37 did not have any material impact on the standalone financial statements.

Amendments to Ind AS 109 – Financial Instruments

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

2.4 Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

2.5 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the standalone financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.6 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the standalone financial statements have been disclosed below:

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its



capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

Recognition of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Impairment of unquoted investments

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy.

Classification of leases

The Company enters into leasing arrangements for some assets. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and office premises and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases. Further, refer note no. 22, for effect of transition to Ind AS 116 and other disclosures relating to leases.

2.7 Property, Plant and Equipment (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First time adoption of Indian Accounting Standards'. Property, Plant and Equipments are stated at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location

and condition necessary for it to be capable of operating in the manner intended by management and estimated cost of dismantling and restoring onsite.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress. Impairment loss is charged to the standalone Statement of Profit and Loss of the period in which the asset is identified as impaired, when the carrying amount of an asset exceeds its recoverable value. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the standalone statement of profit and loss.

2.8 Intangible Assets

Hospital Management System Software of the company is treated as an intangible asset in accordance with the Ind AS 38- “Intangible Assets”.

2.9 Depreciation / Amortisation

Depreciation is provided on Straight Line Method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

| Block of Assets | Useful life |
|-------------------------|-------------|
| Building (RCC) | 60 years |
| Building (Non RCC) | 30 years |
| Medical equipment | 13 years |
| Other equipment | 15 years |
| Furniture and fixtures | 10 years |
| Vehicles | 8 years |
| Office equipment | 5 years |
| Electrical installation | 10 years |
| Computers | 3 years |

Cost of software treated as intangible assets is amortised under straight line method over a period of 5 years.

2.10 Impairment of non financial assets

The Company assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.



2.11 Inventories

Inventories of medicines, consumables and other items of inventory are valued at lower of cost or net realizable value, on First In First Out basis. The net realizable value of bought out inventories is taken at their current replacement value. Crockery and Cutlery are valued at cost and are subject to 1/3 rd write off wherever applicable applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

2.12 Equity instruments & Financial instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at amortized cost, except investments which are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Trade Receivables

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance. The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Off setting of financial instruments

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

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

2.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.14 Foreign Currency Transactions

The standalone financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Foreign Currency Transactions:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the standalone statement of Profit and Loss.

2.15 Provision , Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.



Contingent liability is disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.16 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Operating income

Operating income is recognised as and when the services are rendered / pharmacy items are sold. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

(ii) Income from academic services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

(iii) Export benefits

Income from 'Served from India Scheme/Service Exports from India Scheme' is recognized as and when the claims are admitted.

(iv) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Standalone Statement of Profit and Loss.

(v) Research Projects

In respect of grants received for research projects/programmes from sponsor institutions for payment to investigators who are consultant doctors of the company, for carrying out research activities/ specified clinical studies in terms of tripartite agreement entered into between the company, sponsor institution and the investigator, the grant received/ expenses incurred there against to the extent utilized, are accounted as income/expenditure of the year and the unspent amounts are carried forward to subsequent years to be accounted on actual utilisation thereof.

2.17 Employee benefits

i) Employees Benefits

(i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

(ii) Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/ payable to these plans during the year are charged to the Standalone Statement of Profit and Loss for the year.

(iii) Defined Benefit Plans – Gratuity

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Standalone Statement of Profit and Loss for the period in which they occur.

(iv) Long Term Employee Benefits

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Standalone Statement of Profit and Loss for the period in which they occur.

ii) Expense on issue of Sweat Equity Shares

In respect of shares issued as sweat equity shares, the accounting value of the fair price of the shares as determined shall be disclosed as compensation to the employee or director under Employee Benefits Expense in the Standalone Statement of Profit and Loss during the relevant accounting period in accordance with the provisions of the Companies Act, 2013.

2.18 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.19 Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

As a lessee:

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or 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 (shortterm leases) and leases of low value assets. For these shortterm and leases of low value assets, the Company recognises the lease payments as an operating expense over the term of the lease.



The right-of-use assets are initially recognised 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, if any. 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 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. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.”

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor:

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.20 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.21 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.22 Earnings Per Share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Segment Reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly the company has only one reportable segment i.e. “Hospital Activities”.

2.24 Cash flow statement

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

For the purpose of cash flow statement, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts are disclosed within borrowings in current liabilities in the Balance Sheet

2.25 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders’ equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.



2.26 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the company.

The company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27 – Separate Financial Statements.

2.27 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred revenue. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset”

3. Recent accounting pronouncements – Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Amendments to Ind AS 1, Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 1 is not expected to have any material impact on the standalone financial statements.

Amendments to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 8 is not expected to have any material impact on the standalone financial statements.

Amendments to Ind AS 12, Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 12 is not expected to have any material impact on the standalone financial statements.

4 Property, Plant & Equipment

| Particulars | Gross Carrying Amount | | | Depreciation | | | Net Carrying Amount | |
|------------------------------|----------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2023 | As at 31 st March 2023 | Adjustment/ (withdrawal) | As at 31 st March 2023 | As at 31 st March 2022 |
| (a) Land | 3,322.73 | - | - | 3,322.73 | - | - | 3,322.73 | 3,322.73 |
| (b) Buildings | 17,291.61 | 155.35 | 61.93 | 17,385.03 | 367.20 | 14.58 | 15,533.94 | 15,793.14 |
| (c) Plant and Equipment | | | | | | | | |
| (i) Medical Equipments | 12,538.91 | 592.11 | 56.93 | 13,074.09 | 1,054.17 | 28.47 | 8,754.56 | 9,245.08 |
| (ii) Other Equipments | 3,030.70 | 9.80 | - | 3,040.50 | 249.59 | - | 2,313.03 | 2,552.82 |
| (d) Furniture and Fixtures | 1,264.60 | 96.16 | - | 1,360.76 | 143.50 | - | 834.18 | 881.52 |
| (e) Vehicles | 132.71 | 11.13 | - | 143.84 | 11.76 | - | 60.72 | 61.35 |
| (f) Office equipment | 5.79 | 5.18 | - | 10.97 | 1.04 | - | 8.60 | 4.46 |
| (g) Electrical Installations | 3,122.65 | 73.92 | - | 3,196.57 | 345.95 | - | 1,866.19 | 2,138.22 |
| (h) Computers | 136.05 | 40.21 | 10.28 | 165.98 | 21.02 | 9.82 | 70.43 | 51.70 |
| Total | 40,845.75 | 983.86 | 129.14 | 41,700.47 | 2,194.23 | 52.87 | 32,764.38 | 34,051.02 |

| Particulars | Gross Carrying Amount | | | Depreciation | | | Net Carrying Amount | |
|------------------------------|----------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2022 | As at 31 st March 2022 | Adjustment/ (withdrawal) | As at 31 st March 2022 | As at 31 st March 2021 |
| (a) Land | 3,322.73 | - | - | 3,322.73 | - | - | 3,322.73 | 3,322.73 |
| (b) Buildings | 16,881.69 | 409.92 | - | 17,291.61 | 343.28 | - | 15,793.14 | 15,726.50 |
| (c) Plant and Equipment | | | | | | | | |
| (i) Medical Equipments | 12,194.43 | 1,772.09 | 1,427.61 | 12,538.91 | 969.01 | 1,163.33 | 9,245.08 | 8,706.28 |
| (ii) Other Equipments | 3,744.09 | 85.24 | 798.63 | 3,030.70 | 252.68 | 739.45 | 2,552.82 | 2,779.44 |
| (d) Furniture and Fixtures | 1,195.11 | 248.94 | 179.45 | 1,264.60 | 128.40 | 169.11 | 881.52 | 771.32 |
| (e) Vehicles | 127.51 | 22.04 | 16.84 | 132.71 | 14.79 | 15.64 | 61.35 | 55.30 |
| (f) Office equipment | 2620 | 1.94 | 22.35 | 5.79 | 0.25 | 21.35 | 4.46 | 3.77 |
| (g) Electrical Installations | 3,310.42 | 242.42 | 430.19 | 3,122.65 | 341.53 | 408.78 | 2,138.22 | 2,258.74 |
| (h) Computers | 235.91 | 35.47 | 135.33 | 136.05 | 23.62 | 131.03 | 51.70 | 44.15 |
| Total | 41,038.09 | 2,818.06 | 3,010.40 | 40,845.75 | 2,073.56 | 2,648.69 | 34,051.02 | 33,668.23 |

5 Capital Work-in-Progress

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|------------------------------------|------------------|------------------|
| (a) Calicut Medical Centre Project | 2.25 | 0.50 |
| (b) Others | 565.01 | 14.79 |
| Total | 567.26 | 15.29 |

5.1 Capital work-in-progress ageing schedule for the year ended March 31, 2023

₹ in Lakhs

| Particulars | Amount in CWIP for a period of | | | | |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 561.32 | 5.94 | - | - | 567.26 |

5.2 Capital work-in-progress ageing schedule for the year ended March 31, 2022

₹ in Lakhs

| Particulars | Amount in CWIP for a period of | | | | |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 15.29 | - | - | - | 15.29 |

6 Other Intangible assets

₹ in Lakhs

| Particulars | Gross Carrying Amount | | | | Amortisation | | | | Net Carrying Amount | |
|--------------|----------------------------------|--|---------------------------------------|-----------------------------------|----------------------------------|--------------|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2023 | As at 1 st April 2022 | For the year | Adjustment/ (withdrawal) | As at 31 st March 2023 | As at 31 st March 2023 | As at 31 st March 2022 |
| Software | 97.79 | 9.66 | - | 107.45 | 45.17 | 18.43 | - | 63.60 | 43.85 | 52.62 |
| Total | 97.79 | 9.66 | - | 107.45 | 45.17 | 18.43 | - | 63.60 | 43.85 | 52.62 |

| Particulars | Gross Carrying Amount | | | | Amortisation | | | | Net Carrying Amount | |
|--------------|----------------------------------|--|---------------------------------------|-----------------------------------|----------------------------------|--------------|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2022 | As at 1 st April 2021 | For the year | Adjustment/ (withdrawal) | As at 31 st March 2022 | As at 31 st March 2022 | As at 31 st March 2021 |
| Software | 84.63 | 13.16 | - | 97.79 | 29.11 | 16.06 | - | 45.17 | 52.62 | 55.52 |
| Total | 84.63 | 13.16 | - | 97.79 | 29.11 | 16.06 | - | 45.17 | 52.62 | 55.52 |

7 Right-of-use assets

₹ in Lakhs

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net Carrying amount | |
|---------------------|----------------------------------|-----------|----------|-----------------------------------|----------------------------------|--------------|----------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions | Disposal | As at 31 st March 2023 | As at 1 st April 2022 | For the year | Disposal | As at 31 st March 2023 | As at 31 st March 2023 | As at 31 st March 2022 |
| (a) Land | 95.55 | - | - | 95.55 | 3.88 | 0.97 | - | 4.85 | 90.70 | 91.67 |
| (b) Land & Building | 527.31 | - | - | 527.31 | 139.16 | 55.45 | - | 194.61 | 332.70 | 388.15 |
| Total | 622.86 | - | - | 622.86 | 143.04 | 56.42 | - | 199.46 | 423.40 | 479.82 |

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net Carrying amount | |
|---------------------|----------------------------------|---------------|----------|-----------------------------------|----------------------------------|--------------|----------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions | Disposal | As at 31 st March 2022 | As at 1 st April 2021 | For the year | Disposal | As at 31 st March 2022 | As at 31 st March 2022 | As at 31 st March 2021 |
| (a) Land | 95.55 | - | - | 95.55 | 2.91 | 0.97 | - | 3.88 | 91.67 | 92.64 |
| (b) Land & Building | 295.49 | 231.82 | - | 527.31 | 83.71 | 55.45 | - | 139.16 | 388.15 | 211.78 |
| Total | 391.04 | 231.82 | - | 622.86 | 86.62 | 56.41 | - | 143.04 | 479.82 | 304.42 |

8 Investments ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Investment carried at cost – Unquoted equity shares | | |
| Investment in Subsidiary Company | 5.00 | 5.00 |
| Lakeshore Food and Beverages Private Limited 5,000 equity shares (March 31, 2022: 5,000 equity shares) of Rs. 100 each, fully paid up. | | |
| Total | 5.00 | 5.00 |

9 Other Financial Assets – Non Current ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Security deposits | 209.56 | 208.13 |
| Bank deposits with maturity period more than 12 months | 1,112.10 | 1,730.50 |
| Total | 1,321.66 | 1,938.63 |

10 Non Current/ Current tax assets / liability (Net) ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|------------------|------------------|
| Non current tax assets | | |
| Advance income tax net of provisions | 2,566.33 | 1,610.71 |
| Current tax assets | | |
| Advance income tax net of provisions | - | - |
| Current tax liability | | |
| Provision for current tax | 2,107.68 | 1,018.18 |
| Total | 458.65 | 592.53 |

Income tax recognised in profit & loss ₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|-------------------------------|-------------------------------|
| Current tax: | | |
| Current income tax charge in Profit & Loss | 2,660.93 | 1,520.99 |
| Income tax relating to earlier years | 17.09 | 7.93 |
| Current income tax charge in Other Comprehensive Income | - | - |
| Total (A) | 2,678.02 | 1,528.92 |

| | | |
|---|-----------------|---------------|
| Deferred tax: | | |
| In respect of current year (Profit & Loss) | (188.48) | 260.89 |
| In respect of current year (Other Comprehensive Income) | (11.58) | (54.63) |
| Total (B) | (200.06) | 206.26 |
| Income tax expense recognised in the Statement of Profit and Loss (A+B) | 2,477.96 | 1,735.18 |

The income tax expense for the year can be reconciled to the accounting profit as follows:- ₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Profit before tax | 8,241.89 | 6,081.41 |
| Income tax expense calculated @ 29.12% (29.12%) | 2,400.04 | 1,770.91 |
| Effect of expenses/income that are not deductible in determining taxable profit | 4.02 | 0.39 |
| Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit | 19.32 | 12.07 |
| Effect of change in tax rate (subsequently enacted rate taken for Deferred tax) | - | - |
| Others: | - | - |
| Adjustments recognised in the current year in relation to the current/deferred tax of prior years | 16.64 | - |
| Other adjustments | 49.51 | 6.44 |
| Income tax expense recognised in the Statement of Profit and Loss | 2,489.54 | 1,789.81 |

The Company has evaluated the impact of the newly introduced Section 115BAA of the Taxation Laws (Amendment) Ordinance, 2019 and has decided not to opt for the same in view of the MAT Credit carried by the Company in the tax books.

Deferred tax assets/(liabilities) in relation to 2022-23 ₹ in Lakhs

| Particulars | Opening balance | Recognised in Profit and Loss / Adjustments | Closing Balance |
|-------------------------------|-------------------|---|-------------------|
| Provisions | 844.53 | 346.62 | 1,191.15 |
| Property, plant and equipment | -3,058.08 | (132.11) | (3,190.19) |
| MAT Credit availed | 560.93 | (560.93) | - |
| Others | 32.70 | (14.45) | 18.25 |
| Total | (1,619.92) | | (1,980.79) |

Deferred tax assets/(liabilities) in relation to 2021-22 ₹ in Lakhs

| Particulars | Opening balance | Recognised in Profit and Loss / Adjustments | Closing Balance |
|-------------------------------|-----------------|---|-----------------|
| Provisions | 831.02 | 13.51 | 844.53 |
| Property, plant and equipment | (2,841.62) | (216.46) | (3,058.08) |

| | | | |
|--------------------|-----------------|----------|-------------------|
| MAT Credit availed | 1,055.38 | (494.45) | 560.93 |
| Others | 44.38 | (11.68) | 32.70 |
| Total | (910.84) | | (1,619.92) |

11 Other non-current assets ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-------------------------------------|------------------|------------------|
| Unsecured, considered good | | |
| Deposits with statutory authorities | 68.95 | 68.95 |
| Capital advances | 86.20 | 147.52 |
| Total | 155.15 | 216.47 |

11.1 Deposits include Rs. 64.72 lakhs (Rs. 64.72 lakhs) made against disputed provident fund demands (See Note 41)

12 Inventories ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Inventories are valued at lower of cost or net realisable value | | |
| (a) Medicines | 385.72 | 336.14 |
| (b) Medicines-in-transit | 1.83 | 1.37 |
| (c) Medical Consumables | 757.71 | 646.17 |
| (d) Consumables-in-transit | 105.44 | 105.64 |
| (e) Other Consumables | 21.15 | 16.83 |
| Total | 1,271.85 | 1,106.15 |

13 Trade Receivables-Current ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Unsecured | | |
| Considered good | 1,994.54 | 2,003.29 |
| Receivable from related parties (refer note 43) | 19.82 | 16.99 |
| Credit impaired | 2,027.89 | 929.03 |
| Significant increase in credit risk | - | - |
| Less: Allowance for doubtful debts (Expected credit loss allowance) against credit impaired trade receivables | 2,027.89 | 929.03 |
| Total | 2,014.36 | 2,020.28 |

13.1 Trade receivables are non-interest bearing and receivable in normal operating cycle.

13.2 The Company has sent balance confirmation letters to the Insurance & Corporate Debtors and started the reconciliation process. The Company is not expecting any material impact while reconciling the same.

