

**GLOBAL HEALTH PATLIPUTRA PRIVATE LIMITED**  
**(COMPANY IDENTIFICATION NO.: U74999DL2015PTC283932)**

*OFFICE COPY*

**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2020**

# Price Waterhouse Chartered Accountants LLP

## Independent auditors' report

To the Members of Global Health Patliputra Private Limited

## Report on the audit of the financial statements

### Opinion

1. We have audited the accompanying financial statements of Global Health Patliputra Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2020, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for opinion

3. We conducted our audit 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



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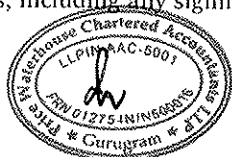
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

### **Responsibilities of management and those charged with governance for the financial statements**

5. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

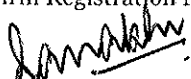
7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.
8. 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of 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.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Report on other legal and regulatory requirements**

10. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. 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 other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2020.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.
    - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.
12. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016

  
Abhishek Rara  
Partner

Place: Gurugram  
Membership Number: 077779  
UDIN: 20077779AAAABW7066

Place: Gurugram  
Date: September 25, 2020



## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements as of and for the year ended March 31, 2020

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### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016



Abhishek Rara  
Partner  
Membership Number: 077779  
UDIN: 20077779AAAABW7066

Place: Gurugram  
Date: September 25, 2020



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements as of and for the year ended March 31, 2020

- i. The Company does not have any fixed assets as at balance sheet date. Therefore, the provisions of Clause 3(i) (a), (b) and (c) of the said Order are not applicable to the Company.
- ii. The Company does not hold any inventory as at balance sheet date. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- 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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 30 (a) to the financial statements regarding management's assessment on certain matters relating to provident fund.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and services tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date. ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to the information and explanations given to us, term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.  
Also refer paragraph 12 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements as of and for the year ended March 31, 2020

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- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016



Abhishek Rara  
Partner  
Membership Number: 077779  
UDIN: 20077779AAAABW7066

Place: Gurugram  
Date: September 25, 2020






		(Rs. in lakhs)	
		As at	As at
	Notes	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capital work-in-progress	6 A	22,336.58	15,016.89
Right of use asset	6 B	7,167.53	-
<b>Financial assets</b>			
Other bank balances	7	6.44	5.99
Other non-current assets	8 A	368.72	717.15
<b>Total non-current assets</b>		<b>29,879.27</b>	<b>15,740.03</b>
<b>Current assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	9	569.21	8.01
Other bank balances	10	1,267.84	-
Other financial assets	11	200.00	-
Other current assets	8 B	1.35	198.34
<b>Total current assets</b>		<b>2,038.40</b>	<b>206.35</b>
<b>Total assets</b>		<b>31,917.67</b>	<b>15,946.38</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	9,500.00	5,500.00
Other equity	13	(2,753.53)	(1,699.66)
<b>Total of equity</b>		<b>6,746.47</b>	<b>3,800.34</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	15,930.00	11,000.00
Lease liabilities	15	7,206.35	-
Provisions	16	330.63	170.10
<b>Total non current liabilities</b>		<b>23,466.98</b>	<b>11,170.10</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	17	360.69	-
Trade Payable	18	-	-
-Total outstanding dues of micro enterprises and small enterprises		-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises.		6.37	5.24
Other financial liabilities	19	1,313.14	906.87
Other current liabilities	20	24.02	63.83
<b>Total current liabilities</b>		<b>1,704.22</b>	<b>975.94</b>
<b>Total liabilities</b>		<b>25,171.20</b>	<b>12,146.04</b>
<b>Summary of significant accounting policies</b>			
<b>Total Equity &amp; Liabilities</b>		<b>31,917.67</b>	<b>15,946.38</b>

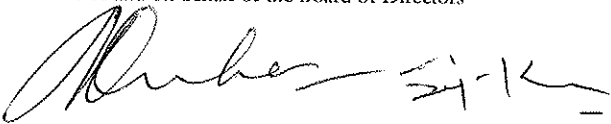
The accompanying notes are an integral part of the financial statements.

