

INDEPENDENT AUDITOR'S REPORT

To the Members of Sanghamitra Hospitals Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sanghamitra Hospitals Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2021**, the **profit** and total 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 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 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our



opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P. S. Kumar & Associates
Chartered Accountants
Firm Registration No. 012083S


CA. P. Sasi Kumar, FCA
Partner
Membership No. 208203



Hyderabad, May 14, 2021

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of the Company's fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.




- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of healthcare services rendered. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost 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) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) According to the records of the Company and the explanation and information given to us, there are no statutory dues payables on account of dispute
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions and dues to debenture holders. The Company has not taken any loans from government.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a public company. Accordingly, clause 3 (xi) of the Order are not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause of the Order is not applicable.



- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P. S. Kumar & Associates
Chartered Accountants
Firm Registration No. 012083S


CA. P. Sasi Kumar, FCA
Partner
Membership No. 208203



Hyderabad, May 14, 2021

UDIN: 21208203AAAAS5586

SANGHAMITRA HOSPITALS PRIVATE LIMITED

Balance sheet as at 31 March 2021

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

	Notes	As at 31 Mar 2021	As at 31 Mar 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4.1	2,211.67	1,837.91
Intangible assets	4.2	-	-
Right to use assets	4.3	193.71	206.53
Financial assets			
Other financial assets	4.4	37.14	35.87
Deferred tax assets	4.5	-	72.73
Other tax assets	4.5	-	74.20
Total Non-current assets		2,442.51	2,227.25
Current assets			
Inventories	4.7	127.35	142.81
Financial assets			
Trade receivables	4.8	528.41	451.17
Cash and cash equivalents	4.9	134.52	104.23
Other financial assets	4.4	185.50	28.50
Other current assets	4.6	18.87	17.50
		994.65	744.21
TOTAL ASSETS		3,437.16	2,971.46
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	4.10	626.53	626.53
Other equity	4.10	1,443.13	771.38
		2,069.66	1,397.91
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	4.11	-	268.95
Lease liabilities		212.72	211.99
Deferred tax liabilities	4.5	142.03	-
Provisions	4.12	169.50	105.20
		524.24	586.14
Current liabilities			
Financial Liabilities			
Borrowings	4.11	56.50	447.73
Lease Liabilities		1.17	1.07
Trade payables	4.13	-	-
- Total outstanding dues of micro small and medium enterprises		12.04	-
- Total outstanding dues to creditors other than micro small and medium enterprises		314.24	175.01
Other financial liabilities	4.14	391.41	313.47
Other current liabilities	4.15	51.83	50.13
Current tax liabilities (net)	4.5	16.07	-
		843.27	987.42
TOTAL		3,437.16	2,971.46

Significant accounting policies

The notes referred to above form an integral part of the statement of profit and loss

As per our report of even date.
For M/s. P.S.Kumar & Associates
Chartered Accountants
Firm Registration No: 0120836
P. Sasi Kumar
Partner
Membership No: 208203



Place: Hyderabad
Date : 14/05/2021

for and behalf of the Board of Directors of
SANGHAMITRA HOSPITALS PRIVATE LIMITED
CIN: U85110AP2008PTC060069

Dr P Aruna Reddy
Director
DIN: 02847454

Dr. D. Tirumala Reddy
Director
DIN: 02218228



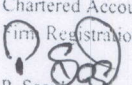
Place: Ongole
Date : 14/05/2021

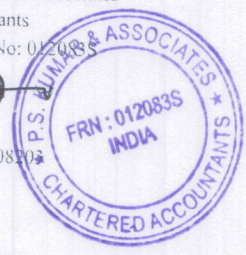
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Date : 14/05/2021

SANGHAMITRA HOSPITALS PRIVATE LIMITED
Statement of profit and loss for the period ended 31 Mar 2021
 (All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

	Notes	For the year ended 31 Mar 2021	For the year ended 31 Mar 2020
Income			
Revenue from operations	4.16	6,204.40	4,164.18
Other income	4.17	23.65	11.54
Total income		6,228.06	4,175.73
Expenses			
Cost of Materials Consumed	4.18	1,301.65	744.89
Employee benefits expense	4.19	1,032.24	878.20
Finance costs	4.20	65.36	106.75
Depreciation and amortisation expense	4.21	172.43	128.50
Other expenses	4.22	2,024.16	1,855.01
Total expenses		4,595.83	3,713.35
Profit before tax		1,632.23	462.38
Tax expense	4.5		
Current tax		325.14	78.01
Taxes for the earlier period		(2.48)	(9.93)
Deferred tax		224.71	123.93
MAT Credit Entitlement		3.78	(96.34)
Profit after tax		1,081.09	366.70
Share of net profit of associates		-	-
Profit before non-controlling interest		1,081.09	366.70
Minority interest in share of statement of profit and loss, net		-	-
Profit for the year		1,081.09	366.70
Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement losses / (gains) on defined benefit plans		47.15	20.62
Income tax effect of re-measurement of defined benefit plans		(13.73)	(5.74)
Other comprehensive income for the year, net of income-tax		33.42	14.88
Net other comprehensive income not to be reclassified subsequently to profit or loss		1,047.67	351.81
Total comprehensive income for the year			
Basic	4.24	17.26	5.85
Diluted	4.24	17.26	5.85