Movement in the expected credit loss allowance

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Opening balance | 929.03 | 1,035.35 |
| Add: Loss allowance based on Expected Credit Loss | 603.64 | 400.00 |
| Add: Additional provision | 495.22 | - |
| Less: Bad debts written off adjusted | - | 506.32 |
| Closing Balance* | 2,027.89 | 929.03 |

* Current

13.3 Trade receivables ageing schedule for the year ended as on March 31, 2023

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|--------------------|---------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade receivables – considered good | 1,459.61 | 203.63 | 152.97 | 197.90 | 0.25 | 2,014.36 |
| Undisputed Trade receivables – Credit Impaired | 88.79 | 204.10 | 699.29 | 142.26 | 893.46 | 2,027.89 |
| Gross Trade receivables | 1,548.40 | 407.73 | 852.26 | 340.15 | 893.71 | 4,042.25 |
| Less: Allowance for credit loss | | | | | | 2,027.89 |
| Net Trade Receivables | | | | | | 2,014.36 |

13.4 Trade receivables ageing schedule for the year ended as on March 31, 2022

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|--------------------|---------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade receivables – considered good | 1,166.00 | 288.14 | 275.79 | 290.35 | - | 2,020.28 |
| Undisputed Trade receivables – Credit Impaired | 106.36 | 94.89 | 131.82 | 186.34 | 409.61 | 929.03 |
| Gross Trade receivables | 1,272.36 | 383.03 | 407.61 | 476.69 | 409.61 | 2,949.31 |
| Less: Allowance for credit loss | | | | | | 929.03 |
| Net Trade Receivables | | | | | | 2,020.28 |

14 Cash and Cash equivalents

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Balance with Banks | | |
| In current account | 3,181.53 | 693.11 |
| Term deposits with original maturity of less than three months | 438.49 | 429.81 |
| Cash on hand | 23.13 | 30.78 |
| Total | 3,643.15 | 1,153.70 |

- 14.1 Balances with banks in current accounts include earmarked balances for unpaid dividend Rs. 2.13 lakhs (Rs. 2.80 lakhs) and debit balances in overdraft account amounting to Rs.348.66 lakhs (Rs.151.04 lakhs).

15 **Bank balances other than cash and cash equivalents** ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Term Deposits with banks (due to mature within 12 months of the reporting date) | 6,177.08 | 3,898.16 |
| Total | 6,177.08 | 3,898.16 |

- 15.1 Term Deposits with banks includes deposit of 841.11 Lakhs (Rs. 822.96) held as security against bank guarantees issued towards EPCG scheme and Rs. 226.08 Lakhs (Rs.0.87 Lakhs) held as security against other bank guarantees.

16 **Loans – Current** ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Unsecured, considered good unless otherwise stated | | |
| To parties other than related parties | | |
| Employee advances | 22.03 | 20.16 |
| Less : Provision for doubtful advances | (16.45) | (13.52) |
| Total | 5.58 | 6.64 |

17 **Other Financial Assets – Current** ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------------|------------------|------------------|
| Security deposits | 9.67 | 9.67 |
| Interest accrued on bank deposits | 245.07 | 58.64 |
| Unbilled revenue | 731.39 | 601.67 |
| Total | 986.13 | 669.98 |

18 **Other Current Assets** ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|------------------|------------------|
| Unsecured, considered good | | |
| Advances other than capital advances | 187.30 | 190.19 |
| Total | 187.30 | 190.19 |

19 **Equity Share Capital** ₹ in Lakhs

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|---|--------------------|------------------|--------------------|------------------|
| | Number | ₹ in lakhs | Number | ₹ in lakhs |
| Authorised | | | | |
| Equity shares of ₹10/- each | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Issued, Subscribed and Fully paid up | | | | |
| Equity shares of ₹10 each fully paid up | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Total | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |



19.1 Reconciliation of number of shares and amounts outstanding

₹ in Lakhs

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|--|------------------|------------|------------------|------------|
| | Number | ₹ in lakhs | Number | ₹ in lakhs |
| Equity Shares outstanding at the beginning of the year | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Add : shares issued during the year | - | - | - | - |
| Equity Shares outstanding at the end of the year | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |

19.2 Details of shareholders holding more than 5% shares in the company

₹ in Lakhs

| Name of Shareholder | As at 31.03.2023 | | As at 31.03.2022 | |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|
| | Number of Shares held | % of holding | Number of Shares held | % of holding |
| Mr. Shamsheer Vayalil Parambath | 42,622,423 | 42.62% | 42,622,423 | 42.62% |
| Mr. Yusuff Ali MA | 18,800,668 | 18.80% | 18,800,668 | 18.80% |

19.3 Details of shares held by promoters

₹ in Lakhs

| Promoter Name | As at 31.03.2023 | | | As at 31.03.2022 | | |
|--|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| Mr. Shamsheer Vayalil Parambath | 42,622,423 | 42.62% | - | 42,622,423 | 42.62% | - |
| Mr. Yusuffali Musaliam Veettil Abdul Kader | 18,800,668 | 18.80% | - | 18,800,668 | 18.80% | - |
| Mr. Sebastian P M | 4,515,139 | 4.52% | - | 4,515,139 | 4.52% | - |
| Mr. Job Varghese | 3,933,333 | 3.93% | - | 3,933,333 | 3.93% | - |
| Mr. Parayil Daniel Mathew | 2,503,000 | 2.50% | - | 2,503,000 | 2.50% | - |
| Mr. Mudyilethu Mathai Mathai | 1,333,330 | 1.33% | - | 1,333,330 | 1.33% | - |
| Mr. Dr. Molly Johny | 1,170,010 | 1.17% | - | 1,170,010 | 1.17% | - |
| Mr. Kaivilayil Varghese Johny | 1,170,000 | 1.17% | - | 1,170,000 | 1.17% | - |
| Mrs. Shabira Yusuff Ali | 1,000,000 | 1.00% | - | 1,000,000 | 1.00% | - |
| Mr. K N Prabhakaran Nair | 700,000 | 0.70% | - | 700,000 | 0.70% | - |
| Mr. Dr. K Chithrathara | 40,000 | 0.04% | - | 40,000 | 0.04% | 100.00% |

19.4 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

19.5 Details of shares issued for consideration other than cash

10,00,000 sweat equity shares of Rs 10 each at a premium of Rs 20 per share was allotted during the financial year ended 31.03.2016 to Dr. Philip Augustine as fully paid-up without payment being received in cash.

20 Other Equity

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Capital Redemption Reserve | | |
| Balance as at the beginning and end of the year | 500.00 | 500.00 |
| Securities Premium | | |
| Balance as at the beginning and end of the year | 14,000.00 | 14,000.00 |
| Other Reserves | | |
| Retained Earnings | | |
| Balance as at the beginning of the year | 8,627.68 | 4,969.04 |
| Add: Profit for the period | 5,752.35 | 4,291.60 |
| Add: Other Comprehensive income | -28.18 | -132.96 |
| Total comprehensive income for the current year | 14,351.85 | 9,127.68 |
| Less : | | |
| Dividend on equity shares | 1,500.00 | 500.00 |
| Balance as at the end of the year | 12,851.85 | 8,627.68 |
| Total | 27,351.85 | 23,127.68 |

20.1 Capital Redemption Reserve : Capital redemption reserve is a statutory non-distributable reserve into which the amounts are transferred following the redemption of Company's own preference shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Securities Premium : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

20.3 Distribution of dividend paid and proposed

₹ in Lakhs

| Particulars | 2022-23 | 2021-22 |
|--|----------|----------|
| Dividends on equity shares declared and paid | 1,500.00 | 500.00 |
| (for the year ended 31 March 2022 Rs. 1.5 (Rs. 0.50) per equity share) | | |
| Proposed cash dividend for the year | 1,700.00 | 1,500.00 |

21 Borrowings

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| From Banks (Secured) | | |
| Term Loan (See Notes 21.1) | 723.56 | 1,300.95 |
| Total | 723.56 | 1,300.95 |

21.1 Term loan is sanctioned by HDFC Bank Ltd, as re-imburement of capex done during financial year 2017, 2018 & 2019, which is repayable in 7 years including 1 year moratorium, in equal quarterly repayment after the moratorium period with interest at the rate of one year MCLR + 30bps. During the previous year company pre-closed two loan accounts which were having a balance of Rs.761.25 lakhs and Rs.31.25 Lakhs on 09-02-2022.



21.2 Nature of security: Term loan from HDFC bank Ltd are secured by way of EM of 205.900 cents of land alongwith 10 floored building with 221700 sq.ft, EM of 54.54 cents of land, EM of the 11 floored building with 260000 sq.ft being constructed on the project land admeasuring 54.54 cents and hypothecation of medical equipment of the Company not specifically charged to other banks/ financial institutions.

22 Lease liability

The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

This has resulted in recognising a right-of-use asset of Rs. 94.58 lakhs and a corresponding lease liability of Rs. 7.15 lakhs. The difference of Rs. 0.09 lakhs (net of deferred tax asset created of Rs. 0.04 lakhs) has been adjusted to retained earnings as at 1st April 2019. Prepaid rent which were earlier classified under “Other Assets” have been reclassified to right-of-use assets by Rs. 87.56 lakhs. The Company does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

The Company has lease contracts for land and building. Lease for land has lease term of 99 years, while lease for building has lease term of 8 years. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. The Company also has certain leases with lease terms of 12 months or less and leases of low value. The Company applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the period are given in Note 7.

Carrying amounts of lease liabilities and the movements during the year: ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2021 |
|---------------------------|------------------|------------------|
| Opening balance | 523.54 | 322.69 |
| Additions during the year | - | 229.20 |
| Finance charge | 42.25 | 45.46 |
| Repayment | 83.86 | 73.81 |
| Closing balance | 481.93 | 523.54 |
| Current | 54.47 | 51.50 |
| Non current | 427.46 | 472.04 |

The following are the amounts recognised in profit or loss: ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Depreciation expense of right-of-use assets | 56.42 | 56.41 |
| Interest expense on lease liabilities | 42.25 | 45.46 |
| Expense relating to short-term leases (included in other expenses) | 88.73 | 70.31 |
| Expense relating to leases of low-value assets (included in other expenses) | 37.94 | 32.11 |
| Total | 225.33 | 204.29 |

The effective interest rate for lease liabilities is 8.5%

The maturity analysis of lease liabilities are disclosed in Note 44.

23 Other financial liabilities ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| Creditors for Capital goods | - | 841.83 |
| Total | - | 841.83 |

24 Provisions – Non Current ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Provision for employee benefits | | |
| (i) Provision for compensated absences | 149.50 | 167.84 |
| (ii) Provision for gratuity | 952.59 | 903.04 |
| Total | 1,102.09 | 1,070.88 |

25 Deferred Tax Liabilities (Net) ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------|------------------|------------------|
| Deferred tax liabilities | 3,331.25 | 3,193.68 |
| Deferred tax assets | 1,350.46 | 1,573.76 |
| Total | 1,980.79 | 1,619.92 |

26 Other non-current liabilities ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Deferred government grant for EPCG Licence* | 311.84 | 333.26 |
| Deferred grant-others** | 15.18 | - |
| Total | 327.02 | 333.26 |

Summary of the government grant received by the Company :- ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------------|------------------|------------------|
| Opening Balance | 363.41 | 175.35 |
| Add: Grants during the year | 39.81 | 211.40 |
| Less: Released to profit and loss | 37.44 | 23.34 |
| Closing Balance | 365.78 | 363.41 |
| Non Current | 327.02 | 333.26 |
| Current | 38.76 | 30.15 |

* The Company has received grant in the form of EPCG license from Government of India amounting to Rs. 39.81 (Rs. 211.40) Lakhs for import of capital goods subject to fulfilment of export obligation in next 6 years. The Company has recognized this grant as deferred government grant for EPCG licence at fair value. The company will recognize deferred grant income in the statement of profit and loss as per its accounting policy.

** During the financial year 2022-23, the Company has received grant from a corporate entity amounting to Rs.30 lakhs for establishing a Diagnostics Lab as agreed. The Company has recognized the grant related to asset as deferred income at fair value which is being amortised over the useful life of the Property, plant and equipment in proportion in which the related depreciation is recognized. Grant related to revenue is recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.



27 Borrowings – Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Current maturities of long-term debt (See Note 21) | 578.85 | 578.85 |
| Total | 578.85 | 578.85 |

28 Trade Payables

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Trade payables (Unsecured) | | |
| Outstanding dues of Micro enterprises and Small enterprises | 106.11 | 138.52 |
| Outstanding dues of creditors other than Micro enterprises and Small enterprises | 3,426.27 | 3,176.79 |
| Total | 3,532.38 | 3,315.31 |

The information as required under Micro and Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the Auditors,.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management during 2022-23 is as follows:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| (a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year | | |
| Principal | 101.83 | 138.52 |
| Interest on above Principal | 0.12 | - |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | | |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | 4.16 | - |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

28.1 Trade payables ageing schedule for the year ended as on March 31, 2023

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | |
|------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | 105.83 | 0.28 | - | - | 106.11 |
| Others | 3,279.04 | 51.41 | 24.70 | 71.11 | 3,426.27 |
| Disputed Dues – MSME | - | - | - | - | - |
| Disputed Dues – Others | - | - | - | - | - |

28.2 Trade payables ageing schedule for the year ended as on March 31, 2022

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | |
|------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | 138.52 | - | - | - | 138.52 |
| Others | 3,067.00 | 13.54 | 51.28 | 44.96 | 3,176.80 |
| Disputed Dues – MSME | - | - | - | - | - |
| Disputed Dues – Others | - | - | - | - | - |

29 Other Financial Liabilities – Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| (a) Employee related liabilities | 1,889.78 | 2,246.50 |
| (b) Interest accrued but not due on borrowings | 9.40 | 9.99 |
| (c) Unpaid dividends | 2.13 | 2.80 |
| (d) Other payables: | | |
| (i) Creditors for Capital goods | 599.95 | 59.20 |
| (ii) Advance received towards Research activities (See Note 2.16 (v) of Significant Accounting Policies)" | 96.73 | 98.33 |
| (iii) Retention money deposits | 82.25 | 59.60 |
| (iv) Others | 840.84 | 819.17 |
| Total | 3,521.08 | 3,295.59 |

30 Other Current Liabilities

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Statutory dues | 189.45 | 198.89 |
| Deferred government grant for EPCG Licence* | 30.90 | 30.15 |
| Deferred grant–others* | 7.86 | - |
| Others | 89.08 | 66.46 |
| Total | 317.29 | 295.50 |

* Refer note 26 for details of deferred grant



31 Provisions – Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Provision for employee benefits | | |
| (i) Provision for compensated absences | 28.23 | 25.36 |
| (ii) Provision for gratuity | 79.73 | 67.81 |
| Total | 107.96 | 93.17 |

32 Revenue from operations

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-------------------------|----------------------------------|----------------------------------|
| Sale of Products | 15,031.75 | 13,322.37 |
| Sale of Services | 25,115.32 | 20,998.01 |
| Other operating revenue | 1,756.55 | 1,526.87 |
| Total | 41,903.62 | 35,847.25 |

Disaggregated revenue information

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Sale of Products | | |
| (a) Pharmacy Sales | 15,031.75 | 13,322.37 |
| Sale of Services | | |
| (a) Laboratory & Diagnostic services | 7,964.53 | 6,545.59 |
| (b) Other Healthcare services | 17,150.79 | 14,452.42 |
| Other Operating Revenue: | | |
| (a) Income from Research Activities – (See Note 2.16(v) of Significant Accounting Policies) (Net of expense) | - | - |
| (b) Course fees | 86.33 | 105.65 |
| (c) Income from Restaurant | 1,670.22 | 1,421.22 |
| Total | 41,903.62 | 35,847.25 |

Reconciliation of Gross revenue with the revenue from contracts with customers

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------|----------------------------------|----------------------------------|
| Gross revenue | 42,811.98 | 36,702.60 |
| Less : Discount | -908.36 | -855.36 |
| Total | 41,903.62 | 35,847.24 |

Contract balances

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-------------------|------------------|------------------|
| Trade receivables | 2,014.36 | 2,020.28 |
| Unbilled revenue | 731.39 | 601.67 |
| Total | 2,745.75 | 2,621.95 |

33 Other Income

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---------------------------------|----------------------------------|----------------------------------|
| (a) Interest income | | |
| On Fixed deposits | 396.48 | 160.51 |
| Other interest | 19.67 | 8.16 |
| (b) Grant Income | 37.44 | 23.34 |
| (c) Other Non- Operating income | 88.37 | 125.44 |
| Total | 541.96 | 317.45 |

34 Purchase of Medicines & Consumables

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-----------------|----------------------------------|----------------------------------|
| (a) Medicines | 5,644.38 | 5,056.90 |
| (b) Consumables | 5,526.11 | 5,194.24 |
| Total | 11,170.49 | 10,251.14 |

35 Changes In Inventories of Medicines & Consumables

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Inventories at the end of the year : | | |
| (a) Medicines | 387.55 | 337.51 |
| (b) Consumables | 884.31 | 768.64 |
| | 1,271.85 | 1,106.15 |
| Inventories at the beginning of the year : | | |
| (a) Medicines | 337.51 | 285.57 |
| (b) Consumables | 768.64 | 634.12 |
| | 1,106.15 | 919.69 |
| Net (increase) / decrease | -165.70 | -186.46 |

36 Employee Benefits Expense

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Salaries & wages | 5,910.92 | 5,796.61 |
| Contribution to Provident Fund and other funds | 308.86 | 339.03 |
| Staff welfare expenses | 160.31 | 146.69 |
| Total | 6,380.09 | 6,282.33 |



Other Benefit Plan – Leave Plan

The principal assumptions used for the purpose of actuarial valuation were as follows:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Discount Rate (p.a) | 7.55% | 7.47% |
| Rate of increase in compensation levels | 5.00% | 5.00% |

Amount recognised in the Standalone Statement of Profit and Loss in respect of defined benefit plans are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|-------------------------------|-------------------------------|
| Service Cost: | | |
| Current Service Cost | 51.01 | 63.61 |
| Net Interest expense | 12.11 | 11.95 |
| Actuarial (Gain)/Loss recognised during the period | -16.30 | 9.40 |
| Expenses recognised in the standalone statement of profit and loss | 46.82 | 84.96 |

The amount included in the Standalone Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|-------------------------------|-------------------------------|
| Present Value of Defined Benefit Obligation at end of the year | 177.72 | 193.20 |
| Fair Value of Plan Assets at the end of the year | - | - |
| Net Liabilities / (Assets) recognized in the Standalone Balance Sheet | 177.72 | 193.20 |

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|-------------------------------|-------------------------------|
| Defined Benefit Obligation at beginning of the year | 193.20 | 211.74 |
| Current & Past Service Cost | 51.01 | 63.61 |
| Current Interest Cost | 12.11 | 11.95 |
| Actuarial (Gain)/ Loss | -16.30 | 9.40 |
| Benefits paid | -62.29 | -103.50 |
| Defined Benefit Obligation at end of the year | 177.72 | 193.20 |

Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|-------------------------------|-------------------------------|
| Fair Value of Plan Assets at the beginning of the year | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial (Gain)/ Loss | - | - |
| Contributions from the employer | - | - |
| Benefits paid | - | - |
| Fair Value of the Assets at the end of the year | - | - |