This is the balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. 012754N/N500016


  
Abhishek Rara  
Partner  
Membership No. 077779

For and on behalf of the Board of Directors

  
Dr. Naresh Trehan  
Director  
DIN - 00012148

Mr Sanjeev Kumar  
Director  
DIN - 07060417

Place: Gurugram  
Date: 25 September 2020

  
Mr. Om Prakash Choubey  
Company Secretary



Statement of profit and loss for the year ended 31 March 2020

		(Rs. in lakhs)	
	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue</b>			
Other income	21	2.48	0.44
<b>Total revenue</b>		<b>2.48</b>	<b>0.44</b>
<b>Expenses</b>			
Employee benefits expense	22	-	3.38
Finance costs	23	728.64	-
Depreciation expense	24	262.20	-
Other expenses	25	265.51	470.55
<b>Total expenses</b>		<b>1,256.35</b>	<b>473.93</b>
<b>Loss before tax</b>		<b>(1,253.87)</b>	<b>(473.49)</b>
Tax expense	26	-	-
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(1,253.87)</b>	<b>(473.49)</b>
Other comprehensive income/(loss)		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(1,253.87)</b>	<b>(473.49)</b>
<b>Earnings per equity share</b>			
Basic earning per share(Rs.)(Face value of Rs. 10 each)	27	(1.75)	(1.13)
Diluted earning per share(Rs.)(Face value of Rs. 10 each)		(1.75)	(1.13)

The accompanying notes are an integral part of the financial statements.

This is the statement of profit and loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. 012754N/N500016

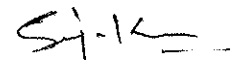
For and on behalf of the Board of Directors



Abhishek Rara  
Partner  
Membership No. 077779



Dr Naresh Trehan  
Director  
DIN - 00012148



Mr Sanjeev Kumar  
Director  
DIN - 07060417

Place: Gurugram  
Date: 25 September 2020

  
Mr. Om Prakash Choubey  
Company Secretary






	For the year ended 31 March 2020	(Rs. in lakhs) For the year ended 31 March 2019
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(1,253.87)	(473.49)
<b>Adjustments for:</b>		
Interest income	(2.48)	(0.44)
Depreciation expense	262.20	
Finance Costs	728.64	
Provision for contingencies	160.53	
<b>Operating loss before changes in operating assets and liabilities</b>	<b>(104.98)</b>	<b>(473.93)</b>
<b>Changes in operating assets and liabilities</b>		
Decrease in other current assets	29.19	(6.33)
Decrease in other current liabilities	(39.81)	55.03
Increase in trade payables	1.14	1.50
<b>Cash used in operations</b>	<b>(114.46)</b>	<b>(423.73)</b>
Income tax paid	(0.16)	(0.04)
<b>Net cash outflow from operating activities</b>	<b>(114.62)</b>	<b>(423.77)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Movement in deposits with banks	(1,268.29)	(0.40)
Interest received	2.48	0.44
Capital work-in-progress, including capital advances	(5,254.56)	(9,096.40)
<b>Net cash outflow from investing activities</b>	<b>(6,520.37)</b>	<b>(9,096.36)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	4,000.00	3,200.00
Proceeds from borrowings	4,930.00	11,000.00
Repayment of borrowings	-	(4,200.00)
Interest paid on borrowing	(1,347.87)	(718.55)
Interest paid on lease liability	(274.44)	-
Principal payment of lease liability	(111.50)	-
<b>Net cash inflow from financing activities</b>	<b>7,196.19</b>	<b>9,281.45</b>
Net (decrease)/increase in cash and cash equivalents	561.20	(238.68)
Cash and cash equivalents at the beginning of the year	8.01	246.69
<b>Cash and cash equivalents at end of the year</b>	<b>569.21</b>	<b>8.01</b>
Reconciliation of cash and cash equivalents as per the cash flow statement -		
<b>Cash and cash equivalents as per above comprise of the following</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Current accounts*	569.21	7.90
Cash on hand*	0.00	0.11
<b>Balances as per statement of cash flows</b>	<b>569.21</b>	<b>8.01</b>

\*Refer note 9


The accompanying notes are integral part of the standalone financial statements.