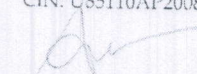
Significant accounting policies 1
 The notes referred to above form an integral part of the statement of profit and loss
 As per our report of even date attached

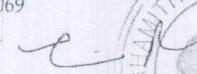
As per our report of even date.
 For M/s. P.S.Kumar & Associates
 Chartered Accountants
 Firm Registration No: 0120835

 P. Sasi Kumar
 Partner
 Membership No: 208702

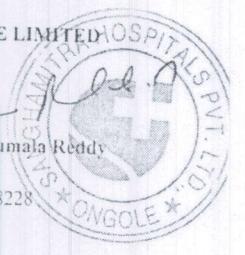


Place: Hyderabad
 Date : 14/05/2021

for and behalf of the Board of Directors of
SANGHAMITRA HOSPITALS PRIVATE LIMITED
 CIN: U85110AP2008PTC060069


 Dr P Aruna Reddy
 Director
 DIN: 02847454


 Dr. D. Tirumala Reddy
 Director
 DIN: 02218228



Place: Ongole
 Date : 14/05/2021

Place: Ongole
 Date : 14/05/2021

SANGHAMITRA HOSPITALS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 Mar 2021

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	For the year ended 31 Mar 2021	For the year ended 31 Mar 2020
A. Cash flow from operating activities		
Profit before tax		
Adjustments for operating activities:		
Depreciation and amortisation	1,585.08	441.76
Provision for doubtful debts	172.43	128.50
Bad debts written off	29.00	5.00
Finance cost	-	-
Unwinding of discount on margin money deposit	-	-
Financial assets at FVTPL - net change in fair value	65.36	106.75
Interest income	-	-
Gain on sale of current investments	-	-
Liabilities no longer required written back	(12.50)	(9.01)
Loans & Advances written Off	-	-
(Profit) / loss on sale of fixed assets	-	-
Gain on exit	(8.27)	7.79
Operating profit before working capital changes	1,822.08	680.79
Adjustments for (increase) / decrease in		
Inventories		
Trade receivables	15.47	3.78
Other financial assets	(97.23)	(53.52)
Other current assets	(158.27)	(30.11)
Other non-current assets (net)	(1.37)	5.89
Adjustments for Increase / (decrease) in		
Trade payables		
Other financial liabilities	151.27	(124.04)
Provisions	268.62	(70.03)
Other current liabilities	64.30	43.26
Cash generated from operations	1.70	14.52
Income taxes paid (net)	2,066.56	470.55
Net cash flow from operating activities (A)	(232.38)	(39.63)
B. Cash flow from investing activities		
Purchase of tangible and intangible fixed assets		
ROU	(547.07)	(602.34)
Proceeds from sale of fixed assets	2.34	(213.65)
Sale proceeds / (purchases) of investments	19.64	5.71
Redemption / (investment) of fixed deposits		
Interest income		
Gain on exit	12.50	9.01
Net cash flow from / (used in) investing activities (B)	(512.58)	(801.27)
C. Cash flow from financing activities		
Proceeds from issue of equity shares		
Proceeds from issue / (redemption) of preference shares		
Changes in other equity - Payment of Dividend		
Repayment of term loan (net)	(375.92)	
Lease Liabilities	(459.62)	230.58
Finance cost	0.82	213.07
Net cash flow from / (used in) financing activities (C)	(65.36)	(106.75)
Net increase in cash and cash equivalents (A+B+C)	(900.07)	336.90
Cash and cash equivalents at the beginning of the year	421.52	(33.45)
Cash and cash equivalents at the end of the year (Refer note: 2.9)	(343.50)	(310.05)
Cash and cash equivalents	78.02	(343.50)
Cash on hand		
Bank balances	4.76	10.80
- in current accounts		
- in deposit with maturity of less than 3 months	29.77	93.43
Bank Overdraft used for cash management purposes	100.00	-
Cash and cash equivalents	134.52	104.23
	(56.50)	(447.73)
	78.02	(343.50)

As per our report of even date.

For M/s. P.S. Kumar & Associates

Chartered Accountants

Registration No: 012083S

P. S. Kumar

Partner

Membership No: 2082

Place: Hyderabad

Date: 14-05/2021



for and behalf of the Board of Directors of
SANGHAMITRA HOSPITALS PRIVATE LIMITED
CIN: U85110AP2008PTCC60069

Dr P Aruna Reddy
Director
DIN: 02847484

Dr. D. Tirumala Reddy
Director
DIN: 02218228

Place: Ongole
Date: 14-05/2021

Place: Ongole
Date: 14-05/2021



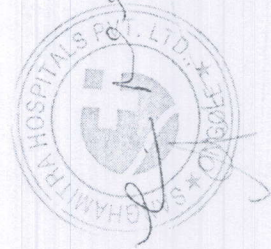
SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