Defined Benefit Plan–Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Discount Rate (p.a) | 7.55% | 7.47% |
| Rate of increase in compensation levels | 5.00% | 5.00% |
| Expected Rate of return on plan assets | NA | NA |

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Service Cost: | | |
| Current Service Cost | 116.50 | 126.80 |
| Net Interest expense | 66.50 | 55.51 |
| Components of defined benefit costs recognised in standalone statement of profit and loss | 183.00 | 182.31 |
| Remeasurement of the net defined benefit liability: | | |
| Actuarial (Gain)/Loss on Plan Obligations | 39.76 | 187.59 |
| Difference between Actual Return and Interest income on Plan assets (gain)/loss | - | - |
| Components of defined benefit costs recognised in Other Comprehensive Income | 39.76 | 187.59 |

The amount included in the Standalone Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Present Value of Defined Benefit Obligation at end of the year | 1,032.32 | 970.85 |
| Fair Value of Plan Assets at the end of the year | - | - |
| Net Liabilities /(Assets) recognized in the Standalone Balance Sheet | 1,032.32 | 970.85 |

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Defined Benefit Obligation at beginning of the year | 970.85 | 879.35 |
| Current Service Cost | 116.50 | 126.80 |
| Current Interest Cost | 66.50 | 55.51 |
| Actuarial (Gain)/ Loss | 39.76 | 187.59 |
| Benefits paid | -161.29 | -278.40 |
| Defined Benefit Obligation at end of the year | 1,032.32 | 970.85 |

Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Fair Value of Plan Assets at the beginning of the year | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial (Gain)/ Loss | - | - |
| Contributions from the employer | - | - |
| Benefits paid | - | - |
| Fair Value of the Assets at the end of the year | - | - |

37 Finance Costs

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-----------------------------------|----------------------------------|----------------------------------|
| (a) Interest expense | 168.76 | 211.85 |
| (b) Interest on lease liabilities | 42.25 | 45.46 |
| Total | 211.01 | 257.31 |

38 Depreciation and Amortisation Expense

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Depreciation on property, plant and equipments | 2,250.65 | 2,129.97 |
| Amortisation of other intangible asset | 18.43 | 16.06 |
| Total | 2,269.08 | 2,146.03 |

39 Other Expenses

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| (a) Power, fuel & water charges | 1,070.63 | 981.93 |
| (b) Consultancy charges | 7,600.84 | 6,087.95 |
| (c) House Keeping expenses | 834.60 | 720.66 |
| (d) Lab Test Charges | 200.04 | 223.79 |
| (e) Rent | 126.66 | 102.42 |
| (f) Repairs: | | |
| - Buildings | 80.29 | 75.19 |
| - Machinery | 816.54 | 642.88 |
| - Others | 109.13 | 103.75 |
| (g) Insurance | 25.31 | 23.54 |
| (h) Rates and taxes | 23.37 | 51.17 |
| (i) Restaurant consumption | 823.26 | 679.03 |
| (j) Advertisement & Marketing expenses | 387.48 | 240.24 |
| (k) Printing and Stationery | 227.81 | 133.81 |
| (l) Payments to auditors (See Note: 39.1) | 9.34 | 8.77 |

| | | |
|--|------------------|------------------|
| (m) Provision for doubtful debts and doubtful advances | 1,098.86 | 400.00 |
| (n) Expenditure on Corporate Social Responsibility activities (See Note 39.2) | 66.36 | 41.46 |
| (o) Professional Charges | 165.23 | 104.70 |
| (p) Bank Charges | 56.16 | 37.89 |
| (q) Security Charges | 177.05 | 171.11 |
| (r) Miscellaneous expenses | 360.58 | 491.03 |
| (s) Net loss on foreign currency transactions and translation | 79.18 | 11.62 |
| Total | 14,338.72 | 11,332.94 |

39.1 Payment to Auditors

₹ in Lakhs

| | | |
|--|-------------|-------------|
| For statutory audit | 5.00 | 5.00 |
| For taxation matters (including tax audit) | 1.00 | 1.00 |
| Tax on above | 1.08 | 1.08 |
| For other services | 1.88 | 1.42 |
| Reimbursement of expenses | 0.38 | 0.27 |
| | 9.34 | 8.77 |

39.2 Corporate Social Responsibility (CSR) : As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas of CSR activity includes promoting education, art and culture, healthcare, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. CSR committee has been formed by the company as per the Act. The utilisation of CSR funds are done as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|
| (i) Amount required to be spent by the company during the year | 66.36 | 41.46 |
| (ii) Amount of expenditure incurred | 60.86 | 29.26 |
| (iii) Shortfall at the end of the year | 5.50 | 12.20 |
| (iv) Total of previous years shortfall | - | - |
| (v) Reason for shortfall | Rs 5.50 lakhs transferred to separate bank account to spend for the on-going projects. | Rs 12.21 lakhs transferred to separate bank account to spend for the on-going projects. |
| (vi) Nature of CSR activities | Education, Preventive Healthcare, Urban development, Support to elders, Support to homeless, Promotion of Arts etc. | Education, Preventive Healthcare, Free Vaccination, Urban development, Support to elders, Support to homeless, Promotion of Arts etc. |

| | | |
|--|---|---|
| (vii) Details of related party transactions | - | - |
| (viii) Movement in the provision made with respect to a liability incurred by entering into a contractual obligation | - | - |

40 Earnings per Equity Share

₹ in Lakhs, other than EPS

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Net Profit after tax | 5,752.35 | 4,291.60 |
| Number of Equity Shares | 100,000,000 | 100,000,000 |
| Basic and Diluted Earnings Per Share (EPS) (in ₹) | 5.75 | 4.29 |
| Face value per equity (in ₹) | 10.00 | 10.00 |

41 Contingent Liabilities, Contingent Assets And Commitments

| | Particulars | As at 31.03.2023 | As at 31.03.2022 | Brief Description of the nature and obligation |
|------------|---|------------------|------------------|--|
| | | (₹ in Lakhs) | (₹ in Lakhs) | |
| A | CONTINGENT LIABILITY (To the extent not provided for) | | | |
| (a) | Other money for which the company is contingently liable | | | |
| 1 | Employees Provident Fund and Miscellaneous Provisions Act | 129.84 | 129.84 | Demands raised under EPF Act, 1952 amounting to Rs 129.84 lakhs (Rs.129.84 lakhs). The Company filed two appeal(s) before the Industrial Tribunal –cum–Labour Court. As directed by the Tribunal, company deposited a sum of Rs.64.72 lakhs (Rs.64.72 lakhs); and the recovery of balance demand is stayed till the disposal of appeal. Appeal No. 657/2019 was dismissed by the Tribunal on 28.03.2022 and the Company has filed writ petition WP(C) NO 23816/2022 before the Hon'ble High Court of Kerala against the said order. The court vide order dated 6th July 2023 has granted stay till 5th November 2023. The company is legally advised that the demands will not be sustainable and in the opinion of the management no provision in this regard is considered necessary at this stage and the amount deposited is carried over as receivables and disclosed under the head "Deposits" under other non-current assets. |
| 2 | Service tax | 62.96 | 62.96 | The demand for Service tax amounting to Rs.62.96 lakhs (Rs. 62.96 lakhs) including penalty of Rs.23.42 lakhs (Rs.23.42 lakhs) on amounts received from Medical companies for clinical research activities was disputed on appeal before the Commissioner of Customs, Central Excise & Service Tax (Appeals). Out of this the appeals for certain years involving demands of Rs.39.54 lakhs (Rs.39.54 lakhs) and penalty of Rs.23.42 lakhs (Rs. 23.42 lakhs) was decided against the company as per proceedings of the Appellate Authority. The company has filed a second appeal before the Central Excise & Service Tax Appellate Tribunal. As per the advice obtained by the management from the Service Tax consultants, the above referred amounts are exempt services and not liable for Service tax and in the opinion of the management, no provision is considered necessary at this stage. |

| | | | | |
|---|-----------------------|--------|--------|--|
| 3 | Value Added Tax | 655.73 | 690.96 | The demand for Value Added Tax amounting to Rs.655.73 lakhs (Rs. 690.96 lakhs) including penalty of Rs.487.21 lakhs (Rs. 487.21 lakhs) for the period 2008-09, 2009-10, 2010-11, 2011-12 and 2016-17 has been disputed by the Company and a writ petition has been filed before the Hon. High Court of Kerala, which is pending disposal. The Company received a stay order dated 09.06.2017 from Hon. High Court of Kerala. As per the advice obtained by the management from the consultants and in the opinion of the management, no provision is considered necessary at this stage. |
| 4 | Goods and Service tax | 1.08 | - | The company received notice under Section 50(1) of GST Act for belated filing of GSTR3B with a demand of Rs.1.18 Lakhs. Company has filed the reply along with copies of GSTR 3B, Electronic cash ledger and workings. No provision is considered necessary at this stage. |
| 5 | Income Tax | - | 1.18 | The demand for Income tax amounting to Rs.1.18 lakhs for Assessment year 2007-08, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Order u/s 250 was passed by CIT(A) dated 03.10.2022 allowing the grounds in favour of the company. |
| | | 26.41 | 26.41 | The demand for Income tax amounting to Rs.26.41 lakhs for Assessment year 2011-12, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage. |
| | | - | 3.29 | The demand for Income tax amounting to Rs.3.78 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Order has been received u/s 250 dated 28.11.2022 allowing the the grounds in favour of the company |
| | | - | 7.00 | The demand for Income tax amounting to Rs.7 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Order has been received u/s 250 dated 21.11.2022 dismissing the grounds against which the company has filed appeal before income tax tribunal. The company has made provision for the same in the current year. |
| | | 221.05 | - | As per the assessment order for AY 2016-17, AO concluded that there exists an employer - employee relationship with consultant doctors and tax must have been deducted at source u/s 192 instead of 194J. Appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals) on 24.08.2023. Hon'ble High Court of Kerala granted stay vide order dated 07th June 2023 and directed the CIT(A) to consider and pass orders on the stay petition filed within a period of 3 months. No provision is considered necessary at this stage. |

| | | | | |
|---|---|--------|--------|--|
| | | - | 2.96 | As per the assessment order for AY 2017-18, Rs. 9.10 lakhs is disallowed for delay in remittance of ESI/PF under Section 36(1)(va). Since tax was payable under MAT provisions, demand is Nil. However, tax effect of the same on excess unabsorbed depreciation carried forward has been disclosed as contingent liability. This demand has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Order has been received u/s 250 dated 21.11.2022 dismissing the grounds. The company has made provision for the same in the current year. |
| | | 148.61 | 148.61 | The demand for Income tax amounting to Rs.148.61 lakhs for Assessment year 2018-19, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage. |
| | | 96.15 | 96.15 | The demand for Income tax amounting to Rs.97.78 lakhs for Assessment year 2018-19, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Provision of Rs. 1.63 lakhs has been recognised in the books. No provision is considered necessary at this stage for the balance amount. |
| 6 | Legal cases for compensation/claims filed against the company | 530.67 | 455.67 | Legal cases for compensation/claims filed against the company amounts to Rs.530.67 lakhs (Rs.455.67 lakhs). In the opinion of the management, the cases are not sustainable and hence no provision is considered necessary at this stage. |
| 7 | Tide Water | 821.90 | 821.91 | A case filed against the company in an earlier year for non-compliance of the contract terms amounting to Rs. 821.91 lakhs (Rs 821.91 lakhs) which was under arbitration as per the order of the Honourable High Court of Kerala, was partly decided against the company and as per the arbitration award, an amount of Rs. 257.30 lakhs (Rs 257.30 lakhs) was determined as payable to the claimant. The company has been legally advised that the order of the Arbitrator is not to be accepted and had filed an appeal before the District Court, Ernakulam, challenging the arbitration award. Later, the case has been transferred to the Special Court constituted for hearing the commercial disputes, which is pending disposal. In the opinion of the management, having regard to the legal advice obtained, no provision is considered necessary at this stage. |
| 8 | Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board | 19.54 | 19.54 | The Company has received notice from Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board regarding non-payment of the amount due u/s 12 of the Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Act, 2006 and interest thereon (for the period from 1-8-2008 to 31-8-2014), aggregating to Rs.19.54 lakhs (Rs 19.54 lakhs). The Qualified Medical Practitioners Association of which the company is a member has filed a Writ Petition before the Hon.High Court of Kerala and has obtained an interim stay vide order dated 16-1-2009 on the proceedings against the members of the Association under the aforesaid Act, as the employees are covered under Employees Provident Fund and Miscellaneous Provisions Act. Pending disposal of the Writ Petition filed as above, in the opinion of the management, no provision is to be made in the accounts at this stage. |

| | | | | |
|---|---|--------|----------|---|
| 9 | Payment of Bonus(Amendment) Act 2015 | 245.00 | 245.00 | During the financial year 2015-16, consequent to the amendment of the Payment of Bonus (Amendment) Act 2015, the ceiling of salary for the computation of bonus was increased with retrospective effect from 1-4-2014. The Company filed a writ petition before the Hon' High Court of Kerala, and vide order dated 13 th October 2016, the Hon' High Court had granted an interim stay on the retrospective application of the amendment. The additional liability for the financial year 2014-15 is estimated by the company at Rs.245 lakhs (Rs.245 lakhs). Based on the interim stay and as per the legal advice obtained, the management is of the opinion that no provision is considered necessary at this stage. |
| B COMMITMENTS (To the extent not provided for) | | | | |
| 1 | Estimated amount of contracts remaining to be executed on capital account and not provided for: | 175.02 | 254.65 | |
| 2 | Bank Gurantees | 606.21 | 619.21 | Bank guarantee issued on behalf of the company for EPCG scheme, KSEB, ECHS & Cochin Shipyard. |
| 3 | EPCG Scheme | 173.17 | 1,296.05 | In respect of capital equipments imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation of Rs. 173.17 Lakhs (Rs. 1296.05 Lakhs) which is required to be fulfilled at different dates until 2028. In the event of non fulfilment of the export obligation, the company will be liable for the customs duties and penalties as applicable. |

42 Litigation : The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

43 A. Related Party disclosure as per Ind AS 24

| Nature of relationship | Name of related parties |
|-------------------------------|---|
| (a) Key Managerial Personnel: | Dr. Shamsheer Vayalil Parambath – Chairman Mr. P.M. Sebastian – Vice Chairman Mr. S.K. Abdulla – Managing Director Mr. R. Narayanan – Chief Financial Officer Mr. R. Muraleedharan – Company Secretary Mr. K.N. Prabhakaran Nair – Director Mr. Dr. K.V. Johny – Director Mr. P.D. Mathew – Director Mr. A. Janardhana Pai – Director Mr. M.M. Mathai – Director |

| | |
|---|--|
| | Mr. Job Varghese – Director Mr. V Venugopal – Director (appointed w.e.f. March 31, 2022) Dr K Chitrathara – Director (appointed w.e.f. March 31, 2022) Mrs. P. Mayadevi – Director (retired w.e.f. November 14, 2021) |
| (b) Subsidiary Company: | Lakeshore Food and Beverages Private Limited |
| (c) Enterprises where key managerial personnel or their relatives exercise significant influence/ control/joint control | VPS Healthcare Private Limited Burjeel Hospital, Oman Welcare Hospital Dynamed Healthcare Solutions Private Limited Humming Tree |

B. Summary of transactions and outstanding balances with above related parties are as follows:

₹ in Lakhs

| Particulars | 2022-23 | 2021-22 |
|---|--------------------------|-------------------------|
| (i) Sale of Services – Other Healthcare services Enterprises where key managerial personnel or their relatives exercise significant control Burjeel Hospital, Oman | - | 8.05 |
| (ii) Sale of Services – Laboratory & Diagnostic services Enterprises where key managerial personnel or their relatives exercise significant control Welcare Hospital | 3.38 | 19.36 |
| (iii) Other Operating Revenue – Income from Restaurant Enterprises where key managerial personnel or their relatives exercise significant control Dynamed Healthcare Solutions Private Limited | 3.53 | 1.94 |
| (iv) Other Non- Operating income Subsidiary Company Lakeshore Food and Beverages Private Limited | 6.37 | 7.24 |
| (v) Employee benefit expenses Remuneration to Key Managerial Personnel Mr. S.K. Abdulla – Managing Director Mr. R. Narayanan – Chief Financial Officer Mr. R. Muraleedharan – Company Secretary | 188.31 32.25 25.89 | 98.72 30.00 24.71 |
| (vi) Sitting Fee Remuneration to Key Managerial Personnel Mr. A. Janardhana Pai – Director Mr. V Venugopal – Director Mrs. P. Mayadevi – Director | 3.75 3.75 - | 3.50 0.25 1.75 |

| | | |
|--|----------------------------|------------------------------|
| (vii) Consultancy charges Remuneration to Key Managerial Personnel Dr K Chitrathara – Director | 108.36 | 103.81 |
| (viii) Trade Receivables – Considered good Enterprises where key managerial personnel or their relatives exercise significant control Burjeel Hospital, Oman Welcare Hospital Dynamed Healthcare Solutions Private Limited Subsidiary Company Lakeshore Food and Beverages Private Limited | - 1.09 3.26 15.47 | 4.19 3.89 1.94 6.97 |
| (ix) Other Non Current Financial Assets – Deposits Enterprises where key managerial personnel or their relatives exercise significant control VPS Healthcare Private Limited Subsidiary Company Lakeshore Food and Beverages Private Limited | 40.26 0.30 | 40.26 0.30 |
| (x) Capital Advances Enterprises where key managerial personnel or their relatives exercise significant control Humming Tree | 20.95 | 6.23 |

44 Lease arrangements

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| a) Towards lease rent | | |
| Not later than one year | 108.97 | 106.32 |
| Later than one year and not later than five years | 511.96 | 493.26 |
| Later than five years | 82.89 | 193.46 |

45 Segment Reporting

Based on the guiding principles given in Ind AS-“Segment Reporting”, the company has only one reportable segment i.e. “Hospital Activities”. During the period there are no customers who is contributing more than 10% of revenue from operations.

46 Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The company is not subject to any externally imposed capital requirements.

Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Borrowings including current maturities | 1,302.40 | 1,879.80 |
| Borrowings as a percentage of Total Capital | 3.37% | 5.37% |
| Equity Share Capital | 10,000.00 | 10,000.00 |
| Other equity | 27,351.85 | 23,127.68 |
| Total Equity | 37,351.85 | 33,127.68 |
| Total equity as a percentage of Total Capital | 96.63% | 94.63% |
| Total Capital (Equity and Borrowings) | 38,654.25 | 35,007.48 |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

47 Financial instruments: Fair value and risk management

A. Accounting classification and fair values

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required).

As at March 31, 2023

₹ in Lakhs

| Financial assets/ financial liabilities | Amortised Cost | Fair Value hierarchy | | |
|---|------------------|----------------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | |
| Non Current | | | | |
| (i) Investments | 5.00 | - | - | - |
| (ii) Others | 1,321.66 | - | - | - |
| Current | | | | |
| (i) Trade Receivables | 2,014.36 | - | - | - |
| (ii) Cash & Cash equivalents | 3,643.15 | - | - | - |
| (iii) Bank Balances other than (ii) | 6,177.08 | - | - | - |
| (iv) Loans | 5.58 | - | - | - |
| (v) Others | 986.13 | - | - | - |
| Total Financial Assets | 14,152.96 | - | - | - |

| | | | | |
|------------------------------------|-----------------|---|---|---|
| Financial Liabilities | | | | |
| Non Current | | | | |
| (i) Borrowings | 723.56 | - | - | - |
| (ii) Lease liabilities | 427.46 | - | - | - |
| (iii) Other financial liabilities | - | - | - | - |
| Current | | | | |
| (i) Borrowings | 578.85 | - | - | - |
| (ii) Lease liabilities | 54.47 | - | - | - |
| (iii) Trade Payables | 3,532.38 | - | - | - |
| (iv) Other financial liabilities | 3,521.08 | - | - | - |
| Total Financial Liabilities | 8,837.80 | - | - | - |

As at March 31, 2022

₹ in Lakhs

| Financial assets/ financial liabilities | Amortised Cost | Fair Value hierarchy | | |
|---|-----------------|----------------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | |
| Non Current | | | | |
| (i) Investments | 5.00 | - | - | - |
| (ii) Others | 1,938.63 | - | - | - |
| Current | | | | |
| (i) Trade Receivables | 2,020.28 | - | - | - |
| (ii) Cash & Cash equivalents | 1,153.70 | - | - | - |
| (iii) Bank Balances other than (ii) | 3,898.16 | - | - | - |
| (iv) Loans | 6.64 | - | - | - |
| (v) Others | 669.98 | - | - | - |
| Total Financial Assets | 9,692.39 | - | - | - |
| Financial Liabilities | | | | |
| Non Current | | | | |
| (i) Borrowings | 1,300.95 | - | - | - |
| (ii) Lease liabilities | 472.04 | - | - | - |
| (iii) Other financial liabilities | 841.83 | - | - | - |
| Current | | | | |
| (i) Borrowings | 578.85 | - | - | - |
| (ii) Lease liabilities | 51.50 | - | - | - |
| (iii) Trade Payables | 3,315.31 | - | - | - |
| (iv) Other financial liabilities | 3,295.59 | - | - | - |
| Total Financial Liabilities | 9,856.07 | - | - | - |

B. Financial risk management

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

i. Credit risk

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

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

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 4042.25 Lakhs (previous year: Rs. 2949.31 Lakhs). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

₹ in Lakhs

| Allowances for credit loss | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Opening balance | 929.03 | 1,035.35 |
| Expected credit loss recognised/(reversed) | 1,098.86 | 400.00 |
| Less: Bad debts written off adjusted | - | -506.32 |
| Closing balance | 2,027.89 | 929.03 |

No single customer accounted for more than 10% of the revenue as of March 31, 2023 and March 31, 2022. There is no significant concentration of credit risk.

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

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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition, the Company maintains line of credit as stated in Note 21.

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

₹ in Lakhs

| Particulars | Less than 1 year | 1-5 years | More than 5 years | Total |
|---|------------------|-----------|-------------------|----------|
| Borrowings (including current maturities) | 578.85 | 723.56 | - | 1,302.41 |
| Lease liabilities | 54.47 | 304.71 | 122.75 | 481.93 |
| Trade payables | 3,532.38 | - | - | 3,532.38 |
| Other financial liabilities | 3,521.08 | - | - | 3,521.08 |

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

₹ in Lakhs

| Particulars | Less than 1 year | 1-5 years | More than 5 years | Total |
|---|------------------|-----------|-------------------|----------|
| Borrowings (including current maturities) | 578.85 | 1,300.95 | - | 1,879.80 |
| Lease liabilities | 51.50 | 267.49 | 204.55 | 523.54 |
| Trade payables | 3,315.31 | - | - | 3,315.31 |
| Other financial liabilities | 3,295.59 | 841.83 | - | 4,137.42 |

iii. Market risk

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

(a) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company is mainly exposed to US dollar and Omani Rial.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|--------------------------|------------------|----------------|------------------|----------------|
| | (USD in Lakhs) | (OMR in Lakhs) | (USD in Lakhs) | (OMR in Lakhs) |
| Trade receivables | - | - | - | 0.02 |
| Trade payables | (7.01) | - | (12.18) | - |
| Net assets/(liabilities) | (7.01) | - | (12.18) | 0.02 |

(b) Sensitivity analysis

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

₹ in Lakhs

| Particulars | Impact on profit or (loss) before tax | |
|--------------------------|---------------------------------------|------------------|
| | As at 31.03.2023 | As at 31.03.2022 |
| USD Sensitivity | | |
| INR/USD – Increase by 1% | (5.76) | (9.25) |
| INR/USD – Decrease by 1% | 5.76 | 9.25 |
| OMR Sensitivity | | |
| INR/OMR – Increase by 1% | - | 0.04 |
| INR/OMR – Decrease by 1% | - | (0.04) |

(c) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in Lakhs

| Financial liabilities (bank borrowings) | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Variable rate long term borrowings including current maturities | 1,302.41 | 1,879.80 |

(d) Sensitivity

₹ in Lakhs

| Particulars | Impact on profit or (loss) before tax | |
|--------------------------|---------------------------------------|------------------|
| | As at 31.03.2023 | As at 31.03.2022 |
| 1% increase in MCLR rate | (13.02) | (18.80) |
| 1% decrease in MCLR rate | 13.02 | 18.80 |

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



- 48 The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.
- 49 The Code on Social Security, 2020 and Code on Wages, 2019 relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 2020. The Code have been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Ministry of Labour and Employment (Ministry) has released draft rules for the Code on November 13, 2020 and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will need to assess the impact of the above. The impact will be recorded in the first period after the Codes become effective.

50 Additional Regulatory Information:

50.1 Ratios:

| Ratio | Numerator | Denominator | 31 March 23 | 31 March 22 | % change |
|--------------------------------------|--------------------------------------|---|-------------|-------------|----------|
| (a) Current Ratio | Current assets | Current liabilities | 1.76 | 1.19 | 49% |
| (b) Debt-Equity Ratio | Total Debt | Shareholder's Equity | 0.03 | 0.06 | -39% |
| (c) Debt Service Coverage Ratio | Earnings available for debt service | Debt Service | 9.83 | 7.81 | 26% |
| (d) Return on Equity Ratio | Net Profits after taxes | Average Shareholder's Equity | 0.16 | 0.14 | 19% |
| (e) Inventory Turnover Ratio | Cost of goods sold | Average Inventory | 9.26 | 9.94 | -7% |
| (f) Trade Receivables Turnover Ratio | Net Sales | Avg. Accounts Receivable | 20.77 | 18.69 | 11% |
| (g) Trade Payables Turnover Ratio | Net Purchases | Average Trade Payables | 3.26 | 3.10 | 5% |
| (h) Net Capital Turnover Ratio | Net Sales | Working Capital | 6.79 | 25.33 | -73% |
| (i) Net Profit Ratio | Net Profit | Net Sales | 0.14 | 0.12 | 15% |
| (j) Return on Capital Employed | Earning before interest and taxes | Capital Employed | 0.22 | 0.18 | 21% |
| (k) Return on Investment | Income generated from invested funds | Average invested funds (excluding investment in subsidiaries) | NA | NA | NA |

Explanation for change in the ratios by more than 25%:

- Current ratio in FY 23 is 1.76 as against 1.19 on account of Increase in Cash & its equivalent and bank balances due to increased profitability and healthy cash flows.
- Better Debt Equity ratio for FY 23 at 0.03, due to repayment of loan and better profitability for the year.
- Better DSCR at 9.83 on account of reduced borrowings and healthy cash flows and increased profitability
- ROE at 16% on account of increase in PAT during the year.
- Net Capital Turnover Ratio at 6.79 due to increase in current assets and revenue
- Net profit ratio and return on capital employed increased due to increased profitability

50.2 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.



- b. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c. The Company has not traded or invested in Cryptocurrency or Virtual Currency during the year ended March 31, 2023.
- d. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”
- f. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g. The Company do not have any transactions with companies struck off.
- h. The Company has not been declared as a Wilful Defaulter by any bank or financial institution or Government or any Government authority.
- i. Quarterly returns/statements of Inventory and Trade Receivables filed by the Company with banks are in agreement with the books of accounts.
- j. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

51 Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

As per our report of even date attached

For and on behalf of the Board of Directors

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Lakeshore Hospital and Research Centre Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Lakeshore Hospital And Research Centre Limited (hereinafter referred to as “the Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of changes in equity for the year then ended, and notes to the consolidated financial statements, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Act, of the consolidated state of affairs of the Group as at 31st March 2023, its consolidated profits including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the consolidated financial statements.

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

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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.

When we read the annual report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s responsibilities Relating to Other Information.

Responsibility of Management for consolidated financial statements

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the



Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Directors of the Holding Company, as aforesaid.

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

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group’s internal financial controls with reference to consolidated financial statements.
 - g) The managerial remuneration for the year ended March 31, 2023 has been paid by the Holding Company to its directors in accordance with the provisions of section 197 of the Act, to the extent that an additional amount of ₹10.16 lakhs paid to the Managing Director has approved by the Board of Directors is being placed before the ensuing annual general meeting of the Holding Company for approval of the shareholders; and
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note no 40 and 41 to the consolidated Financial Statements;



- II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 48 to the consolidated Financial Statements:
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity (“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 Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Group from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group 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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, based on the CARO reports issued by us, we report that there are no qualifications or adverse remarks in the CARO reports of the respective companies included in the consolidated financial statements.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

sd/-

R. Venugopal

Partner

Membership No. 202632

UDIN: 23202632BGTCUN1022

Place : Kochi

Date : 14th August 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of Lakeshore Hospital and Research Centre Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to the consolidated financial statements based on the internal control criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal financial controls with reference to consolidated financial statements

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 financial statements for external purposes



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

Inherent Limitations of Internal financial controls with reference to consolidated financial statements

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 the 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

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

sd/-

R. Venugopal

Partner

Membership No. 202632

UDIN: 23202632BGTCUN1022

Place : Kochi

Date : 14th August 2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Balance Sheet as at March 31, 2023

(₹ in lakhs)

| Particulars | Note No. | As at 31.03.2023 | As at 31.03.2022 |
|---|----------|------------------|------------------|
| Assets: | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | 4 | 32,764.38 | 34,051.02 |
| (b) Capital work-in-progress | 5 | 567.26 | 15.29 |
| (c) Other Intangible assets | 6 | 44.09 | 52.97 |
| (d) Right-of-use assets | 7 | 423.40 | 479.82 |
| (e) Financial Assets | | | |
| (i) Other financial assets | 8 | 1,321.66 | 1,938.63 |
| (f) Non-current tax assets (net) | 9 | 458.65 | 592.53 |
| (g) Other non-current assets | 10 | 155.15 | 216.47 |
| | | 35,734.59 | 37,346.73 |
| Current assets | | | |
| (a) Inventories | 11 | 1,271.85 | 1,106.15 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 12 | 1,998.89 | 2,013.45 |
| (ii) Cash and cash equivalents | 13 | 3,663.15 | 1,162.36 |
| (iii) Bank balances other than (ii) above | 14 | 6,178.19 | 3,898.73 |
| (iv) Loans | 15 | 5.58 | 6.64 |
| (v) Other financial assets | 16 | 986.13 | 669.99 |
| (c) Other current assets | 17 | 187.33 | 190.26 |
| | | 14,291.12 | 9,047.58 |
| Total Assets | | 50,025.71 | 46,394.31 |
| EQUITY AND LIABILITIES | | | |
| Equity : | | | |
| (a) Equity Share capital | 18 | 10,000.00 | 10,000.00 |
| (b) Other Equity | 19 | 27,344.92 | 23,121.22 |
| | | 37,344.92 | 33,121.22 |
| Liabilities : | | | |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 20 | 723.56 | 1,300.95 |
| (ii) Lease liabilities | 21 | 427.46 | 472.04 |
| (iii) Other financial liabilities | 22 | - | 841.83 |

| | | | |
|--|----|------------------|------------------|
| (b) Provisions | 23 | 1,102.09 | 1,070.88 |
| (c) Deferred tax liabilities (Net) | 24 | 1,980.75 | 1,619.83 |
| (d) Other non-current liabilities | 25 | 327.02 | 333.26 |
| | | 4,560.88 | 5,638.79 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 26 | 578.85 | 578.85 |
| (ii) Lease liabilities | 21 | 54.47 | 51.50 |
| (iii) Trade payables | 27 | | |
| – Total outstanding dues of micro enterprises and small enterprises | | 106.11 | 138.52 |
| – Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,433.27 | 3,181.46 |
| (iv) Other financial liabilities | 28 | 3,521.04 | 3,295.28 |
| (b) Other current liabilities | 29 | 318.21 | 295.52 |
| (c) Provisions | 30 | 107.96 | 93.17 |
| | | 8,119.91 | 7,634.30 |
| Total Equity and Liabilities | | 50,025.71 | 46,394.31 |

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lakhs)

| Particulars | Note No. | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------|----------------------------------|----------------------------------|
| Income: | | | |
| Revenue from operations | 31 | 41,918.42 | 35,858.70 |
| Other income | 32 | 535.62 | 307.11 |
| Total Income | | 42,454.04 | 36,165.81 |
| Expenses: | | | |
| Purchase of Medicines & Consumables | 33 | 11,170.49 | 10,251.14 |
| Changes in inventories of Medicines & Consumables | 34 | -165.70 | -186.46 |
| Employee benefits expense | 35 | 6,383.50 | 6,282.48 |
| Finance costs | 36 | 211.01 | 257.30 |
| Depreciation and amortisation expense | 37 | 2,269.19 | 2,146.15 |
| Other expenses | 38 | 14,344.09 | 11,337.27 |
| Total expenses | | 34,212.58 | 30,087.88 |
| Profit before tax | | 8,241.46 | 6,077.93 |
| Tax expense: | | | |
| Current tax | | 2,660.93 | 1,520.99 |
| Tax for earlier years | 9 | 17.09 | 7.93 |
| Deferred tax | | -188.44 | 260.94 |
| | | 2,489.58 | 1,789.86 |
| Profit for the year | | 5,751.88 | 4,288.07 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of post employment benefit obligations | | -39.76 | -187.59 |
| Income tax relating to items that will not be reclassified to profit or loss | | 11.58 | 54.63 |
| Total other comprehensive income for the year | | -28.18 | -132.96 |
| Total Comprehensive Income for the year | | 5,723.70 | 4,155.11 |
| Earnings per equity share of Rs 10 each: | 39 | | |
| Basic (₹) | | 5.75 | 4.29 |
| Diluted (₹) | | 5.75 | 4.29 |

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

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

Place : Kochi

Date : 14.08.2023

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2023

(₹ in lakhs)

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Cash flow from operating activities | | |
| Profit before tax | 8,201.70 | 5,890.34 |
| Adjustments for : | | |
| Depreciation and amortisation | 2,269.19 | 2,146.15 |
| Interest expense | 211.01 | 257.30 |
| Interest income | -416.18 | -168.70 |
| Net (Profit)/ Loss on sale/write off of Property Plant and Equipment | 67.08 | 237.38 |
| Government grant income | -37.44 | -23.34 |
| Bad debts and advances written off | - | - |
| Provision for doubtful debts | 1,098.86 | 400.00 |
| Operating cash flow before working capital changes | 11,394.22 | 8,739.13 |
| Movements in working capital : | | |
| (Increase) / decrease in inventories | -165.70 | -186.46 |
| (Increase) / decrease in trade and other receivables | -2,872.51 | -5,629.77 |
| Increase / (decrease) in trade and other payables | -876.04 | 1,211.64 |
| | 7,479.97 | 4,134.54 |
| Direct taxes paid net of refunds | -1,983.24 | -1,015.20 |
| Net cash flows from operating activities (A) | 5,496.73 | 3,119.34 |
| Cashflow from investing activities | | |
| Additions to Property, Plant & Equipment (including capital work in progress) | -903.62 | -2,645.57 |
| Investment in subsidiaries | - | - |
| Sale or withdrawal of property, plant and equipment | 9.19 | 124.33 |
| Interest received | 229.75 | 117.51 |
| Net cash flows from investing activities (B) | -664.68 | -2,403.73 |
| Cashflow from financing activities | | |
| Proceeds/(Repayment) of Buyers credit/ Term Loan | -577.39 | -1,841.69 |
| Movement in Short term borrowings (Net) | - | - |
| Dividend paid | -1,500.67 | -497.72 |
| Dividend distribution tax paid | - | - |
| Payment of lease liabilities | -83.86 | -73.81 |
| Interest paid | -169.34 | -225.84 |



| | | |
|---|-----------|-----------|
| Net cash flows from financing activities (C) | -2,331.26 | -2,639.06 |
| Net Increase in Cash & Cash Equivalents (A)+(B)+(C) | 2,500.79 | -1,923.45 |
| Cash and cash equivalent at the beginning of the Year | 1,162.36 | 3,085.81 |
| Cash and cash equivalent at the end of the Year | | |
| Cash on hand | 23.22 | 30.79 |
| Balance with Banks in current account and deposit account | 3,639.93 | 1,131.57 |
| Cash and cash equivalents | 3,663.15 | 1,162.36 |
| Net increase/(decrease) in Cash and Cash equivalents | 2,500.79 | -1,923.45 |

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

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688

Place : Kochi

Date : 14.08.2023

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

₹ in Lakhs

| As at 01.04.2022 | Changes in equity share capital during the year | As at 31.03.2023 |
|------------------|---|------------------|
| 10000.00 | - | 10000.00 |
| As at 01.04.2021 | Changes in equity share capital during the year | As at 31.03.2022 |
| 10000.00 | - | 10000.00 |

B. Other Equity

₹ in Lakhs

| | Securities Premium | Retained Earnings | Capital Redemption reserve | Total |
|---|--------------------|-------------------|----------------------------|------------------|
| Balance as at April 1, 2021 | 14,000.00 | 4,966.11 | 500.00 | 19,466.11 |
| Profit for the year | | 4,288.07 | | 4,288.07 |
| Add Other comprehensive income for the year | | -132.96 | | -132.96 |
| Total comprehensive income for the year | | 4,155.11 | | 4,155.11 |
| Less Dividends | | 500.00 | | 500.00 |
| Balance as at March 31, 2022 | 14,000.00 | 8,621.22 | 500.00 | 23,121.22 |
| Add Profit for the year | | 5,751.88 | | 5,751.88 |
| Add Other comprehensive income for the year | | -28.18 | | -28.18 |
| Total comprehensive income for the year | | 5,723.70 | | 5,723.70 |
| Less Dividends | | 1,500.00 | | 1,500.00 |
| Balance as at March 31, 2023 | 14,000.00 | 12,844.92 | 500.00 | 27,344.92 |

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

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy
Chartered Accountants

Firm Registration No. 001488S

sd/-

R. Venugopal

Partner

Membership No: 202632

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman

DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director

DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director

DIN: 00115688

Place : Kochi

Date : 14.08.2023



1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate information

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED was incorporated on April 4, 1996 as a Public Limited Company. The Company is domiciled in India and having registered office at Nettoor, Kerala. The Company is engaged in providing healthcare services and has a super speciality hospital at Kochi. The Ind AS consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors on August 14, 2023

2. Significant Accounting Policies

2.1 Statement of compliance

Consolidated Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules issued thereafter.