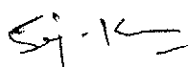
This is the statement of cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No. 012754N/N500016


  
 Abhishek Rara  
 Partner

For and on behalf of the Board of Directors

  
 Dr Naresh Trehan  
 Director  
 DIN - 00012148

  
 Mr Sanjeev Kumar  
 Director  
 DIN - 07060417

Place: Gurugram  
 Date: 25 September 2020

  
 Mr. Om Prakash Choubey  
 Company Secretary





**A Equity share capital\***

(Rs. in lakhs)

Particulars	Opening balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity share capital	2,300.00	3,200.00	5,500.00	4,000.00	9,500.00

**B Other equity\*\***

(Rs. in lakhs)

Particulars	Reserves and surplus		Total
	Retained earnings	Others	
Balance as at 1 April 2018	(1,226.17)	-	(1,226.17)
Loss for the year	(473.49)	-	(473.49)
Balance as at 31 March 2019	(1,699.66)	-	(1,699.66)
Loss for the year	(1,253.87)	-	(1,253.87)
<b>Transactions with owners in their capacity as owners</b>			
SFIS license transferred by holding company to the Company	-	200.00	200.00
Balance as at 31 March 2020	(2,953.53)	200.00	(2,753.53)

\*Refer note 12 for details

\*\*Refer note 13 for details

The accompanying notes are an integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
 Firm Registration No. 012754N/N500016

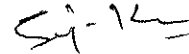
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 DIN - 07060417

Place: Gurugram  
 Date: 25 September 2020



Mr. Om Parakash Choubey  
 Company Secretary




**Global Health Patliputra Private Limited**

CIN :-U74999DL2015PTC283932

Notes to the financial statements for the year ended 31 March 2020

**1. Background**

Global Health Patliputra Private Limited ('Private Company') is engaged in the business of providing healthcare services. The Company is domiciled in India and its registered office is situated at E – 18, Defence Colony, New Delhi – 110024. The company has entered into a concession agreement with the Health Department, Government of Bihar for the development, operation and maintenance of super- speciality hospital on public private partnership mode in Patna, Bihar on August 22, 2015. This agreement has been subsequently amended on April 16, 2019.

**2. Summary of significant accounting policies**

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**3. Basis of preparation and compliance with Indian Accounting Standards (Ind AS)**

(i) The financial statements ('financial statements') comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost convention on a going concern basis, except for certain financial assets and financial liabilities are measured at fair value.

**4. Basis of accounting**

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for share based payments and certain financial assets and financial liabilities which are measured at fair value.

**5.1 Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III of Companies Act, 2013.

**Operating cycle**

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

**5.2 Property, plant and equipment**

**Recognition and initial measurement**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Property, plant and equipment purchased on deferred payment basis are recorded at equivalent cash price. The difference between the cash price equivalent and the total payment is recognised as interest expense over the period until payment.

**Subsequent Costs and disposal**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified



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**Notes to the financial statements for the year ended 31 March 2020**

as inventory. Capital work-in-progress excluding capital advances includes property, plant and equipment under construction and not ready for intended use as on Balance Sheet date.

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

**5.3 Right of use assets and lease liabilities**

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straightline basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease (for existing leases, the transition approach has been explained and disclosed in Note 31). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

*Classification of leases*

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

*Recognition and initial measurement of right of use assets*

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

*Subsequent measurement of right of use assets*

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

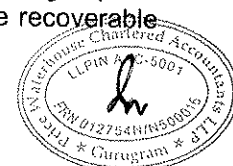
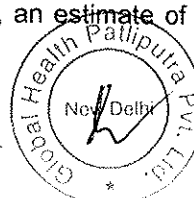
*Lease liabilities*

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

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

**5.4 Impairment of non-financial assets**

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable



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amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

### 5.5 Foreign currency

#### Functional and presentation currency

Items included in the financial statement of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

#### Transactions and balances

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

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

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

### 5.6 Financial instruments

#### Initial recognition and measurement

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

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

#### Non-derivative financial assets

#### Subsequent measurement

**Financial assets carried at amortised cost** – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

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



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

#### De-recognition of financial assets

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### Non-derivative financial liabilities

##### Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

##### Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

##### De-recognition of financial liabilities

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

##### Borrowings (including finance lease payables)

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

##### Borrowing Cost

General & specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

##### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be





contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 5.7 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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

### 5.8 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case, the tax is also recognised in equity or in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability that at the time of the transaction affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset 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. Deferred tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred income tax is determined, based on tax rates (and tax laws) that have been enacted by the end of reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



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**Notes to the financial statements for the year ended 31 March 2020**

**5.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with the banks, other short term highly liquid investments with original maturity of three months and less.