4.1

Particulars	Freehold land	Buildings	Plant & Equipment	Computers & Other electronic data Processing Machines	Furniture and fixtures	Vehicles	Total(A)	Capital work-in-progress(B)	Grand Total(A+B)
Balance at 1 April 2019	57.86	847.75	1,447.28	65.30	276.82	95.31	2,790.32		2,790.32
Additions			586.82	4.36	10.39		601.57		602.34
Disposals			(16.63)				(16.63)		(16.63)
Balance at 31st Mar 2020	57.86	847.75	2,017.47	69.66	287.22	95.31	3,375.26	0.77	3,376.03
Balance at 1 April 2020	57.86	847.75	2,017.47	69.66	287.22	95.31	3,375.26	0.77	3,376.03
Additions			334.40	14.87	157.09	40.60	546.96		547.07
Disposals			(19.81)				(19.81)	0.11	(19.81)
Balance at 31 st Mar 2021	57.86	847.75	2,332.06	84.52	444.31	135.91	3,902.41	0.87	3,903.28
Accumulated Depreciation									
Balance at 1 April 2019	-	235.75	871.28	42.61	213.52	56.73	1,419.87		1,419.87
Depreciation for the Year		11.47	79.46	10.01	14.62	5.81	121.38		121.38
Depreciation on disposals			(3.13)				(3.13)		(3.13)
Balance at 31st Mar 2020	-	247.22	947.60	52.61	228.14	62.54	1,538.11		1,538.11
Balance at 1 April 2020	-	247.22	947.60	52.61	228.14	62.54	1,538.11		1,538.11
Depreciation for the Year		11.45	114.64	11.82	16.43	7.60	161.94		161.94
Depreciation on disposals			(8.44)				(8.44)		(8.44)
Balance at 31 st Mar 2021	-	258.67	1,053.80	64.43	244.57	70.14	1,691.61		1,691.61
Carrying amounts - net									
As at 31 March 2021	57.86	589.09	1,278.26	20.09	199.74	65.77	2,210.80	0.87	2,211.67
As at 31 March 2020	57.86	600.53	1,069.87	17.04	59.08	32.77	1,837.15	0.77	1,837.91



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SANGHAMITRA HOSPITALS PRIVATE LIMITED
Notes to the Financial Statements (continued)

4.3 Right of Use of Assets

B. Reconciliation of the carrying amount

Particulars	Right Of Use Asset
Gross cost /Deemed cost	
Balance at 1 April 2019	-
Additions	213.65
Disposals	-
Balance at 31 March 2020	<u>213.65</u>
Balance at 1 April 2020	213.65
Additions	-
Disposals	(2.34)
Balance at 31 March 2021	<u>211.31</u>
Accumulated amortisation	
Balance at 1 April 2019	-
Amortisation for the year	7.12
Disposals	-
Balance at 31 March 2020	<u>7.12</u>
Balance at 1 April 2020	7.12
Amortisation for the year	10.57
Disposals	(0.08)
Balance at 31 March 2021	<u>17.61</u>
Net Carrying amounts	
As at 31 March 2021	193.71
As at 31 March 2020	206.53

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

As at 31st Mar 2021 As at 31st Mar 2020

4.4 Other financial assets		
Non-current		
<i>Unsecured, considered good</i>		
Security deposits		
- to related parties		
- to others		
Bank deposits due to mature after 12 months from reporting date	31.30	30.31
Interest accrued but not due on deposits maturing after 12 months from reporting date	5.00	5.00
	0.84	0.56
	<u>37.14</u>	<u>35.87</u>
Current		
<i>Unsecured, considered good</i>		
Unbilled revenue		
Staff advances	27.96	24.39
Bank deposits due to mature before 12 months from reporting date	4.94	3.26
Interest accrued on fixed deposits	150.00	
Interest accrued on Electricity deposit	1.87	
	0.73	0.84
	<u>185.50</u>	<u>28.50</u>
Total other financial assets	<u>222.64</u>	<u>64.37</u>
4.6 Other assets		
Non-current		
<i>Unsecured, considered good</i>		
Current		
<i>Unsecured, considered good</i>		
Prepaid expenses		
Advances to Vendors	10.11	11.63
Advances to Capital creditors	2.52	5.87
	6.23	
	<u>18.87</u>	<u>17.50</u>
Total other assets	<u>18.87</u>	<u>17.50</u>
4.7 Inventories		
Pharmacy medicines		
	127.35	142.81
	<u>127.35</u>	<u>142.81</u>
4.8 Trade receivables		
Current		
Unsecured		
considered good	528.41	451.17
considered doubtful	31.31	11.31
	<u>559.72</u>	<u>462.48</u>
Less : Allowances for credit losses	(31.31)	(11.31)
	<u>528.41</u>	<u>451.17</u>
4.9 Cash and cash equivalents		
Balance with banks		
- in current accounts	29.77	93.43
- in deposit with maturity of less than 3 months	100.00	
Cash on hand	4.76	10.80
	<u>134.52</u>	<u>104.23</u>

*No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.



SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

4.5 Income taxes	As at	As at
	31 March 2021	31 March 2020
Income tax assets/(liability)		
Income tax assets	309.07	152.22
Current income tax liabilities	(325.14)	(78.01)
Net income tax assets/(liability) at the end	(16.07)	74.20
Deferred tax assets/(liabilities)	As at	As at
Deferred income tax assets	31 Mar 2021	31 Mar 2020
MAT credit entitlement		
Opening	72.73	94.59
During the year	(3.78)	96.34
Closing	68.95	190.93
Add : deferred tax asset on remeasurement of losses/gains on defined benefit plan	13.73	5.74
Less: Deferred tax liability recognised during the year	(224.71)	(123.93)
Total Deferred tax assets/(liabilities)	(142.03)	72.73

(B) Income tax

(i) Amount recognised in the statement of profit & loss

Particulars	For the year	
	31 March 2021	31 March 2020
Current tax		
Deferred tax liability / (asset)	322.65	78.01
Tax expense for the Year	3.78	(96.34)
	326.43	(18.32)

(ii) Amount recognised in other comprehensive income

	For the year ended			For the year ended		
	31 March 2021			31 March 2020		
	Before tax	Tax benefit	Net of Tax	Before tax	Tax benefit	Net of Tax
Re-measurement on defined benefit liability	47.15	(13.73)	33.42	20.62	(5.74)	14.88
	47.15	(13.73)	33.42	20.62	(5.74)	14.88

A



SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

	As at 31st Mar 2021		As at 31st Mar 2020	
	Number of shares	Amount	Number of shares	Amount
4.10 Share capital				
Authorised				
Equity shares of Rs.10 each with voting rights	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Equity share capital	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Issued, subscribed and paid-up				
<i>Equity shares with voting rights</i>				
At the beginning of the year	62,65,300	6,26,53,000	62,65,300	6,26,53,000
Add: issued during the year				
At the end of the year	62,65,300	6,26,53,000	62,65,300	6,26,53,000

Equity Shares:

The company has only one class of equity shares having par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share and entitled to dividends as declared in Annual General Meetings. In the event of winding up, the holder of equity shares will be entitled to receive remaining assets of the company, after payment of all debts and liabilities. The distribution will be in proportion to the capital paid up by the shareholders.

(a) Details of shareholders holding more than 5% shares of the Company

	As at 31st Mar 2021		As at 31st Mar 2020	
	Number of shares	% of holding	Number of shares	% of holding
<i>Equity shares with voting rights</i>				
Dr Ramesh Cardiac and Multispecialty Hospital P Ltd	3195388	51.00%	3195388	51.00%
Dr D Tirumala Reddy	1119220	17.86%	1119220	17.86%
Dr P Aruna Reddy	371379	5.93%	371379	5.93%

(Signature)



SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

As At 31st Mar 2021

As At 31st Mar 2020

4.11 Borrowings

Non-current

Term loans from banks - Secured

TL - 918060091735542

Axis TL - 920060005992882

Borrowings 2016-17 (Ind AS)

Borrowings 2017-18 (Ind AS)

Borrowings 2018-19 (Ind AS)

Borrowings 2019-20 (Ind AS)

Current

Secured loans from banks

Cash credit and overdraft

Current maturities of long-term borrowings

Total borrowings

Details of securities, terms and conditions on loans

Term loan from banks

1. Cash credit facilities from banks

a. AXIS Bank

i) Term loan-4577 of Rs.244 lakhs with balance outstanding as on balance sheet date Rs. Nil (FY20: Rs. 35.16 lakhs) is to be re-paid in 50 equal monthly installments of Rs. 5.22 lakhs each commencing from Oct 2016 with a interest rate of 9.5% p.a (FY 19 9.5%)

ii) Term loan-5542 of Rs.141.26 lakhs with balance outstanding as on balance sheet date Rs. Nil (FY20: Rs. 84.93 lakhs) is to be re-paid in 27 equal monthly installments of Rs. 6.48 lakhs each commencing from Apr 2019 with a interest rate of 9.3% p.a. (FY 20 9.3%)

iii) Term Loan - 2882 of Rs.350 lakhs with balance outstanding as on Balance sheet date Rs. Nil (FY20: Rs. 346 lakhs) is to be paid in 54 equal monthly installments of Rs. 6.48 lakhs each commencing from Mar 2020 with an interest rate of 9.1% (FY 20 9.1%)

iv) Cash Credit/Overdraft facility of Rs.750 lakhs (FY20 : Rs.975 lakhs) is availed at an interest rate of 8.40 % p.a. (FY 20 : 9%)

	As At 31st Mar 2021	As At 31st Mar 2020
TL - 918060091735542	-	7.17
Axis TL - 920060005992882	-	268.46
Borrowings 2016-17 (Ind AS)	-	(2.20)
Borrowings 2017-18 (Ind AS)	-	1.64
Borrowings 2018-19 (Ind AS)	-	(1.38)
Borrowings 2019-20 (Ind AS)	-	(4.74)
		<u>268.95</u>
Secured loans from banks		
Cash credit and overdraft	56.50	447.73
Current maturities of long-term borrowings	-	190.68
	<u>56.50</u>	<u>638.41</u>
	<u>56.50</u>	<u>907.36</u>

All the above term loans and the cash credit facilities are secured by way of

a) **SOD:**

Primary: Entire current Assets of the company i.e. present and future

Collateral: Extension of Hypothecation charge on movable fixed assets of the company created and purchased out of Bank financing including Medical equipment

b) **Term Loans:**

Primary: Extension of Hypothecation charge on movable fixed assets of the company created and purchased out of Bank financing including Medical equipment

Collateral: Entire current Assets of the company i.e. present and future

c) **Collateral security - (Common for all facilities):**

(i) Hospital property situated Sy.No.58/1A1 & 58/2B, Pelluru, Ongole Municipal Corporation land an extent of 3765 sq yds, with building constructed in 5 floors with total built up area of 98717 sq ft in the name of Sanghamitra Hospital Private Limited

(ii) Vacant commercial land situated at Sy.No.62/1 & 62/2, Pelluru, Ongole Municipal Corporation land an extent of 680 sq.yds standing in the name of M/s. Sanghamitra Hospital Private Limited.