2.2 Basis of preparation of consolidated Financial Statements

The Consolidated financial statements of the Company have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

2.2.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its wholly owned subsidiary as at 31st March 2023. The Company determines the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements. Subsidiaries are entities controlled by the Group. The Group controls an entity when the parent has power over the entity, it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of subsidiary is included in the consolidated financial statement from the date on which control commences until the date on which control ceases. The financial statements of the Group companies are consolidated on a line-by-line basis and all intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

2.3 Application of New Accounting Pronouncements

New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2022:

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired

and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 did not have any material impact on the consolidated financial statements.

Amendments to Ind AS 16 – Property, Plant and Equipment – Proceeds before intended use

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The adoption of amendments to Ind AS 16 did not have any material impact on the consolidated financial statements.

Amendments to Ind AS 37 – Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The adoption of amendments to Ind AS 37 did not have any material impact on the consolidated financial statements.

Amendments to Ind AS 109 – Financial Instruments

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

2.4 Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

2.5 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the Consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.6 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the consolidated financial statements have been disclosed below:

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

Recognition of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Impairment of unquoted investments

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy.

Classification of leases

The Company enters into leasing arrangements for some assets. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and office premises and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases. Further, refer note no. 21, for effect of transition to Ind AS 116 and other disclosures relating to leases.

2.7 Property, Plant and Equipment (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the Consolidated financial statements as at the date of transition to Ind AS measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First time adoption of Indian Accounting Standards'. Property, Plant and Equipments are stated at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and estimated cost of dismantling and restoring onsite.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major



components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress. Impairment loss is charged to the Consolidated Statement of Profit and Loss of the period in which the asset is identified as impaired, when the carrying amount of an asset exceeds its recoverable value. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the Consolidated statement of profit and loss.

2.8 Intangible Assets

Hospital Management System Software of the company is treated as an intangible asset in accordance with the Ind AS 38- "Intangible Assets".

2.9 Depreciation / Amortisation

Depreciation is provided on Straight Line Method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

| Block of Assets | Useful life |
|-------------------------|-------------|
| Building (RCC) | 60 years |
| Building (Non RCC) | 30 years |
| Medical equipment | 13 years |
| Other equipment | 15 years |
| Furniture and fixtures | 10 years |
| Vehicles | 8 years |
| Office equipment | 5 years |
| Electrical installation | 10 years |
| Computers | 3 years |

Cost of software treated as intangible assets is amortised under straight line method over a period of 5 years.

2.10 Impairment of non financial assets

The Company assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or

changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

2.11 Inventories

Inventories of medicines, consumables and other items of inventory are valued at lower of cost or net realizable value, on First In First Out basis. The net realizable value of bought out inventories is taken at their current replacement value.

Crockery and Cutlery are valued at cost and are subject to 1/3 rd write off wherever applicable applying FIFO method. The net realisable value is not applicable in the absence of any further modification/ alteration before being consumed in-house.

Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

2.12 Equity instruments & Financial instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at amortized cost, except investments which are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model

whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Trade Receivables

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance. The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Off setting of financial instruments

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

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market

conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

2.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.14 Foreign Currency Transactions

The Consolidated financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Foreign Currency Transactions:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Consolidated statement of Profit and Loss.

2.15 Provision, Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Contingent liability is disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.16 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:



(i) Operating income

Operating income is recognised as and when the services are rendered / pharmacy items are sold. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

(ii) Income from academic services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

(iii) Export benefits

Income from ‘Served from India Scheme/Service Exports from India Scheme’ is recognized as and when the claims are admitted.

(iv) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “Other Income” in the Consolidated Statement of Profit and Loss.

(v) Research Projects

In respect of grants received for research projects/programmes from sponsor institutions for payment to investigators who are consultant doctors of the company, for carrying out research activities/ specified clinical studies in terms of tripartite agreement entered into between the company, sponsor institution and the investigator, the grant received/expenses incurred there against to the extent utilized, are accounted as income/expenditure of the year and the unspent amounts are carried forward to subsequent years to be accounted on actual utilisation thereof.

2.17 Employee benefits

i) Employees Benefits

(i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

(ii) Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee’s State Insurance. The contributions paid/ payable to these plans during the year are charged to the Consolidated Statement of Profit and Loss for the year.

(iii) Defined Benefit Plans – Gratuity

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Consolidated Statement of Profit and Loss for the period in which they occur.

(iv) Long Term Employee Benefits

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Consolidated Statement of Profit and Loss for the period in which they occur.

ii) Expense on issue of Sweat Equity Shares

In respect of shares issued as sweat equity shares, the accounting value of the fair price of the shares as determined shall be disclosed as compensation to the employee or director under Employee Benefits Expense in the Consolidated Statement of Profit and Loss during the relevant accounting period in accordance with the provisions of the Companies Act, 2013.

2.18 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.19 Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

As a lessee:

The Company’s lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or 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 (shortterm leases) and leases of low value assets. For these shortterm and leases of low value assets, the Company recognises the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognised 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, if any. 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 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. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor:

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.20 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.21 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.



2.22 Earnings Per Share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Segment Reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly the company has only one reportable segment i.e. “Hospital Activities”.

2.24 Cash flow statement

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

For the purpose of cash flow statement, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts are disclosed within borrowings in current liabilities in the Balance Sheet

2.25 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders’ equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

2.26 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the company.

The company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27 – Separate Financial Statements.

2.27 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Government grants related to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by setting up the grant as deferred revenue. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset

3. Recent accounting pronouncements – Standards issued but not yet effective

The Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Amendments to Ind AS 1, Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 1 is not expected to have any material impact on the standalone financial statements.

Amendments to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 8 is not expected to have any material impact on the standalone financial statements.

Amendments to Ind AS 12, Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The adoption of amendments to Ind AS 12 is not expected to have any material impact on the standalone financial statements.

4. Property, Plant & Equipment

| Particulars | Gross carrying amount | | | Depreciation | | | Net Carrying amount | |
|------------------------------|----------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2023 | As at 31 st March 2023 | Adjustment/ (withdrawal) | As at 31 st March 2023 | As at 31 st March 2022 |
| (a) Land | 3,322.73 | - | - | 3,322.73 | - | - | 3,322.73 | 3,322.73 |
| (b) Buildings | 17,291.61 | 155.35 | 61.93 | 17,385.03 | 367.20 | 14.58 | 15,533.94 | 15,793.14 |
| (c) Plant and Equipment | | | | | | | | |
| (i) Medical Equipments | 12,538.91 | 592.11 | 56.93 | 13,074.09 | 1,054.17 | 28.47 | 8,754.56 | 9,245.08 |
| (ii) Other Equipments | 3,030.70 | 9.80 | - | 3,040.50 | 249.59 | - | 2,313.03 | 2,552.82 |
| (d) Furniture and Fixtures | 1,264.60 | 96.16 | - | 1,360.76 | 143.50 | - | 834.18 | 881.52 |
| (e) Vehicles | 132.71 | 11.13 | - | 143.84 | 11.76 | - | 60.72 | 61.35 |
| (f) Office equipment | 5.79 | 5.18 | - | 10.97 | 1.04 | - | 8.60 | 4.46 |
| (g) Electrical Installations | 3,122.65 | 73.92 | - | 3,196.57 | 345.95 | - | 1,866.19 | 2,138.22 |
| (h) Computers | 136.05 | 40.21 | 10.28 | 165.98 | 21.02 | 9.82 | 70.43 | 51.70 |
| Total | 40,845.75 | 983.86 | 129.14 | 41,700.47 | 2,194.23 | 52.87 | 32,764.38 | 34,051.02 |

| Particulars | Gross carrying amount | | | Depreciation | | | Net Carrying amount | |
|------------------------------|----------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|--------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2022 | As at 31 st March 2022 | Adjustment/ (withdrawal) | As at 31 st March 2022 | As at 31 st March 2021 |
| (a) Land | 3,322.73 | - | - | 3,322.73 | - | - | 3,322.73 | 3,322.73 |
| (b) Buildings | 16,881.69 | 409.92 | - | 17,291.61 | 343.28 | - | 15,793.14 | 15,726.50 |
| (c) Plant and Equipment | | | | | | | | |
| (i) Medical Equipments | 12,194.43 | 1,772.09 | 1,427.61 | 12,538.91 | 969.01 | 1,163.33 | 9,245.08 | 8,706.28 |
| (ii) Other Equipments | 3,744.09 | 85.24 | 798.63 | 3,030.70 | 252.68 | 739.45 | 2,552.82 | 2,779.44 |
| (d) Furniture and Fixtures | 1,195.11 | 248.94 | 179.45 | 1,264.60 | 128.40 | 169.11 | 881.52 | 771.32 |
| (e) Vehicles | 127.51 | 22.04 | 16.84 | 132.71 | 14.79 | 15.64 | 61.35 | 55.30 |
| (f) Office equipment | 2620 | 1.94 | 22.35 | 5.79 | 0.25 | 21.35 | 4.46 | 3.77 |
| (g) Electrical Installations | 3,310.42 | 242.42 | 430.19 | 3,122.65 | 341.53 | 408.78 | 2,138.22 | 2,258.74 |
| (h) Computers | 235.91 | 35.47 | 135.33 | 136.05 | 23.62 | 131.03 | 51.70 | 44.15 |
| Total | 41,038.09 | 2,818.06 | 3,010.40 | 40,845.75 | 2,073.56 | 2,648.69 | 34,051.02 | 33,668.23 |

5 Capital work –in –progress

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|------------------------------------|------------------|------------------|
| (a) Calicut Medical Centre Project | 2.25 | 0.50 |
| (b) Others | 565.01 | 14.79 |
| Total | 567.26 | 15.29 |

5.1 Capital work–in–progress ageing schedule for the year ended March 31, 2023

₹ in Lakhs

| Particulars | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 561.32 | 5.94 | - | - | 567.26 |

5.2 Capital work–in–progress ageing schedule for the year ended March 31, 2022

₹ in Lakhs

| Particulars | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in Progress | 15.29 | - | - | - | 15.29 |

6 Intangible assets

₹ in Lakhs

| Particulars | Gross carrying amount | | | | Amortisation | | | | Net Carrying amount | |
|--------------|----------------------------------|--|---------------------------------------|-----------------------------------|----------------------------------|--------------|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2023 | As at 1 st April 2022 | For the year | Adjustment/ (withdrawal) | As at 31 st March 2023 | As at 31 st March 2023 | As at 31 st March 2022 |
| Software | 98.39 | 9.67 | - | 108.06 | 45.42 | 18.55 | - | 63.97 | 44.09 | 52.97 |
| Total | 98.39 | 9.67 | - | 108.06 | 45.42 | 18.55 | - | 63.97 | 44.09 | 52.97 |

| Particulars | Gross carrying amount | | | | Amortisation | | | | Net Carrying amount | |
|--------------|----------------------------------|--|---------------------------------------|-----------------------------------|----------------------------------|--------------|--------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions/ adjustments during the year | Disposal/ adjustments during the year | As at 31 st March 2022 | As at 1 st April 2021 | For the year | Adjustment/ (withdrawal) | As at 31 st March 2022 | As at 31 st March 2022 | As at 31 st March 2021 |
| Software | 85.23 | 13.16 | - | 98.39 | 29.24 | 16.18 | - | 45.42 | 52.97 | 55.99 |
| Total | 85.23 | 13.16 | - | 98.39 | 29.24 | 16.18 | - | 45.42 | 52.97 | 55.99 |

7 Right-of–use assets

₹ in Lakhs

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net Carrying amount | |
|---------------------|----------------------------------|-----------|----------|-----------------------------------|----------------------------------|--------------|----------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2022 | Additions | Disposal | As at 31 st March 2023 | As at 1 st April 2022 | For the year | Disposal | As at 31 st March 2023 | As at 31 st March 2023 | As at 31 st March 2022 |
| (a) Land | 95.55 | - | - | 95.55 | 3.88 | 0.97 | - | 4.85 | 90.70 | 91.67 |
| (b) Land & Building | 527.31 | - | - | 527.31 | 139.16 | 55.45 | - | 194.61 | 332.70 | 388.15 |
| Total | 622.86 | - | - | 622.86 | 143.04 | 56.42 | - | 199.46 | 423.40 | 479.82 |

₹ in Lakhs

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net Carrying amount | |
|---------------------|----------------------------------|---------------|----------|-----------------------------------|----------------------------------|--------------|----------|-----------------------------------|-----------------------------------|-----------------------------------|
| | As at 1 st April 2021 | Additions | Disposal | As at 31 st March 2022 | As at 1 st April 2021 | For the year | Disposal | As at 31 st March 2022 | As at 31 st March 2022 | As at 31 st March 2021 |
| (a) Land | 95.55 | - | - | 95.55 | 2.91 | 0.97 | - | 3.88 | 91.67 | 92.64 |
| (b) Land & Building | 295.49 | 231.82 | - | 527.31 | 83.71 | 55.45 | - | 139.16 | 388.15 | 211.78 |
| Total | 391.04 | 231.82 | - | 622.86 | 86.62 | 56.41 | - | 143.04 | 479.82 | 304.42 |

8 Other Financial Assets – Non Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Security deposits | 209.56 | 208.13 |
| Bank deposits with maturity period more than 12 months | 1,112.10 | 1,730.50 |
| Total | 1,321.66 | 1,938.63 |

9 Non Current/ Current tax assets / liability (Net)

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|------------------|------------------|
| Non current tax assets | | |
| Advance income tax net of provisions | 2,566.33 | 1,610.71 |
| Current tax assets | | |
| Advance income tax net of provisions | - | - |
| Current tax liability | | |
| Provision for current tax | 2,107.68 | 1,018.18 |
| Total | 458.65 | 592.53 |

Income tax recognised in profit & loss

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Current tax: | | |
| Current income tax charge in Profit & Loss | 2,660.93 | 1,520.99 |
| Income tax relating to earlier years | 17.09 | 7.93 |
| Current income tax charge in Other Comprehensive Income | - | - |
| Total (A) | 2,678.02 | 1,528.92 |
| Deferred tax: | | |
| In respect of current year (Profit & Loss) | (188.44) | 260.94 |
| In respect of current year (Other Comprehensive Income) | (11.58) | (54.63) |
| Total (B) | (200.02) | 206.31 |
| Income tax expense recognised in the Statement of Profit and Loss (A+B) | 2,478.00 | 1,735.23 |

The income tax expense for the year can be reconciled to the accounting profit as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Profit before tax | 8,241.46 | 6,077.93 |
| Income tax expense calculated @ 29.12% (29.12%) | 2,399.91 | 1,769.89 |
| Effect of expenses/income that are not deductible in determining taxable profit | 4.02 | 0.39 |
| Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit | 19.32 | 12.07 |
| Effect of change in tax rate (subsequently enacted rate taken for Deferred tax) | - | - |
| Others: | | |
| Adjustments recognised in the current year in relation to the current/ deferred tax of prior years | 16.64 | - |
| Other adjustments | 49.68 | 7.51 |
| Income tax expense recognised in the Statement of Profit and Loss | 2,489.58 | 1,789.86 |

The Company has evaluated the impact of the newly introduced Section 115BAA of the Taxation Laws (Amendment) Ordinance, 2019 and has decided not to opt for the same in view of the MAT Credit carried by the Company in the tax books.