**5.10 Employee benefits**

**Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet

**5.11 Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**5.12 Earnings per share**

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

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

**5.13 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**Identification of segments:**

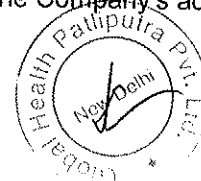
Results of the operating segments are reviewed regularly by the country leadership team (Chief Financial Officer and Chief Operating Officer) which has been identified as the chief operating decision maker (CODM), to assess the financial performance and position of the Company and make strategic decision.

**5.14 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**5.15 Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting



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**Notes to the financial statements for the year ended 31 March 2020**

policy. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- a) **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c) **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.
- d) **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



		(Rs. in lakhs)
		Total
Particulars		Amount
<b>6A Capital Work - in progress</b>		
Balance as at 31 March 2018		4,584.97
Additions		10,431.92
<b>Balance as at 31 March 2019</b>		<b>15,016.89</b>
Additions		7,319.69
<b>Balance as at 31 March 2020</b>		<b>22,336.58</b>

INR 1,310.27 lakhs ( 2018-19 : 718.55) of borrowing costs has been capitalised during the year, since all the assets are qualifying assets.

		Leasehold Land
		Amount
Particulars		Amount
<b>6B Right of use assets (refer note 3f)</b>		
Gross block		
As at 1 April 2019		7,429.73
Additions		-
Disposals/adjustments		-
<b>Balance as at 31 March 2020</b>		<b>7,429.73</b>
		Amount
Accumulated depreciation		
As at 1 April 2019		-
Charge for the year		262.20
Disposals/adjustments		-
<b>Balance as at 31 March 2020</b>		<b>262.20</b>
<b>Net block as at 31 March 2020</b>		<b>7,167.53</b>

The aggregate depreciation expense on right-of-use asset is included under depreciation expense in statement of profit and loss.

(This space is intentionally kept blank)



	As at 31 March 2020	(Rs. in lakhs) As at 31 March 2019
<b>Note - 7</b>		
<b>Other bank balances</b>		
Non-current		
Long term deposit with bank with maturity period more than 12 months*	6.44	5.99
	<u>6.44</u>	<u>5.99</u>
* Pledged against guarantees issued by bank on behalf of Company to government authorities		
	As at	As at
	31 March 2020	31 March 2019
<b>Note - 8</b>		
<b>A Other non-current assets</b>		
Advance tax	0.27	0.11
Capital advances	368.45	717.04
<b>Total other non-current assets</b>	<u>368.72</u>	<u>717.15</u>
<b>B Other current assets</b>		
Advance to employees	1.00	0.35
Prepaid expenses	0.35	197.99
<b>Total other current assets</b>	<u>1.35</u>	<u>198.34</u>
<b>Note - 9</b>		
<b>Cash and cash equivalents</b>		
Balances with banks - in current accounts	569.21	7.90
Cash in hand	0.00	0.11
<b>Total cash and cash equivalents</b>	<u>569.21</u>	<u>8.01</u>
<b>Note - 10</b>		
<b>Other bank balances</b>		
<b>Current</b>		
Deposits with maturity more than three months but less than 12 months	1,267.84	-
	<u>1,267.84</u>	<u>-</u>
<b>Note - 11</b>		
<b>Other financial assets</b>		
SFIS License (refer note 13)	200.00	-
	<u>200.00</u>	<u>-</u>