(iii) Residential vacant site Sy.No.58/2B, Pelluru, Ongole Municipal Corporation land an extent of 564 sq.yds standing in the name of Sanghamitra Hospital Private Limited

e) Corporate guarantee from Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited, the holding company.

B



4.12 Provisions		
Non-current		
<i>Provision for employee benefits</i>		
Gratuity	157.56	75.51
Compensated absences	-	14.03
	<u>157.56</u>	<u>89.54</u>
Current		
<i>Provision for employee benefits</i>		
Gratuity	11.94	11.09
Compensated absences		4.57
	<u>11.94</u>	<u>15.66</u>
Total provisions	<u>169.50</u>	<u>105.20</u>
4.13 Trade payables-Current		
-total outstanding to micro and small enterprises	12.04	
-total outstanding due to creditors other than micro and small enterprises	314.24	175.01
	<u>326.28</u>	<u>175.01</u>
4.14 Other financial liabilities		
Current		
Current maturities of long-term borrowings	-	190.68
Security deposit	58.83	59.83
Due to Creditors for Capital Goods	75.49	2.15
Accrued salaries and benefits	106.51	45.94
Expenses payable	150.57	14.87
Total other financial liabilities	<u>391.41</u>	<u>313.47</u>
4.15 Other liabilities		
Current		
Advances received from customers	21.24	26.19
Statutory dues payables	30.59	23.94
Total other liabilities	<u>51.83</u>	<u>50.13</u>

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts in Indian rupees Lakhs, except share data and where otherwise stated)

	For the Period ended 31 Mar 2021	For the Period ended 31 Mar 2020
4.16 Revenue from operations		
Revenue from hospital services	5,743.60	3,805.01
Revenue from Pharmacy & Others	459.28	357.65
Revenue from Canteen and others	1.53	1.53
	<u>6,204.40</u>	<u>4,164.18</u>
4.17 Other income		
Interest income		
- from banks		
Interest on income tax refund	8.18	3.34
Interest in electricity deposit	3.51	4.73
Discount Received	0.81	0.93
MEM Course Fee	0.88	1.71
Profit on disposal of Property, Plant & Equipment	0.50	-
Nephroplus - Deposit/goodwill	8.92	-
Hostel deductions & Fines	0.85	0.82
	<u>23.65</u>	<u>11.54</u>
4.18 Cost of Materials Consumed in relation to medical and pharmacy		
(a) Purchases of Medicines & Consumables	1,286.18	741.19
(b) Change in Inventories		
Opening Stock	142.81	146.51
Less: Closing stock	(127.35)	(142.81)
	<u>1,301.65</u>	<u>744.89</u>
4.19 Employee benefits expense		
Salaries, wages and bonuses	941.97	791.54
Contribution to provident and other funds	65.79	81.86
Staff welfare expense	24.47	4.80
	<u>1,032.24</u>	<u>878.20</u>
4.20 Finance cost		
Interest Exp on Financial Liabilities measured @ amortised cost		
Interest expense on lease liabilities	17.40	71.72
Others	18.91	12.66
	<u>29.04</u>	<u>22.36</u>
	<u>65.36</u>	<u>106.75</u>
4.21 Depreciation and amortisation		
Depreciation on tangible assets	161.94	121.38
Amortisation on intangible assets	-	-
Depreciation on ROU	10.49	7.12
	<u>172.43</u>	<u>128.50</u>
4.22 Other expenses		
Service Contract Charges	92.02	87.71
Vehicle Maintenance	16.83	11.16
Rates & Taxes	62.22	56.13
Printing & Stationery	18.36	18.68
Bad Debts Written Off	9.98	-
Provision for doubtful debts	20.00	5.00
Disallowances	42.66	39.47
Advertisement Expenses	21.72	49.59
Professional Charges	89.33	106.23
Legal Fees	-	1.10
Rent	1.40	2.28
Statutory, Internal and Other Audit Expenses	7.24	8.50
Telephone Charges	5.39	4.68
Travelling Charges	10.15	21.03
Insurance	10.19	8.50
Corporate Social Responsibility	0.75	-
Loss on disposal of Property, Plant & Equipment	0.64	7.79
Consultant Charges	945.56	942.03
Power & Fuel	110.48	89.77
Catering and patient welfare expenses	38.50	40.05
Hospital Maintenance	120.20	60.13
Outsource service cost - Lab & Dialysis	362.88	250.38
Miscellaneous expenses	-	0.20
Repairs and maintenance		
- Medical Equipment	23.48	43.60
- Hospital Building	12.54	0.80
- Computers	1.64	0.22
	<u>2,024.16</u>	<u>1,855.01</u>



SANGHAMITRA HOSPITALS PRIVATE LIMITED
Notes to the financial statements (continued)