Deferred tax assets/(liabilities) in relation to 2022-23

₹ in Lakhs

| Particulars | Opening balance | Recognised in Statement of Profit and Loss | Closing Balance |
|-------------------------------|-------------------|---|-------------------|
| Provisions | 844.53 | 346.62 | 1,191.15 |
| Property, plant and equipment | (3,058.09) | (132.10) | (3,190.19) |
| MAT Credit availed | 560.93 | (560.93) | - |
| Others | 32.80 | (14.51) | 18.29 |
| Total | (1,619.83) | | (1,980.75) |

Deferred tax assets/(liabilities) in relation to 2021-22

₹ in Lakhs

| Particulars | Opening balance | Recognised in Statement of Profit and Loss | Closing Balance |
|-------------------------------|-----------------|--|-------------------|
| Provisions | 831.02 | 13.51 | 844.53 |
| Property, plant and equipment | (2,841.62) | (216.47) | (3,058.09) |
| MAT Credit availed | 1,055.38 | (494.45) | 560.93 |
| Others * | 44.50 | (11.70) | 32.80 |
| Total | (910.72) | | (1,619.83) |

10 Other non-current assets

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-------------------------------------|------------------|------------------|
| Unsecured, considered good | | |
| Deposits with statutory authorities | 68.95 | 68.95 |
| Capital advances | 86.20 | 147.52 |
| Total | 155.15 | 216.47 |

10.1 Deposits include Rs. 64.72 lakhs (Rs. 64.72 lakhs) made against disputed provident fund demands (See Note 40)

11 Inventories

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Inventories are valued at lower of cost or net realisable value | | |
| (a) Medicines | 385.72 | 336.14 |
| (b) Medicines-in-transit | 1.83 | 1.37 |
| (c) Medical Consumables | 757.71 | 646.17 |
| (d) Consumables-in-transit | 105.44 | 105.64 |
| (e) Other Consumables | 21.15 | 16.83 |
| Total | 1,271.85 | 1,106.15 |

12 Trade Receivables-Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Unsecured | | |
| Considered good | 1,994.54 | 2,003.43 |
| Receivable from related parties (refer note 42) | 4.35 | 10.02 |
| Credit impaired | 2,027.89 | 929.03 |
| Significant increase in credit risk | - | - |
| Less: Allowance for doubtful debts (Expected credit loss allowance) against credit impaired trade receivables | 2,027.89 | 929.03 |
| Total | 1,998.89 | 2,013.45 |

12.1 Trade receivables are non-interest bearing and receivable in normal operating cycle.

12.2 The Company has sent balance confirmation letters to the Insurance & Corporate Debtors and started the reconciliation process. The Company is not expecting any material impact while reconciling the same.

Movement in the expected credit loss allowance

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Opening balance | 929.03 | 1,035.35 |
| Add: Loss allowance based on Expected Credit Loss | 603.64 | 400.00 |
| Add: Additional provision | 495.22 | - |
| Less: Bad debts written off adjusted | - | 506.32 |
| Closing Balance* | 2,027.89 | 929.03 |

* Current

12.3 Trade receivables ageing schedule for the year ended as on March 31, 2023

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|--------------------|---------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade receivables – considered good | 1,453.00 | 203.71 | 145.31 | 196.62 | 0.25 | 1,998.89 |
| Undisputed Trade receivables – Credit Impaired | 88.79 | 204.10 | 699.29 | 142.26 | 893.46 | 2,027.89 |
| Gross Trade receivables | 1,541.79 | 407.81 | 844.60 | 338.87 | 893.71 | 4,026.78 |
| Less: Allowance for credit loss | | | | | | 2,027.89 |
| Net Trade Receivables | | | | | | 1,998.89 |

12.4 Trade receivables ageing schedule for the year ended as on March 31, 2022

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|--------------------|---------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade receivables – considered good | 1,159.17 | 288.14 | 275.79 | 290.35 | - | 2,013.45 |
| Undisputed Trade receivables – Credit Impaired | 106.36 | 94.89 | 131.82 | 186.34 | 409.61 | 929.03 |
| Gross Trade receivables | 1,265.54 | 383.03 | 407.61 | 476.69 | 409.61 | 2,942.48 |
| Less: Allowance for credit loss | | | | | | 929.03 |
| Net Trade Receivables | | | | | | 2,013.45 |

13 Cash and Cash equivalents

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Balance with Banks | | |
| In current account | 3,201.44 | 701.76 |
| Term deposits with original maturity of less than three months | 438.49 | 429.81 |
| Cash on hand | 23.22 | 30.79 |
| Total | 3,663.15 | 1,162.36 |

13.1 Balances with banks in current accounts include earmarked balances for unpaid dividend Rs. 2.13 lakhs (Rs. 2.80 lakhs) and debit balances in overdraft account amounting to Rs.348.66 lakhs (Rs.151.04 lakhs).

14 Bank balances other than cash and cash equivalents

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Term Deposits with banks (due to mature within 12 months of the reporting date) | 6,178.19 | 3,898.73 |
| Total | 6,178.19 | 3,898.73 |

14.1 Term Deposits with banks includes deposit of 841.11 Lakhs (Rs.822.96) held as security against bank guarantees issued towards EPCG scheme and Rs. 226.58 Lakhs (Rs.0.87 Lakhs) held as security against other bank guarantees.

15 Loans – Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Unsecured, considered good unless otherwise stated | | |
| To parties other than related parties | | |
| Employee advances | 22.03 | 20.16 |
| Less : Provision for doubtful advances | (16.45) | (13.52) |
| Total | 5.58 | 6.64 |

16 Other Financial Assets – Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------------|------------------|------------------|
| Security deposits | 9.67 | 9.68 |
| Interest accrued on bank deposits | 245.07 | 58.64 |
| Unbilled revenue | 731.39 | 601.67 |
| Total | 986.13 | 669.99 |

17 Other Current Assets

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------------------|------------------|------------------|
| Unsecured, considered good | | |
| Advances other than capital advances | 187.33 | 190.26 |
| Total | 187.33 | 190.26 |

18 Equity Share Capital

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|---|--------------------|------------------|--------------------|------------------|
| | Number | ₹ in lakhs | Number | ₹ in lakhs |
| Authorised | | | | |
| Equity shares of ₹ 10/- each | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Issued, Subscribed and Fully paid up | | | | |
| Equity shares of ₹ 10 each fully paid up | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Total | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |

18.1 Reconciliation of number of shares and amounts outstanding

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|--|------------------|------------|------------------|------------|
| | Number | ₹ in lakhs | Number | ₹ in lakhs |
| Equity Shares outstanding at the beginning of the year | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |
| Add : shares issued during the year | - | - | - | - |
| Equity Shares outstanding at the end of the year | 100,000,000 | 10,000.00 | 100,000,000 | 10,000.00 |

18.2 Details of shareholders holding more than 5% shares in the company

| Name of Shareholder | As at 31.03.2023 | | As at 31.03.2022 | |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|
| | Number of Shares held | % of holding | Number of Shares held | % of holding |
| Dr. Shamsheer Vayalil Parambath | 4,26,22,423 | 42.62% | 4,26,22,423 | 42.62% |
| Mr. Yusuff Ali MA | 1,88,00,668 | 18.80% | 1,88,00,668 | 18.80% |

18.3 Details of shares held by promoters

| Promoter Name | As at 31.03.2023 | | | As at 31.03.2022 | | |
|--|------------------|-------------------|--------------------------|------------------|-------------------|--------------------------|
| | No. of shares | % of total shares | % Change during the year | No. of shares | % of total shares | % Change during the year |
| Dr. Shamsheer Vayalil Parambath | 4,26,22,423 | 42.62% | - | 4,26,22,423 | 42.62% | - |
| Mr. Yusuffali Musaliam Veettil Abdul Kader | 1,88,00,668 | 18.80% | - | 1,88,00,668 | 18.80% | - |
| Mr. Sebastian PM | 45,15,139 | 4.52% | - | 45,15,139 | 4.52% | - |
| Mr. Job Varghese | 39,33,333 | 3.93% | - | 39,33,333 | 3.93% | - |
| Mr. Parayil Daniel Mathew | 25,03,000 | 2.50% | - | 25,03,000 | 2.50% | - |
| Mr. Mudyilethu Mathai Mathai | 13,33,330 | 1.33% | - | 13,33,330 | 1.33% | - |
| Dr. Molly Johny | 11,70,010 | 1.17% | - | 11,70,010 | 1.17% | - |
| Dr. Kaivilayil Varghese Johny | 11,70,000 | 1.17% | - | 11,70,000 | 1.17% | - |
| Mrs. Shabira Yusuff Ali | 10,00,000 | 1.00% | - | 10,00,000 | 1.00% | - |
| Mr. K N Prabhakaran Nair | 7,00,000 | 0.70% | - | 7,00,000 | 0.70% | - |
| Dr. K Chithrathara | 40,000 | 0.04% | - | 40,000 | 0.04% | - |

18.4 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

18.5 Details of shares issued for consideration other than cash

10,00,000 sweat equity shares of Rs 10 each at a premium of Rs 20 per share was allotted during the financial year ended 31.03.2016 to Dr. Philip Augustine as fully paid-up without payment being received in cash.

19 Other Equity

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Capital Redemption Reserve | | |
| Balance as at the beginning and end of the year | 500.00 | 500.00 |
| Securities Premium | | |
| Balance as at the beginning and end of the year | 14,000.00 | 14,000.00 |
| Other Reserves | | |
| Retained Earnings | | |
| Balance as at the beginning of the year | 8,621.22 | 4,966.11 |
| Add: Profit for the period | 5,751.88 | 4,288.07 |
| Add: Other Comprehensive income | -28.18 | -132.96 |
| Total comprehensive income for the current year | 14,344.92 | 9,121.22 |
| Less : | | |
| Dividend on equity shares | 1,500.00 | 500.00 |
| Balance as at the end of the year | 12,844.92 | 8,621.22 |
| Total | 27,344.92 | 23,121.22 |

19.1 Capital Redemption Reserve : Capital redemption reserve is a statutory non-distributable reserve into which the amounts are transferred following the redemption of Company's own preference shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

19.2 Securities Premium : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

19.3 Distribution of dividend paid and proposed

₹ in Lakhs

| Particulars | 2022-23 | 2021-22 |
|--|----------|----------|
| Dividends on equity shares declared and paid (for the year ended 31 March 2022 Rs. 1.5 (Rs. 0.50) per equity share) | 500.00 | - |
| Proposed cash dividend for the year | 1,700.00 | 1,500.00 |

20 Borrowings

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| From Banks (Secured) | | |
| Term Loan (See Notes 20.1) | 723.56 | 1,300.95 |
| Total | 723.56 | 1,300.95 |

20.1 Term loan is sanctioned by HDFC Bank Ltd, as re-imbursement of capex done during financial year 2017, 2018 & 2019, which is repayable in 7 years including 1 year moratorium, in equal quarterly repayment after the moratorium period with interest at the rate of one year MCLR + 30bps. During the previous year company pre-closed two loan accounts which were having a balance of Rs.761.25 lakhs and Rs.31.25 Lakhs on 09-02-2022.

20.2 Nature of security: Term loan from HDFC bank Ltd are secured by way of EM of 205.900 cents of land alongwith 10 floored building with 221700 sq.ft, EM of 54.54 cents of land, EM of the 11 floored building with 260000 sq.ft being constructed on the project land admeasuring 54.54 cents and hypothecation of medical equipment of the Company not specifically charged to other banks/ financial institutions.

21 Lease liability

The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

This has resulted in recognising a right-of-use asset of Rs. 94.58 lakhs and a corresponding lease liability of Rs. 7.15 lakhs. The difference of Rs. 0.09 lakhs (net of deferred tax asset created of Rs. 0.04 lakhs) has been adjusted to retained earnings as at 1st April 2019. Prepaid rent which were earlier classified under "Other Assets" have been reclassified to right-of-use assets by Rs. 87.56 lakhs. The Company does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

The Company has lease contracts for land and building. Lease for land has lease term of 99 years, while lease for building has lease term of 8 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases with lease terms of 12 months or less and leases of low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the period are given in Note 7.

Carrying amounts of lease liabilities and the movements during the year:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---------------------------|------------------|------------------|
| Opening balance | 523.54 | 322.69 |
| Additions during the year | - | 229.20 |
| Finance charge | 42.25 | 45.46 |
| Repayment | 83.86 | 73.81 |
| Closing balance | 481.93 | 523.54 |
| Current | 54.47 | 51.50 |
| Non current | 427.46 | 472.04 |

The following are the amounts recognised in profit or loss:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Depreciation expense of right-of-use assets | 56.42 | 56.42 |
| Interest expense on lease liabilities | 42.25 | 45.45 |
| Expense relating to short-term leases (included in other expenses) | 88.73 | 70.31 |
| Expense relating to leases of low-value assets (included in other expenses) | 37.94 | 32.11 |
| Total | 225.33 | 204.29 |

The effective interest rate for lease liabilities is 8.5%

The maturity analysis of lease liabilities are disclosed in Note 43.

22 Other financial liabilities

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------|------------------|------------------|
| Creditors for Capital goods | - | 841.83 |
| Total | - | 841.83 |

23 Provisions – Non Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Provision for employee benefits | | |
| (i) Provision for compensated absences | 149.50 | 167.84 |
| (ii) Provision for gratuity | 952.59 | 903.04 |
| Total | 1,102.09 | 1,070.88 |

24 Deferred Tax Liabilities (Net)

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--------------------------|------------------|------------------|
| Deferred tax liabilities | 3,331.25 | 3,193.68 |
| Deferred tax assets | 1,350.50 | 1,573.85 |
| Total | 1,980.75 | 1,619.83 |

25 Other non-current liabilities

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Deferred government grant for EPCG Licence* | 311.84 | 333.26 |
| Deferred grant-others** | 15.18 | - |
| Total | 327.02 | 333.26 |

Summary of the government grant received by the Company :-

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|-----------------------------------|------------------|------------------|
| Opening Balance | 363.41 | 175.35 |
| Add: Grants during the year | 39.81 | 211.40 |
| Less: Released to profit and loss | 37.44 | 23.34 |
| Closing Balance | 365.78 | 363.41 |
| Non Current | 327.02 | 333.26 |
| Current | 38.76 | 30.15 |

* The Company has received grant in the form of EPCG license from Government of India amounting to Rs. 39.81 (Rs. 211.40) Lakhs for import of capital goods subject to fulfilment of export obligation in next 6 years. The Company has recognized this grant as deferred government grant for EPCG licence at fair value. The company will recognize deferred grant income in the statement of profit and loss as per its accounting policy.

** During the financial year 2022-23, the Company has received grant from a corporate entity amounting to Rs.30 lakhs for establishing a Diagnostics Lab as agreed. The Company has recognized the grant related to asset as deferred income at fair value which is being amortised over the useful life of the Property, plant and equipment in proportion in which the related depreciation is recognized. Grant related to revenue is recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

26 Borrowings - Current

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Current maturities of long-term debt (See Note 20) | 578.85 | 578.85 |
| Total | 578.85 | 578.85 |

27 Trade Payables

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Trade payables (Unsecured) | | |
| Outstanding dues of Micro enterprises and Small enterprises | 106.11 | 138.52 |
| Outstanding dues of creditors other than Micro enterprises and Small enterprises | 3,433.27 | 3,181.46 |
| Total | 3,539.38 | 3,319.98 |

The information as required under Micro and Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the Auditors.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management during 2022-23 is as follows:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year | | |
| Principal | 101.83 | 138.52 |
| Interest on above Principal | 0.12 | - |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | | |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | 4.16 | - |

| | | |
|---|---|---|
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

27.1 Trade payables ageing schedule for the year ended as on March 31, 2023 ₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | |
|------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | 105.83 | 0.28 | - | | 106.11 |
| Others | 3,282.40 | 51.41 | 24.77 | 74.70 | 3,433.27 |
| Disputed Dues – MSME | - | - | - | | - |
| Disputed Dues – Others | - | - | - | | - |

27.2 Trade payables ageing schedule for the year ended as on March 31, 2022 ₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | |
|------------------------|--|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME | 138.52 | - | - | - | 138.52 |
| Others | 3,067.85 | 13.59 | 55.06 | 44.96 | 3,181.46 |
| Disputed Dues – MSME | - | - | - | - | - |
| Disputed Dues – Others | - | - | - | - | - |

28 Other Financial Liabilities – Current ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| (a) Employee related liabilities | 1,890.04 | 2,246.49 |
| (b) Interest accrued but not due on borrowings | 9.40 | 9.99 |
| (c) Unpaid dividends | 2.13 | 2.80 |
| (d) Other payables: | | |
| (i) Creditors for Capital goods | 599.95 | 59.20 |
| (ii) Advance received towards Research activities (See Note 2.16 (v) of Significant Accounting Policies)" | 96.73 | 98.33 |
| (iii) Retention money deposits | 82.25 | 59.60 |
| (iv) Others | 840.54 | 818.87 |
| Total | 3,521.04 | 3,295.28 |

29 Other Current Liabilities ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Statutory dues | 190.20 | 198.91 |
| Deferred government grant for EPCG Licence* | 30.90 | 30.15 |
| Deferred grant-others* | 7.86 | - |
| Others | 89.25 | 66.46 |
| Total | 318.21 | 295.52 |

*Refer note 25 for details of deferred grant

30 Provisions – Current ₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| (a) Provision for employee benefits | | |
| (i) Provision for compensated absences | 28.23 | 25.36 |
| (ii) Provision for gratuity | 79.73 | 67.81 |
| Total | 107.96 | 93.17 |

31 Revenue from operations

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-------------------------|----------------------------------|----------------------------------|
| Sale of Products | 15,031.75 | 13,322.37 |
| Sale of Services | 25,115.32 | 20,998.01 |
| Other operating revenue | 1,771.35 | 1,538.32 |
| Total | 41,918.42 | 35,858.70 |

Disaggregated revenue information

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Sale of Products | | |
| (a) Pharmacy Sales | 15,031.75 | 13,322.37 |
| Sale of Services | | |
| (a) Laboratory & Diagnostic services | 7,964.53 | 6,545.59 |
| (b) Other Healthcare services | 17,150.79 | 14,452.42 |
| Other Operating Revenue: | | |
| (a) Income from Research Activities - (See Note 2.16(v) of Significant Accounting Policies) (Net of expense) | - | - |
| (b) Course fees | 86.33 | 105.65 |
| (c) Income from Restaurant | 1,685.02 | 1,432.67 |
| Total | 41,918.42 | 35,858.70 |

Reconciliation of Gross revenue with the revenue from contracts with customers

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|----------------------|----------------------------------|----------------------------------|
| Gross revenue | 42,826.78 | 36,714.06 |
| Less : Discount | -908.36 | -855.36 |
| Total | 41,918.42 | 35,858.70 |