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
<b>Note - 12</b>				
<b>Equity share capital</b>				
<b>i Authorised</b>				
Equity share capital of face value of Rs. 10 each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
	<u>10,00,00,000</u>	<u>10,000.00</u>	<u>10,00,00,000</u>	<u>10,000.00</u>
<b>ii Issued, subscribed and fully paid up</b>				
Equity share capital of face value of Rs. 10 each	9,50,00,000	9,500.00	5,50,00,000	5,500.00
	<u>9,50,00,000</u>	<u>9,500.00</u>	<u>5,50,00,000</u>	<u>5,500.00</u>
<b>iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b>				
	As at 31 March 2020		As at 31 March 2019	
<b>Equity shares</b>	Number	Amount	Number	Amount
Balance at the beginning of the year	5,50,00,000	5,500.00	2,30,00,000	2,300.00
Add: Issued during the year	4,00,00,000	4,000.00	3,20,00,000	3,200.00
<b>Balance at the end of the year</b>	<u>9,50,00,000</u>	<u>9,500.00</u>	<u>5,50,00,000</u>	<u>5,500.00</u>
<b>iv Share of the Company held by the Holding Company</b>				
	As at 31 March 2020		As at 31 March 2019	
<b>Name of the equity shareholder</b>	Number	%	Number	%
Global Health Private Limited*	9,49,99,900	99.99%	5,49,99,900	99.99%
* 100 shares are held by Dr. Naresh Trehan as a nominee shareholder				
<b>v Details of shareholder holding more than 5% of share capital</b>				
Global Health Private Limited	9,49,99,900	99.99%	5,49,99,900	99.99%



## vi Terms and rights attached to equity shares :

Equity shares have a par value of Rs. 10 per share. They entitle the holder to participate in dividends, and to share in proceeds of winding up the company in proportion to the number of and the amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll is entitled to one vote.

	As at 31 March 2020	(Rs. in lakhs) As at 31 March 2019
<b>Note - 13</b>		
<b>Other equity</b>		
<b>Reserves and surplus</b>		
<b>(i) Retained earnings</b>		
<b>Profit &amp; Loss Account</b>		
Balance as at the beginning of the year	(1,699.66)	(1,226.17)
Add: Loss for the year	(1,253.87)	(473.49)
<b>Total Profit &amp; Loss</b>	<b>(2,953.53)</b>	<b>(1,699.66)</b>
<b>(ii) Others</b>		
Balance as at the beginning of the year	-	-
SFIS license transferred by holding company to the Company#	200.00	-
<b>Balance as at the end of the year</b>	<b>200.00</b>	<b>-</b>
<b>Total reserves and surplus</b>	<b>(2,753.53)</b>	<b>(1,699.66)</b>

# Served From India Scheme (SFIS) license transferred by Global Health Private Limited, the holding company, to the Company, for nil consideration, which, based on the substance of the transaction, has been considered as a capital contribution.

The Company plans to utilise the license by claiming waiver/reduction in import duty on procurement of medical equipments and other assets.

**Note - 14****Borrowings -Non Current****Secured**

Term loans from bank

15,930.00	11,000.00
<b>15,930.00</b>	<b>11,000.00</b>

**Note:**

1. The term loan is secured by way of Hypothecation of property, where hypothecated property means all present and future current and movable fixed assets of the borrower, including without limitation, the stocks, book debts, plant and machinery, receivables, bills of exchange, movable fittings, equipments, computer hardware, computer software, machinery spares, tools and accessories and other movables, both present and future whether now lying loose, or in cases or which are now lying or stored in or about or shall thereafter from time to time during the continuance of the security of the loan be brought into or upon be stored or be in or all the borrower's premises, warehouses, stockyards, god owns, but not limited to those movable assets of the borrower.

2. An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.

3. Interest is charged at the rate of bank's six month MCLR+0.05% p.a. payable at monthly rests.

4. Loan is repayable in 36 quarterly instalments starting from June 2022.

5. Refer Note No. 32 (Capital Management for financial covenants)

**Net Debt Reconciliation**

Cash and cash equivalent	569.21	8.01
Non-current borrowings	(15,930.00)	(11,000.00)
Lease liabilities	(7,567.04)	-
<b>Net debt</b>	<b>(22,927.83)</b>	<b>(10,991.99)</b>