	For the year ended 31 March 2021	For the year ended 31 March 2020
4.23 Contingent liabilities and commitments (to the extent not provided for)		
a. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)		
b. Other Commitments (Lease Development)	500.00	500.00
Total	500.00	500.00
c. Claims against the Company not acknowledged as debt in respect of		
(i) In respect of Indirect tax matters		
(ii) In respect of Income tax matters*	0.00	0.00
(iii) In respect of Claim by Patients before (The State Consumer Disputes Redressal Commission of Andhra Pradesh) **	99.99	99.99
Total	99.99	99.99

(*) In case of income tax matters, the management believes that it has reasonable case in defense of the proceedings. The amount has been adjusted by Income tax authorities while completing their assessments. The amount represents best possible estimates arranged on the basis of available information.

The Company has a process, whereby periodically all long term contracts are assessed for material foreseeable losses. Based on such reassessment at the year end, it is noted that no provision is required to be made for any material foreseeable losses as per applicable regulatory framework.

(#) The company has obtained a corporate guarantee for Rs.750.00 lakhs from its parent company i.e Dr.Ramesh Cardiac and Multispeciality Hospital Private Limited as security against various working capital and other short term facilities from M/s.Axis Bank Limited sanctioned vide Letter No. AXIS/CREDIT/SME(NS)/14/2018-19 dated 21-08-2018.

(**) The above claim is pending with State Consumer Disputes Redressal Commission of Andhra Pradesh and the Company has been advised by the legal counsel that there may not be any likely liability in respect of these matters and accordingly no provision has been recognized in these standalone financial statements.

4.24 Earnings per share (EPS)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net (loss)/Profit after tax attributable to the equity shareholders	1,081.09	366.70
Number of shares at the beginning of the year		
Add: Weighted average number of equity shares issued during the year	62,65,300	62,65,300
Weighted average number of equity shares outstanding during the year		
Basic EPS of par value of Rs.10 (Rs.)	17.26	5.85
Diluted EPS of par value of Rs.10 (Rs.)	17.26	5.85

4.25 Leases

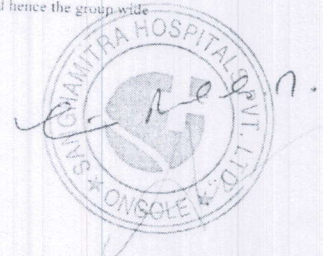
The Company has cancellable operating leases. Lease rental under such cancellable leases amounts to Rs. 15.86 lakhs (31 March 2020: Rs. 15.53 lakhs) has been charged to Statement of profit and loss (net of recoveries).

4.26 Segment reporting

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

Further the business operations of the Company are concentrated in India, and hence, the Company is considered to operate only in one geographical segment.

The Company operates in India and revenue generations is from a wide spread of the customers and hence the group wide disclosures of major customers are not applicable.



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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

4.27 Assets and liabilities relating to employee benefits

i) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and ESI which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund and ESI charged to the statement of profit and loss is Rs 34.55 Lakhs (31 March 2020: Rs 41.05 Lakhs) and ESI is Rs. 14.42 Lakhs (31 March 2020: Rs. 18.49 Lakhs).

ii) Defined benefit plan

The Company provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan and the liability with regard to this plan is determined by an actuarial valuation as at the end of the year and are charged to the Statement of profit and loss.

Following table sets out the status of employee benefits as at balance sheet date

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation liability		
Plan assets	169.50	86.60
Net defined benefit liability	-	-
Leave encashment	169.50	86.60
Total employee benefit liability	-	18.60
	169.50	105.20

A. Funding

The total employee benefit liability is an unfunded liability. The company does not maintain any insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Particulars	As at 31 March 2021	As at 31 March 2020
-------------	---------------------	---------------------

B. Reconciliation of the present value of defined benefit obligation

Balance at the beginning of the year		
Current service cost	86.60	43.34
Interest cost	29.85	19.33
Benefits paid	5.89	3.32
Actuarial (gains)/ loss recognised in the other comprehensive income	-	-
- experience adjustments - Gratuity		
- changes in Demographic Assumptions	79.00	15.65
- changes in financial assumptions	-14.59	-
	-17.26	4.97
Balance at the end of the year	169.50	86.60
Non-current	157.56	75.51
Current	11.94	11.09

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

Reconciliation of the present value of plan assets

Balance at the beginning of the year	-	-
Contributions paid into the plan by employer	-	-
Benefits paid	-	-
Interest income	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Acquisition adjustment	-	-
Balance at the end of the year	-	-
Net defined benefit Liability / (asset) at the end	169.50	86.60

C. Expense recognized in the statement of profit and loss

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	-	-
Interest cost	29.85	19.33
Interest income	5.89	3.32
	-	-
	35.74	22.64

Remeasurements recognised in Other comprehensive income

Actuarial (gain)/ loss on defined benefit obligation - Gratuity	47.15	20.62
Return on plan assets excluding interest income	-	-
Actuarial (gain)/ loss on defined benefit obligation - Compensated absences	-	-
	47.15	20.62
	82.89	43.26

D. Summary of actuarial assumptions

Financial assumptions	As at 31 March 2021	As at 31 March 2020
Discount rate	-	-
Future salary growth rate	6.91%	6.80%
Return on Plan assets	0% to 5%	5.00%

Discount Rate: Discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of obligations.