Contract balances

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-------------------|----------------------------------|----------------------------------|
| Trade receivables | 1,998.89 | 2,013.45 |
| Unbilled revenue | 731.39 | 601.67 |
| Total | 2,730.28 | 2,615.12 |

32 Other Income

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---------------------------------|----------------------------------|----------------------------------|
| (a) Interest income | | |
| On Fixed deposits | 396.51 | 160.54 |
| Other interest | 19.67 | 8.16 |
| (b) Government grant | 37.44 | 23.34 |
| (c) Other Non- Operating income | 82.00 | 115.07 |
| Total | 535.62 | 307.11 |

33 Purchase Of Medicines & Consumables

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-----------------|----------------------------------|----------------------------------|
| (a) Medicines | 5,644.38 | 5,056.90 |
| (c) Consumables | 5,526.11 | 5,194.24 |
| Total | 11,170.49 | 10,251.14 |

34 **Changes In Inventories of Medicines & Consumables**

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Inventories at the end of the year : | | |
| (a) Medicines | 387.55 | 337.51 |
| (b) Consumables | 884.31 | 768.64 |
| | 1,271.85 | 1,106.15 |
| Inventories at the beginning of the year : | | |
| (a) Medicines | 337.51 | 285.57 |
| (b) Consumables | 768.64 | 634.12 |
| | 1,106.15 | 919.69 |
| Net (increase) / decrease | -165.70 | -186.46 |

35 **Employee Benefits Expense**

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Salaries & wages | 5,913.75 | 5,796.76 |
| Contribution to Provident Fund and other funds | 309.44 | 339.03 |
| Staff welfare expenses | 160.31 | 146.69 |
| Total | 6,383.50 | 6,282.48 |

Other Benefit Plan – Leave Plan

The principal assumptions used for the purpose of actuarial valuation were as follows:

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Discount Rate (p.a) | 7.55% | 7.47% |
| Rate of increase in compensation levels | 5.00% | 5.00% |

Amount recognised in the Consolidated Statement of Profit and Loss in respect of defined benefit plans are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Service Cost: | | |
| Current Service Cost | 51.01 | 63.61 |
| Net Interest expense | 12.11 | 11.95 |
| Actuarial (Gain)/Loss recognised during the period | -16.30 | 9.40 |
| Expenses recognised in the Consolidated statement of profit and loss | 46.82 | 84.96 |

The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Present Value of Defined Benefit Obligation at end of the year | 177.72 | 193.20 |
| Fair Value of Plan Assets at the end of the year | - | - |
| Net Liabilities / (Assets) recognized in the Consolidated Balance Sheet | 177.72 | 193.20 |

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Defined Benefit Obligation at beginning of the year | 193.20 | 211.74 |
| Current & Past Service Cost | 51.01 | 63.61 |
| Current Interest Cost | 12.11 | 11.95 |
| Actuarial (Gain)/ Loss | -16.30 | 9.40 |
| Benefits paid | -62.29 | -103.50 |
| Defined Benefit Obligation at end of the year | 177.72 | 193.20 |

Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Fair Value of Plan Assets at the beginning of the year | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial (Gain)/ Loss | - | - |
| Contributions from the employer | - | - |
| Benefits paid | - | - |
| Fair Value of the Assets at the end of the year | - | - |

Defined Benefit Plan–Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Discount Rate (p.a) | 7.55% | 7.47% |
| Rate of increase in compensation levels | 5.00% | 5.00% |
| Expected Rate of return on plan assets | NA | NA |

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Service Cost: | | |
| Current Service Cost | 116.50 | 126.80 |
| Net Interest expense | 66.50 | 55.51 |
| Components of defined benefit costs recognised in Consolidated statement of profit and loss | 183.00 | 182.31 |
| Remeasurement of the net defined benefit liability: | | |
| Actuarial (Gain)/Loss on Plan Obligations | 39.76 | 187.59 |
| Difference between Actual Return and Interest income on Plan assets (gain)/loss | - | - |
| Components of defined benefit costs recognised in Other Comprehensive Income | 39.76 | 187.59 |

The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Present Value of Defined Benefit Obligation at end of the year | 1,032.32 | 970.85 |
| Fair Value of Plan Assets at the end of the year | - | - |
| Net Liabilities / (Assets) recognized in the Consolidated Balance Sheet | 1,032.32 | 970.85 |

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Defined Benefit Obligation at beginning of the year | 970.85 | 879.35 |
| Current Service Cost | 116.50 | 126.80 |
| Current Interest Cost | 66.50 | 55.51 |
| Actuarial (Gain)/ Loss | 39.76 | 187.59 |
| Benefits paid | -161.29 | -278.40 |
| Defined Benefit Obligation at end of the year | 1,032.32 | 970.85 |



Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Fair Value of Plan Assets at the beginning of the year | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial (Gain)/ Loss | - | - |
| Contributions from the employer | - | - |
| Benefits paid | - | - |
| Fair Value of the Assets at the end of the year | - | - |

36 Finance Costs

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|-----------------------------------|----------------------------------|----------------------------------|
| (a) Interest expense | 168.76 | 211.85 |
| (b) Interest on lease liabilities | 42.25 | 45.45 |
| Total | 211.01 | 257.30 |

37 Depreciation and Amortisation Expense

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|----------------------------------|----------------------------------|
| Depreciation on property, plant and equipments | 2,250.65 | 2,129.97 |
| Amortisation of other intangible asset | 18.54 | 16.18 |
| Total | 2,269.19 | 2,146.15 |

38 Other Expenses

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| (a) Power, fuel & water charges | 1,070.63 | 981.93 |
| (b) Consultancy charges | 7,600.84 | 6,087.95 |
| (c) House Keeping expenses | 834.60 | 720.66 |
| (d) Lab Test Charges | 200.04 | 223.79 |
| (e) Rent | 126.88 | 102.42 |
| (f) Repairs: | | |
| - Buildings | 80.29 | 75.19 |
| - Machinery | 816.54 | 642.88 |
| - Others | 109.13 | 103.75 |
| (g) Insurance | 25.36 | 23.58 |
| (h) Rates and taxes | 23.39 | 51.23 |
| (i) Restaurant consumption | 826.90 | 679.99 |
| (j) Advertisement & Marketing expenses | 387.47 | 240.24 |
| (k) Printing and Stationery | 227.81 | 133.81 |
| (l) Payments to auditors (See Note: 38.1) | 9.63 | 9.07 |
| (m) Provision for doubtful debts and doubtful advances | 1,098.86 | 400.00 |
| (n) Expenditure on Corporate Social Responsibility activities (See Note 38.2) | 66.36 | 41.46 |
| (o) Professional Charges | 165.72 | 105.26 |
| (p) Bank Charges | 56.61 | 38.17 |
| (q) Security Charges | 177.05 | 171.11 |
| (r) Miscellaneous expenses | 360.80 | 493.16 |
| (s) Net loss on foreign currency transactions and translation | 79.18 | 11.62 |
| Total | 14,344.09 | 11,337.27 |

38.1 Payment to Auditors

₹ in Lakhs

| | | |
|--|------|------|
| For statutory audit | 5.25 | 5.25 |
| For taxation matters (including tax audit) | 1.00 | 1.00 |

| | | |
|---------------------------|-------------|-------------|
| Tax on above | 1.13 | 1.13 |
| For other services | 1.88 | 1.42 |
| Reimbursement of expenses | 0.38 | 0.28 |
| | 9.63 | 9.08 |

38.2 Corporate Social Responsibility (CSR) : As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on CSR activities. The areas of CSR activity includes promoting education, art and culture, healthcare, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. CSR committee has been formed by the company as per the Act. The utilisation of CSR funds are done as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|---|---|
| (i) Amount required to be spent by the company during the year | 66.36 | 41.46 |
| (ii) Amount of expenditure incurred | 60.86 | 29.26 |
| (iii) Shortfall at the end of the year | 5.50 | 12.20 |
| (iv) Total of previous years shortfall | - | - |
| (v) Reason for shortfall | Rs 5.50 lakhs transferred to separate bank account to spend for the on-going projects. | Rs 12.21 lakhs transferred to separate bank account to spend for the on-going projects. |
| (vi) Nature of CSR activities | Education, Preventive Healthcare, Urban development, Support to elders, Support to homeless, Promotion of Arts etc. | Education, Preventive Healthcare, Free Vaccination, Urban development, Support to elders, Support to homeless, Promotion of Arts etc. |
| (vii) Details of related party transactions | - | - |
| (viii) Movement in the provision made with respect to a liability incurred by entering into a contractual obligation | - | - |

39 Earnings per Equity Share

₹ in Lakhs

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|----------------------------------|----------------------------------|
| Net Profit after tax | 5,751.88 | 4,288.07 |
| Number of Equity Shares | 100,000,000 | 100,000,000 |
| Basic and Diluted Earnings Per Share (EPS) (in ₹) | 5.75 | 4.29 |
| Face value per equity (in ₹) | 10.00 | 10.00 |

40 Contingent Liabilities, Contingent Assets And Commitments

| | Particulars | As at 31.03.2023 | As at 31.03.2022 | Brief Description of the nature and obligation |
|------------|---|------------------|------------------|---|
| | | (₹ in Lakhs) | (₹ in Lakhs) | |
| A | CONTINGENT LIABILITY (To the extent not provided for) | | | |
| (a) | Other money for which the company is contingently liable | | | |
| 1 | Employees Provident Fund and Miscellaneous Provisions Act | 129.84 | 129.84 | Demands raised under EPF Act, 1952 amounting to Rs.129.84 lakhs (Rs.129.84 lakhs). The Company filed two appeal(s) before the Industrial Tribunal –cum–Labour Court. As directed by the Tribunal, company deposited a sum of Rs.64.72 lakhs (Rs.64.72 lakhs); and the recovery of balance demand is stayed till the disposal of appeal. Appeal No. 657/2019 was dismissed by the Tribunal on 28.03.2022 and the Company has filed writ petition WPC) NO 23816/2022 before the Hon'ble High Court of Kerala against the said order. The court vide order dated 6th July 2023 has granted stay till 5th November 2023. The company is legally advised that the demands will not be sustainable and in the opinion of the management no provision in this regard is considered necessary at this stage and the amount deposited is carried over as receivables and disclosed under the head "Deposits" under other non-current assets. |

| | | | | |
|---|-----------------------|--------|--------|---|
| 2 | Service tax | 62.96 | 62.96 | The demand for Service tax amounting to Rs.62.96 lakhs (Rs. 62.96 lakhs) including penalty of Rs.23.42 lakhs (Rs.23.42 lakhs) on amounts received from Medical companies for clinical research activities was disputed on appeal before the Commissioner of Customs, Central Excise & Service Tax (Appeals). Out of this the appeals for certain years involving demands of Rs.39.54 lakhs (Rs.39.54 lakhs) and penalty of Rs.23.42 lakhs (Rs. 23.42 lakhs) was decided against the company as per proceedings of the Appellate Authority. The company has filed a second appeal before the Central Excise & Service Tax Appellate Tribunal. As per the advice obtained by the management from the Service Tax consultants, the above referred amounts are exempt services and not liable for Service tax and in the opinion of the management, no provision is considered necessary at this stage. |
| 3 | Value Added Tax | 655.73 | 690.96 | The demand for Value Added Tax amounting to Rs.655.73 lakhs (Rs. 690.96 lakhs) including penalty of Rs.487.21 lakhs (Rs. 487.21 lakhs) for the period 2008-09, 2009-10, 2010-11, 2011-12 and 2016-17 has been disputed by the Company and a writ petition has been filed before the Hon. High Court of Kerala, which is pending disposal. The Company received a stay order dated 09.06.2017 from Hon. High Court of Kerala. As per the advice obtained by the management from the consultants and in the opinion of the management, no provision is considered necessary at this stage. |
| 4 | Goods and Service tax | 1.08 | - | The company received notice under Section 50(1) of GST Act for belated filing of GSTR 3B with a demand of Rs. 1.18 Lakhs. Company has filed the reply along with copies of GSTR 3B, Electronic cash ledger and workings. No provision is considered necessary at this stage. |
| 5 | Income Tax | - | 1.18 | The demand for Income tax amounting to Rs.1.18 lakhs for Assessment year 2007-08, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals).Order u/s 250 was passed by CIT(A) dated 03.10.2022 allowing the grounds in favour of the company. |
| | | 26.41 | 26.41 | The demand for Income tax amounting to Rs.26.41 lakhs for Assessment year 2011-12, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage. |
| | | - | 3.29 | The demand for Income tax amounting to Rs.3.78 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals).Order has been received u/s 250 dated 28.11.2022 allowing the the grounds in favour of the company. |
| | | - | 7.00 | The demand for Income tax amounting to Rs.7 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals).Order has been received u/s 250 dated 21.11.2022 dismissing the grounds against which the company has filed appeal before income tax tribunal. The company has made provision for the same in the current year. |
| | | 221.05 | - | As per the assessment order for AY 2016-17, AO concluded that there exists an employer - employee relationship with consultant doctors and tax must have been deducted at source u/s 192 instead of 194J. Appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals) on 24.08.2023.Hon'ble High Court of Kerala granted stay vide order dated 07th June 2023 and directed the CIT(A) to consider and pass orders on the stay petition filed within a period of 3 months.No provision is considered necessary at this stage. |
| | | - | 2.96 | As per the assessment order for AY 2017-18, Rs. 9.10 lakhs is disallowed for delay in remittance of ESI/PF under Section 36(1)(va). Since tax was payable under MAT provisions, demand is Nil. However, tax effect of the same on excess unabsorbed depreciation carried forward has been disclosed as contingent liability. This demand has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals).Order has been received u/s 250 dated 21.11.2022 dismissing the grounds. The company has made provision for the same in the current year. |

| | | | | |
|----------|---|--------|--------|--|
| | | 148.61 | 148.61 | The demand for Income tax amounting to Rs.148.61 lakhs for Assessment year 2018-19, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage. |
| | | 96.15 | 96.15 | The demand for Income tax amounting to Rs.97.78 lakhs for Assessment year 2018-19, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals). Provision of Rs. 1.63 lakhs has been recognised in the books. No provision is considered necessary at this stage for the balance amount. |
| 6 | Legal cases for compensation/claims filed against the company | 530.67 | 455.67 | Legal cases for compensation/claims filed against the company amounts to Rs.530.67 lakhs (Rs.455.67 lakhs). In the opinion of the management, the cases are not sustainable and hence no provision is considered necessary at this stage. |
| 7 | Tide Water | 821.90 | 821.91 | A case filed against the company in an earlier year for non-compliance of the contract terms amounting to Rs. 821.91 lakhs (Rs 821.91 lakhs) which was under arbitration as per the order of the Honourable High Court of Kerala, was partly decided against the company and as per the arbitration award, an amount of Rs. 257.30 lakhs (Rs 257.30 lakhs) was determined as payable to the claimant. The company has been legally advised that the order of the Arbitrator is not to be accepted and had filed an appeal before the District Court, Ernakulam, challenging the arbitration award. Later, the case has been transferred to the Special Court constituted for hearing the commercial disputes, which is pending disposal. In the opinion of the management, having regard to the legal advice obtained, no provision is considered necessary at this stage. |
| 8 | Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board | 19.54 | 19.54 | The Company has received notice from Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board regarding non-payment of the amount due u/s 12 of the Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Act, 2006 and interest thereon (for the period from 1-8-2008 to 31-8-2014), aggregating to Rs.19.54 lakhs (Rs 19.54 lakhs). The Qualified Medical Practitioners Association of which the company is a member has filed a Writ Petition before the Hon.High Court of Kerala and has obtained an interim stay vide order dated 16-1-2009 on the proceedings against the members of the Association under the aforesaid Act, as the employees are covered under Employees Provident Fund and Miscellaneous Provisions Act. Pending disposal of the Writ Petition filed as above, in the opinion of the management, no provision is to be made in the accounts at this stage. |
| 9 | Payment of Bonus(Amendment) Act 2015 | 245.00 | 245.00 | During the financial year 2015-16, consequent to the amendment of the Payment of Bonus (Amendment) Act 2015, the ceiling of salary for the computation of bonus was increased with retrospective effect from 1-4-2014. The Company filed a writ petition before the Hon' High Court of Kerala, and vide order dated 13th October 2016, the Hon' High Court had granted an interim stay on the retrospective application of the amendment. The additional liability for the financial year 2014-15 is estimated by the company at Rs.245 lakhs (Rs.245 lakhs). Based on the interim stay and as per the legal advice obtained, the management is of the opinion that no provision is considered necessary at this stage. |
| B | COMMITMENTS (To the extent not provided for) | | | |
| 1 | Estimated amount of contracts remaining to be executed on capital account and not provided for: | 175.02 | 254.65 | |
| 2 | Bank Gurantees | 606.71 | 619.21 | Bank guarantee issued on behalf of the company for EPCG scheme, KSEB, ECHS & Cochin Shipyard. |

| | | | | |
|---|-------------|--------|----------|---|
| 3 | EPCG Scheme | 173.17 | 1,296.05 | In respect of capital equipments imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation of Rs. 173.17 Lakhs (Rs. 1296.05 Lakhs) which is required to be fulfilled at different dates until 2028. In the event of non fulfilment of the export obligation, the company will be liable for the customs duties and penalties as applicable. |
|---|-------------|--------|----------|---|

41 **Litigation** : The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

42 **Related Party disclosure as per Ind AS 24**

A. Related parties and nature of relationship

| Nature of relationship | Name of related parties |
|--|---|
| (a) Key Managerial Personnel: | Dr. Shamsheer Vayalil Parambath – Chairman Mr. P.M. Sebastian – Vice Chairman Mr. S.K. Abdulla – Managing Director Mr. R. Narayanan – Chief Financial Officer Mr. R. Muraleedharan – Company Secretary Mr. K.N. Prabhakaran Nair – Director Dr. K.V. Johnny – Director Mr. P.D. Mathew – Director Mr. A. Janardhana Pai – Director Mr. M.M. Mathai – Director Mr. Job Varghese – Director Mr. V Venugopal – Director (appointed w.e.f. March 31, 2022) Dr. K Chitrathara – Director (appointed w.e.f. March 31, 2022) Mrs. P. Mayadevi – Director (retired w.e.f. November 14, 2021) |
| (b) Enterprises where key managerial personnel or their relatives exercise significant influence/control/joint control | VPS Healthcare Private Limited Burjeel Hospital, Oman Welcare Hospital Dynamed Healthcare Solutions Private Limited Humming Tree |

B. Summary of transactions and outstanding balances with above related parties are as follows:

₹ in Lakhs

| Particulars | 2022-23 | 2021-22 |
|--|--------------------------|-------------------------|
| (i) Sale of Services – Other Healthcare services Enterprises where key managerial personnel or their relatives exercise significant control Burjeel Hospital, Oman | - | 8.05 |
| (ii) Sale of Services – Laboratory & Diagnostic services Enterprises where key managerial personnel or their relatives exercise significant control Welcare Hospital | 3.38 | 19.36 |
| (iii) Other Operating Revenue – Income from Restaurant Enterprises where key managerial personnel or their relatives exercise significant control Dynamed Healthcare Solutions Private Limited | 3.53 | 1.94 |
| (iv) Employee benefit expenses Remuneration to Key Managerial Personnel Mr. S.K. Abdulla – Managing Director Mr. R. Narayanan – Chief Financial Officer Mr. R. Muraleedharan – Company Secretary | 188.31 32.25 25.89 | 98.72 30.00 24.71 |

| | | | |
|---|--|-------------------|----------------------|
| (v) Sitting Fee Remuneration to Key Managerial Personnel A. Janardhana Pai – Director V Venugopal – Director P. Mayadevi – Director | | | |
| | | 3.75 | 3.50 |
| | | 3.75 | 0.25 |
| | | - | 1.75 |
| (vi) Consultancy charges Remuneration to Key Managerial Personnel Dr K Chitrathara – Director | | 108.36 | 103.81 |
| (vii) Trade Receivables – Considered good Enterprises where key managerial personnel or their relatives exercise significant control Burjeel Hospital, Oman Welcare Hospital Dynamed Healthcare Solutions Private Limited | | - 1.09 3.26 | 4.19 3.89 1.94 |
| (viii) Other Non Current Financial Assets – Deposits Enterprises where key managerial personnel or their relatives exercise significant control VPS Healthcare Private Limited | | 40.26 | 40.26 |
| (ix) Capital Advances Enterprises where key managerial personnel or their relatives exercise significant control Humming Tree | | 20.95 | 6.23 |

43 Lease arrangements

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| a) Towards lease rent | | |
| Not later than one year | 108.97 | 106.32 |
| Later than one year and not later than five years | 511.96 | 493.26 |
| Later than five years | 82.89 | 193.46 |

44 Segment Reporting

Based on the guiding principles given in Ind AS- “Segment Reporting”, the company has only one reportable segment i.e. “Hospital Activities”. During the period there are no customers who is contributing more than 10% of revenue from operations.