	Other assets		Liabilities from financing activities	
	Cash and cash equivalent	Non-current borrowings	Lease Liability	Total
<b>Net debt as at 31 March 2018</b>	246.69	(4,200.00)	-	(3,953.31)
Cash flows	(238.67)	-	-	(238.67)
Proceeds from borrowings	-	(11,000.00)	-	(11,000.00)
Repayment of borrowings	-	4,200.00	-	4,200.00
Interest expense	-	(718.55)	-	(718.55)
Interest paid	-	718.55	-	718.55
<b>Net debt as at 31 March 2019</b>	<b>8.01</b>	<b>(11,000.00)</b>	-	<b>(10,991.99)</b>
Cash flows	561.20	-	-	561.20
Proceeds from borrowings	-	(4,930.00)	-	(4,930.00)
Recognised on adoption of Ind AS 116 (refer note 31)	-	-	(7,261.94)	(7,261.94)
Repayment of borrowings	-	-	-	-
Principal payment of lease liability	-	-	111.50	111.50
Interest expense	-	(1,347.87)	(691.04)	(2,038.90)
Interest paid	-	1,347.87	274.44	1,622.31
<b>Net debt as at 31 March 2020</b>	<b>569.21</b>	<b>(15,930.00)</b>	<b>(7,567.04)</b>	<b>(22,927.83)</b>

**Note - 15**

**Lease liabilities**

Lease liabilities- non -current (refer note 31)

	7,206.35	-
	<b>7,206.35</b>	<b>-</b>

**Note - 16**

**Provisions - non-current**

Opening provision for contingencies

Addition during the year

**Total provision for contingencies\***

	170.10	170.10
	160.53	-
	<b>330.63</b>	<b>170.10</b>

\*The timing and amount of cash outflow of this provision is not determinable.

**Note - 17**

**Lease liabilities**

Lease liabilities-current (refer note 31)

	360.69	-
	<b>360.69</b>	<b>-</b>

The following is the movement in lease liability during the year ended 31 March 2020

Particulars	Amount
Lease Liability as at 1 April 2019 (current and non current)	7,261.94
Interest on lease liability	691.04
Payment of lease liability	(385.94)
<b>Lease Liability as at 31 March 2020 (current and non current)</b>	<b>7,567.04</b>

**Note - 18**

**Trade payable**

Total outstanding of micro enterprises and small enterprises.

Total outstanding dues of creditors other than micro enterprises and small enterprise.

**Total Trade payable**

	As at 31 March 2020	(Rs. in lakhs) As at 31 March 2019
	-	-
	6.37	5.24
	<b>6.37</b>	<b>5.24</b>

**Note - 19**

**Other financial liabilities - current**

Capital creditors\*

**Total other current financial liabilities**

\* Includes Rs. 168.91 lakhs (31 March 2019 - nil) payable to micro and small enterprises

	1,313.14	906.87
	<b>1,313.14</b>	<b>906.87</b>

**Note - 20**

**Other current liabilities**

Payable to statutory authorities

**Total other current liabilities**

	24.02	63.83
	<b>24.02</b>	<b>63.83</b>



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	(Rs. in lakhs)	
	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Note - 21</b>		
<b>Other income</b>		
Interest income on bank deposits	2.48	0.44
<b>Total other income</b>	<u>2.48</u>	<u>0.44</u>

<b>Note - 22</b>		
<b>Employee benefits expense</b>		
Salaries, allowances and other benefits	-	3.38
<b>Total employee benefits expense</b>	<u>-</u>	<u>3.38</u>

#No provision has been made in the books of accounts for compensated absence and gratuity since the impact is not likely to be material.

\*Salary of Rs. 33.38 Lakhs (till 31 March 2019: Rs. 33.93 Lakhs) is included in capital work in progress.

<b>Note - 23</b>		
<b>Finance costs</b>		
Interest expense on borrowing from bank	37.60	-
Interest on lease liability	691.04	-
<b>Finance cost expensed in statement of profit and loss.</b>	<u>728.64</u>	<u>-</u>

<b>Note - 24</b>		
<b>Depreciation expense</b>		
Depreciation on right-of-use asset	262.20	-
	<u>262.20</u>	<u>-</u>

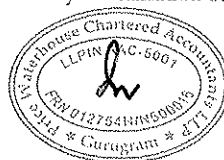
<b>Note - 25</b>		
<b>Other expenses</b>		
Concession Fee (refer note 31)	-	387.17
Rates and Taxes	262.24	78.50
Travelling and Conveyance	-	1.93
Audit Fees*	1.96	2.18
Legal and professional Expenses	1.18	-
Miscellaneous Expenses	0.13	0.77
	<u>265.51</u>	<u>470.55</u>