Expected rate of return on plan assets : This is based on the expectation of average long term rate of return expected on investments of the fund during the estimated term of obligations.

Salary Escalation Rate: The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors

* Assumptions regarding the mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

iii) Compensated absences

The accumulated accrual for unutilised leave is determined by the management up to 31.03.2020 at Rs.18.59 Lakhs, and it is treated as no longer required as per the revised Leave policy, so the above said amount treated as deemed income in the Profit & Loss account of the Financial year 2020-21. No more provisions for Compensated absences created in FY 2020-21.

iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the actuarial assumptions, affected the defined benefit obligation by the amounts

Particulars	As at 31 March 2021		As at 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-15.02	17.46	-5.79	6.63
Future salary growth (1% movement)	11.93	-11.76	6.35	-5.61
Withdrawal rate (1% movement)	3.57	-4.05	0.50	-0.60

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

4.28 Details of dues to Micro and small enterprises as defined under the MSMED Act, 2006

- a) The amount remaining unpaid to micro and small suppliers at the end of the year is Rs.12.04 Lakhs (FY 20: Nil)
- b) The amount of interest paid by the buyer as per the MSMED Act,2006 is Rs Nil (FY 20: Nil)
- c) The amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year is Rs. Nil (FY 20: Nil)
- d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 is Rs. Nil (FY 20: Nil)
- e) The amount of interest accrued and remaining unpaid at the end of each accounting year is Rs. Nil (FY 20: Nil)
- f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowances as a deductible expenditure under the MSMED Act,2006 is Rs. Nil (FY 20: Rs. Nil)

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on the information provided by the management.

4.29 CIF value of imports

The Company does not have any imports of capital or other goods during the year.

4.30 Value of medical consumables and pharmacy consumed **

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs	%	Rs	%
Imported	-	-	-	-
Indigenous	1,301.65	100	-	-
Total	1,301.65	100	744.89	100

4.31 There are no earnings and expenditures in foreign currency in the current period. The Company does not have any un-hedged foreign currency exposure.

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

4.32 Related parties

(i) Names of related parties and description of relationship with the Company:

(a)	Dr Dumpa Tirumala Reddy	Managing Director	
(b)	Sri Dumpa Pattabhirami Reddy	Director	
(c)	Dr Pallerla Aruna Reddy	Director	
(d)	Dr Ramesh Babu Pothineni	Director	
(e)	Sri Bapaiah Chowdary Koganti	Director	
(f)	Dr Rayapati Mamatha	Additional Director	
(g)	Sri M R Sunil Kumar	Additional Director	
(h)	Ultimate Holding Company	Aster DM Healthcare Limited, India	
(i)	Holding Company	Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	

(ii) Key managerial personnel (KMP)

Dr D Tirumala Reddy	Managing Director
---------------------	-------------------

(c) Relatives of KMP

Name	Relation with KMP	Relation with Company
Sri Dumpa Pattabhi Rami Reddy	Father	Director
Smt. Dumpa Ramanamma	Mother	Share Holder
Smt. Dumpa Vaishnavi	Wife	Share Holder

(f) Shareholders with no voting rights

(ii) Transactions with key managerial persons including Directors:

Particulars	Name of the Related Party	For the year ended	
		31 March 2021	31 March 2020
Remuneration	Dr D Tirumala Reddy - Salary, Bonus	62,49,996	51,99,996
	Dr D Tirumala Reddy - Professional Charges	47,50,000	48,00,000
	Total	1,09,99,996	99,99,996

(iii) Transactions with related parties other than key managerial persons :

Particulars	Name of the Related Party	For the year ended	
		31 March 2021	31 March 2020
Remuneration paid	NA		
Cost allocated	Aster DM health care ltd		
Consultants Remuneration paid	Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	74,24,384	77,388
Total		74,24,384	1,08,71,032

(iv) Balances with related parties other than key managerial persons :

Particulars	Name of the Related Party	For the year ended	
		31 March 2021	31 March 2020
Remuneration paid	NA		
Cost allocated	Aster DM health care ltd		
Consultants Remuneration paid	Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited		77,388
Total			77,388

Note

i) The KMP and relatives of KMP are covered by the Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to individuals have not been included in the aforementioned disclosures as these are not determined on individual basis.

ii) For certain loans availed by the Company, KMP of the Company have given personal guarantee. Refer notes 11 for details on the same.

4.33 Capital Management

The Company aims to maintain sound capital base so as to maintain investor and creditor confidence and to sustain future development and growth of its business. The Management monitors the adjusted net debt to equity ratio. For the purpose of adjusted net debt to equity ratio, adjusted net debt is long term and short term borrowings adjusted with cash and cash equivalents. Total equity comprises of issued share capital and all other equity reserves.