45 Capital Management

The company’s objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The company is not subject to any externally imposed capital requirements.

Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Borrowings including current maturities | 1,302.40 | 1,879.80 |
| Borrowings as a percentage of Total Capital | 3.37% | 5.37% |
| Equity Share Capital | 10,000.00 | 10,000.00 |
| Other equity | 27,344.92 | 23,121.22 |
| Total Equity | 37,344.92 | 33,121.22 |
| Total equity as a percentage of Total Capital | 96.63% | 94.63% |
| Total Capital (Equity and Borrowings) | 38,647.32 | 35,001.02 |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

46 Financial instruments: Fair value and risk management

A. Accounting classification and fair values

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

As at March 31, 2023

₹ in Lakhs

| Financial assets/ financial liabilities | Amortised Cost | Fair Value hierarchy | | |
|---|------------------|----------------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | |
| Non Current | | | | |
| (i) Investments | - | - | - | - |
| (ii) Others | 1,321.66 | - | - | - |
| Current | | | | |
| (i) Trade Receivables | 1,998.89 | - | - | - |
| (ii) Cash & Cash equivalents | 3,663.15 | - | - | - |
| (iii) Bank Balances other than (iii) | 6,178.19 | - | - | - |
| (iv) Loans | 5.58 | - | - | - |
| (v) Others | 986.13 | - | - | - |
| Total Financial Assets | 14,153.60 | - | - | - |
| Financial Liabilities | | | | |
| Non Current | | | | |
| (i) Borrowings | 723.56 | - | - | - |
| (ii) Lease liabilities | 427.46 | - | - | - |
| (iii) Other financial liabilities | - | - | - | - |
| Current | | | | |
| (i) Borrowings | 578.85 | - | - | - |
| (ii) Lease liabilities | 54.47 | - | - | - |
| (iii) Trade Payables | 3,539.38 | - | - | - |
| (iv) Other financial liabilities | 3,521.04 | - | - | - |
| Total Financial Liabilities | 8,844.76 | - | - | - |

As at March 31, 2022

₹ in Lakhs

| Financial assets/ financial liabilities | Amortised Cost | Fair Value hierarchy | | |
|---|-----------------|----------------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | |
| Non Current | | | | |
| (i) Investments | - | - | - | - |
| (ii) Others | 1,938.63 | - | - | - |
| Current | | | | |
| (i) Trade Receivables | 2,013.45 | - | - | - |
| (ii) Cash & Cash equivalents | 1,162.36 | - | - | - |
| (iii) Bank Balances other than (iii) | 3,898.73 | - | - | - |
| (iv) Loans | 6.64 | - | - | - |
| (v) Others | 669.99 | - | - | - |
| Total Financial Assets | 9,689.80 | - | - | - |

| Financial Liabilities | | | | |
|------------------------------------|-----------------|---|---|---|
| Non Current | | | | |
| (i) Borrowings | 1,300.95 | - | - | - |
| (ii) Lease liabilities | 472.04 | - | - | - |
| (iii) Other financial liabilities | - | - | - | - |
| Current | | | | |
| (i) Borrowings | 578.85 | - | - | - |
| (ii) Lease liabilities | 51.50 | - | - | - |
| (iii) Trade Payables | 3,319.98 | - | - | - |
| (iv) Other financial liabilities | 3,295.28 | - | - | - |
| Total Financial Liabilities | 9,018.60 | - | - | - |

B. Financial risk management

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

i. Credit risk

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

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

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs.4026.78 Lakhs (previous year: Rs. 2942.48 Lakhs). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

₹ in Lakhs

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Opening balance | 929.03 | 1,035.35 |
| Expected credit loss recognised/(reversed) | 1,098.86 | 400.00 |
| Less: Bad debts written off adjusted | - | -506.32 |
| Closing balance | 2,027.89 | 929.03 |

No single customer accounted for more than 10% of the revenue as of March 31, 2023 and March 31, 2022. There is no significant concentration of credit risk.

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

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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition, the Company maintains line of credit as stated in Note 20.

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

₹ in Lakhs

| Particulars | Less than 1 year | 1-5 years | More than 5 years | Total |
|--|------------------|-----------|-------------------|----------|
| Borrowings (including current maturities) | 578.85 | 723.56 | - | 1,302.41 |
| Lease liabilities | 54.47 | 304.71 | 122.75 | 481.93 |
| Trade payables | 3,539.38 | - | - | 3,539.38 |
| Other financial liabilities (excluding current maturities) | 3,521.04 | - | - | 3,521.04 |

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

₹ in Lakhs

| Particulars | Less than 1 year | 1-5 years | More than 5 years | Total |
|--|------------------|-----------|-------------------|----------|
| Borrowings (including current maturities) | 578.85 | 1,300.95 | - | 1,879.80 |
| Lease liabilities | 51.50 | 267.49 | 204.55 | 523.54 |
| Trade payables | 3,319.98 | - | - | 3,319.98 |
| Other financial liabilities (excluding current maturities) | 3,295.28 | 841.83 | - | 4,137.11 |

iii. Market risk

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

(a) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company is mainly exposed to US dollar and Omani Rial.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

| Particulars | As at 31.03.2023 | | As at 31.03.2022 | |
|--------------------------|------------------|----------------|------------------|----------------|
| | (USD in Lakhs) | (OMR in Lakhs) | (USD in Lakhs) | (OMR in Lakhs) |
| Trade receivables | - | - | - | 0.02 |
| Trade payables | (7.01) | - | (12.18) | - |
| Net assets/(liabilities) | (7.01) | - | (12.18) | 0.02 |

(b) Sensitivity analysis

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

₹ in Lakhs

| Particulars | Impact on profit or (loss) before tax | |
|--------------------------|---------------------------------------|------------------|
| | As at 31.03.2023 | As at 31.03.2022 |
| USD Sensitivity | | |
| INR/USD – Increase by 1% | (5.76) | (9.25) |
| INR/USD – Decrease by 1% | 5.76 | 9.25 |
| OMR Sensitivity | | |
| INR/OMR – Increase by 1% | - | 0.04 |
| INR/OMR – Decrease by 1% | - | (0.04) |

(c) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in Lakhs

| Financial liabilities (bank borrowings) | As at 31.03.2023 | As at 31.03.2022 |
|---|------------------|------------------|
| Variable rate long term borrowings including current maturities | 1,302.41 | 1,879.80 |

(d) Sensitivity

₹ in Lakhs

| Particulars | Impact on profit or (loss) before tax | |
|--------------------------|---------------------------------------|------------------|
| | As at 31.03.2023 | As at 31.03.2022 |
| 1% increase in MCLR rate | (13.02) | (18.80) |
| 1% decrease in MCLR rate | 13.02 | 18.80 |

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

47 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements'

As at / For the year ended 31 March 2023

₹ in Lakhs

| Name of the entity in the group | Net Assets, i.e., total assets minus total liabilities | | Share in profit and loss | | Share in other Comprehensive income | | Share in total Comprehensive income | |
|---|--|------------------|--------------------------------------|-----------------|---|---------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent Lakeshore Hospital And Research Centre Limited | 100.02% | 37,351.88 | 100.01% | 5,752.36 | 100.00% | -28.18 | 100.01% | 5,724.18 |
| Subsidiary Indian subsidiaries Lakeshore Food And Beverages Private Limited | -0.02% | -6.96 | -0.01% | -0.48 | 0.00% | - | -0.01% | -0.48 |
| Total | 100.00% | 37,344.92 | 100% | 5,751.88 | 100% | -28.18 | 100% | 5,723.70 |

As at / For the year ended 31 March 2022

₹ in Lakhs

| Name of the entity in the group | Net Assets, i.e., total assets minus total liabilities | | Share in profit and loss | | Share in other Comprehensive income | | Share in total Comprehensive income | |
|---|--|------------------|--------------------------------------|-----------------|---|----------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent Lakeshore Hospital And Research Centre Limited | 100.02% | 33,127.68 | 100.08% | 4,291.60 | 100.00% | -132.96 | 100.08% | 4,158.64 |
| Subsidiary Indian subsidiaries Lakeshore Food And Beverages Private Limited | -0.02% | -6.46 | -0.08% | -3.53 | 0.00% | - | -0.08% | -3.53 |
| Total | 100.00% | 33,121.22 | 100% | 4,288.07 | 100% | -132.96 | 100% | 4,155.11 |

48 The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.

49 The Code on Social Security, 2020 and Code on Wages, 2019 relating to employee benefits during employment and post-employment benefits has received Presidential assent in September 2020. The Code have been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Ministry of Labour and Employment (Ministry) has released draft rules for the Code on November 13, 2020 and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will need to assess the impact of the above. The impact will be recorded in the first period after the Codes become effective.

50 Additional Regulatory Information:

50.1 Ratios:

| Ratio | Numerator | Denominator | 31 March 23 | 31 March 22 | % change |
|--------------------------------------|-------------------------------------|------------------------------|-------------|-------------|----------|
| (a) Current Ratio | Current assets | Current liabilities | 1.76 | 1.19 | 49% |
| (b) Debt-Equity Ratio | Total Debt | Shareholder's Equity | 0.03 | 0.06 | -39% |
| (c) Debt Service Coverage Ratio | Earnings available for debt service | Debt Service | 9.83 | 7.81 | 26% |
| (d) Return on Equity Ratio | Net Profits after taxes | Average Shareholder's Equity | 0.16 | 0.14 | 19% |
| (e) Inventory Turnover Ratio | Cost of goods sold | Average Inventory | 9.26 | 9.94 | -7% |
| (f) Trade Receivables Turnover Ratio | Net Sales | Avg. Accounts Receivable | 20.89 | 18.74 | 11% |
| (g) Trade Payables Turnover Ratio | Net Purchases | Average Trade Payables | 3.26 | 3.10 | 5% |
| (h) Net Capital Turnover Ratio | Net Sales | Working Capital | 6.79 | 25.37 | -73% |
| (i) Net Profit Ratio | Net Profit | Net Sales | 0.14 | 0.12 | 15% |



| | | | | | |
|--------------------------------|--------------------------------------|---|------|------|-----|
| (j) Return on Capital Employed | Earning before interest and taxes | Capital Employed | 0.22 | 0.18 | 21% |
| (k) Return on Investment | Income generated from invested funds | Average invested funds (excluding investment in subsidiaries) | NA | NA | NA |

Explanation for change in the ratios by more than 25%:

- Current ratio in FY 23 is 1.76 as against 1.19 on account of Increase in Cash & its equivalents and bank balances due to increased profitability and healthy cash flows.
- Better Debt Equity ratio for FY 23 at 0.03, due to repayment of loan and better profitability for the year.
- Better DSCR at 9.83 on account of reduced borrowings and healthy cash flows and increased profitability
- ROE at 16% on account of increase in PAT during the year.
- Net Capital Turnover Ratio at 6.79 due to increase in current assets and revenue
- Net profit ratio and return on capital employed increased due to increased profitability

50.2 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Cryptocurrency or Virtual Currency during the year ended March 31, 2023.
- The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company do not have any transactions with companies struck off.
- The Company has not been declared as a Wilful Defaulter by any bank or financial institution or Government or any Government authority.

51 Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

As per our report of even date attached

For M/s Krishnamoorthy & Krishnamoorthy

Chartered Accountants
Firm Registration No. 001488S

sd/-

R. Venugopal

Partner
Membership No: 202632

Place : Kochi

Date : 14.08.2023

For and on behalf of the Board of Directors

sd/-

Dr. Vayalil Parambath Shamsheer

Chairman
DIN: 02371712

sd/-

R. Narayanan

Chief Financial Officer

sd/-

S.K. Abdulla

Managing Director
DIN: 09627792

sd/-

R. Muraleedharan

Company Secretary

sd/-

A.J. Pai

Director
DIN: 00115688



CSR Project support to Raman Memorial LP School, Nettoor



CSR Project Cochlear Implant Surgery to Kids



CSR Project CCTV Camera at Govt. Boy's High School, Tripunithura



CSR Project Handing over Maruthi ECCO Van to Sehion Preshitha Sangham, Kochi



World Heart Day 2022



CPR Training at Vyttila Mobility Hub



Conference by Institute of Head & Neck 2022



World Premature Day 2022



X'Mas 2022



Onam 2023



Foot & Ankle Conference 2023



Annual Kidney Transplant update 2023



Blood Donation Camp 2023



Challengers Panangad Marathon 2023



Anti Drug Campaign at a School in Kozhikode



World Nurses Day 2023



Completion of 103 POEM by Gastro Dept.



Educare Vanitha Marathon 2023



Republic Day 2023



Enlight 2023 Spy Glass Workshop



International Women's Day 2023



Inauguration of Institute of Nephrology & Urology



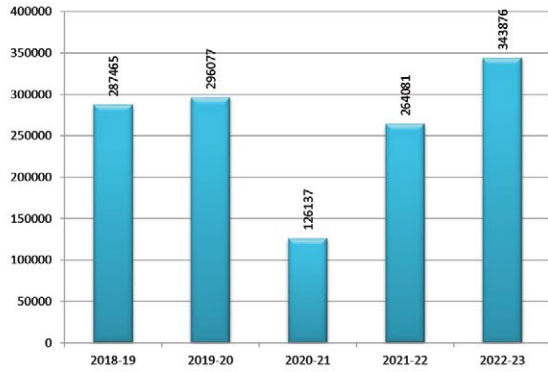
Installation of Immunology Modular Analyser



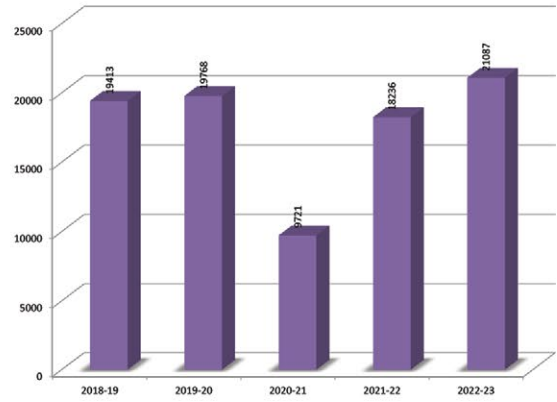
Anti Drug Campaign, Kozhikode

PERFORMANCE ANALYSIS

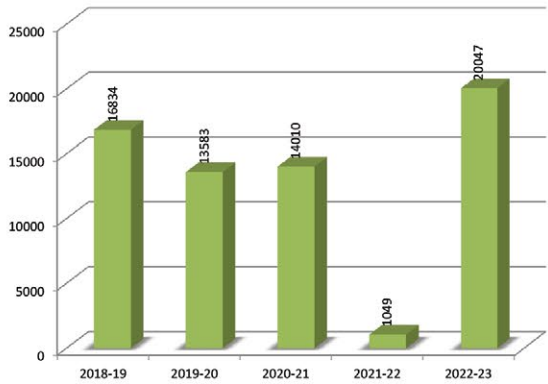
CONSULTATION (OP)



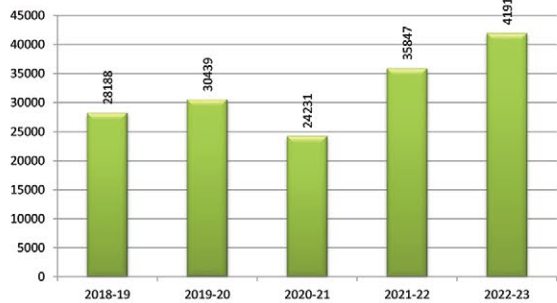
INPATIENTS (IP)



FOREIGN PATIENTS



INCOME



DIVIDEND