The Company's adjusted net debt to equity ratio as at the balance sheet date was as follows:

Particulars	31 March 2021	31 March 2020
Total equity attributable to the equity shareholders of the Company (A)	2,069.66	1,397.91
Long-term borrowings excluding current maturities	-	268.95
Current maturities of long term borrowings	-	190.68
Short-term borrowings	56.50	447.73
Total borrowings	56.50	907.36
Less: cash and cash equivalents	134.52	104.23
Adjusted net debt (B)	-78.02	803.13
Adjusted net debt to equity ratio (B/A)	-0.04	0.57



SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

4.34 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

Levels in Fair value hierarchy

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

Level 2: input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 March 2021

	Note	Carrying amount			
		Financial assets - FVPL	Financial assets - Amortised cost	Financial liabilities - Amortised cost	Total
Financial assets measured at fair value					
Current investments		-	-	-	-
Financial assets not measured at fair value					
Trade receivables					
Cash and cash equivalents	4.8		528.41		528.41
Other bank balances	4.9		134.52		134.52
Other Financial Assets:					
Security deposits	4.4				
Bank deposits due to mature after 12 months from reporting date (refer note below)			31.30		31.30
Interest accrued but not due on deposits maturing after 12 months from reporting date			5.00		5.00
Unbilled revenue			0.84		0.84
Staff advances			27.96		27.96
Bank deposits due to mature before 12 months from reporting date			4.94		4.94
Interest accrued on fixed deposits			150.00		150.00
Other Advances recoverable in cash or kind	4.6		1.87		1.87
			2.52		2.52
			887.36		887.36
Financial liabilities not measured at fair value					
Borrowings					
Trade payables	4.11			56.50	56.50
Other financial liabilities	4.13			326.28	326.28
Current maturities of long-term borrowings	4.14				
Payable to clinics					
Interest accrued and due on borrowings					
Interest accrued but not due on borrowings					
Dividend on redeemable Preference Shares					
Dues to creditors for capital goods					
Accrued salaries and benefits				75.49	75.49
Expenses payable				106.51	106.51
				150.57	150.57
				715.36	715.36

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4.34 Financial instruments - Fair values and risk management (continued)

31 March 2020		Carrying amount			
	Note	Financial assets - FVPL	Financial assets - Amortised cost	Financial liabilities - amortised cost	Total
Financial assets measured at fair value					
Current Investments		-	-	-	-
Financial assets not measured at fair value					
Trade receivables		-	-	-	-
Cash and cash equivalents	4.8	-	451.17	-	451.17
Other bank balances	4.9	-	104.23	-	104.23
Other Financial Assets:					
Security Deposits	4.4	-	-	-	-
Bank deposits due to mature after 12 months from reporting date (refer note below)		-	30.31	-	30.31
Interest accrued but not due on deposits maturing after 12 months from reporting date		-	5.00	-	5.00
Unbilled revenue		-	0.56	-	0.56
Staff advances		-	24.39	-	24.39
Other Advances recoverable in cash or kind	4.6	-	3.26	-	3.26
Interest accrued on fixed deposits		-	5.87	-	5.87
		-	624.80	-	624.80
Financial liabilities not measured at fair value					
Borrowings		-	-	-	-
Trade payables	4.11	-	-	716.68	716.68
Other financial liabilities	4.13	-	-	175.01	175.01
Current maturities of long-term borrowings	4.14	-	-	190.68	190.68
Payable to clients		-	-	-	-
Interest accrued and due on borrowings		-	-	-	-
Interest accrued but not due on borrowings		-	-	-	-
Dividend on redeemable Preference Shares		-	-	-	-
Dues to creditors for capital goods		-	-	-	-
Accrued salaries and benefits		-	-	2.15	2.15
Expenses payable		-	-	45.94	45.94
		-	-	14.87	14.87
		-	-	1,145.32	1,145.32

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SANGHAMITRA HOSPITALS PRIVATE LIMITED

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. 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 become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date. The amounts are gross and undiscounted.

As at 31 March 2021

Particulars	Carrying value*	Contractual cash flows				Total
		Less than 1 Year	1-2 years	2-5 Years	More than 5 Years	
Borrowings - (Non-Current)	-	-	-	-	-	-
Current maturities of long-term borrowings	56.50	56.50	-	-	-	56.50
Cash credit and overdraft	326.28	326.28	-	-	-	326.28
Trade payables	391.41	391.41	-	-	-	391.41
Other financial liabilities (excluding current maturities of borrowings)	774.19	774.19	-	-	-	774.19

As at 31 March 2020

Particulars	Carrying value	Contractual cash flows				Total
		Less than 1 Year	1-2 years	2-5 Years	More than 5 Years	
Borrowings - (Non-Current)	268.95	268.95	-	-	-	268.95
Current maturities of long-term borrowings	190.68	190.68	-	-	-	190.68
Cash credit and overdraft	447.73	447.73	-	-	-	447.73
Trade payables	175.01	175.01	-	-	-	175.01
Other financial liabilities (excluding current maturities of borrowings)	122.79	122.79	-	-	-	122.79
	1,205.15	1,205.15	-	-	-	1,205.15

4.35 Change in significant accounting policies:

The Company has adopted Ind AS 115, *Revenue from Contracts with Customers* (which replaces earlier revenue recognition standards) using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018) being included in retained earnings as on 1 April, 2018. There is no impact on the opening retained earnings on account of adoption of Ind AS 115.

4.36 Previous year figures

Previous year figures have been regrouped/reclassified, where ever necessary, to conform to current year's presentations.



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