<b>*Fees (including tax)</b>		
Statutory Audit Fee	1.77	2.10
Out of Pocket Expenses	0.19	0.08
	<u>1.96</u>	<u>2.18</u>

<b>Note - 26</b>		
<b>Income tax</b>		
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in statement of profit and loss are as follows:		

<b>Loss before income tax</b>	(1,253.87)	(473.49)
<b>Income Tax Expense</b>		
Current Tax	-	-
Deferred Tax	-	-
	<u>(1,253.87)</u>	<u>(473.49)</u>
	As at	(Rs. in lakhs)
	31 March 2020	As at
Unused tax losses for which no deferred tax asset has been recognised	(2,953.53)	31 March 2019
Potential tax benefit @25.168%(31 March 2019 - 29.12%)	(743.34)	(1,699.66)
		(494.94)

The company has not recorded a deferred tax asset on the tax losses in absence of reasonable certainty of realisation of such asset.





Global Health Patliputra Private Limited

CIN :-U74999DL2015PTC283932

Notes to the financial statements for the year ended 31 March 2020

**Note - 27**

**Earnings per share (EPS)**

The following reflects the income and share data used in the basic and diluted EPS computations:

	As at 31 March 2020	(Rs. in lakhs) As at 31 March 2019
Profit/(loss) attributable to equity shareholders	(1253.87)	(473.49)
Weighted average number of equity shares for basic EPS	7,16,53,005	4,18,82,192
Weighted average number of equity shares adjusted for the effect of dilution	7,16,53,005	4,18,82,192
Basic/diluted earning per share (in Rs.)	(1.75)	(1.13)

**Note:**

There are no dilutive instruments



## Note - 28

## Financial risk management

## (i) Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

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

Level 3: unobservable inputs for the asset or liability.

There are no financial asset and liabilities measured at level 1, 2 or 3 as at 31 March 2020 and 31 March 2019

The Carrying value of financial assets and current financial liabilities (cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities) are considered to be at fair value.

## (ii) Financial instruments by category\*

(Rs. in lakhs)

Particulars	31 March 2020	31 March 2019
	Amortised cost	Amortised cost
<b>Financial assets</b>		
Cash and cash equivalents	569.21	8.01
Other financial assets	200.00	
Other bank balances	1,274.28	5.99
<b>Total financial assets</b>	<b>2,043.49</b>	<b>14.00</b>
<b>Financial liabilities</b>		
Borrowing	15,930.00	11,000.00
Trade Payable	6.37	5.24
Lease Liability	7,567.04	
Other financial liabilities	1,313.14	906.87
<b>Total financial liabilities</b>	<b>24,816.55</b>	<b>11,912.11</b>

\*There are no financial assets and liabilities which are measured at Fair value through other comprehensive income.

## (iii) Risk management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents and other bank balances.	Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities

## (A) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

The Company has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties. The Company only deals with financial counterparties that have a sufficiently good credit rating.

There are no trade receivables as on reporting date.

## Other financial liabilities

## (A) Credit risk exposure

## (i) Provision for expected credit losses on other financial asset.

The Company provides for 12 month expected credit losses for following financial assets –

## As at 31 March 2020

(Rs. in lakhs)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	569.21	-	569.21
Other financial assets	200.00	-	200.00
Other bank balances	1,274.28	-	1,274.28

## As at 31 March 2019

(Rs. in lakhs)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	8.01	-	8.01
Other financial assets	5.99	-	5.99



**(B) 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.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The holding company also provide necessary financial support in case of any shortfall in repayment to bank.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

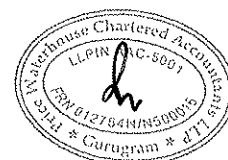
(Rs. in lakhs)				
31 March 2020	Less than 1 year	1-3 years	More than 3 year	Total
<b>Non-derivatives</b>				
Lease Liability	360.69	689.19	6,517.16	7,567.04
Borrowings	-	968.75	14,961.25	15,930.00
Trade payable	6.37	-	-	6.37
Other financial liabilities	1,313.14	-	-	1,313.14
<b>Total</b>	<b>1,680.20</b>	<b>1,657.94</b>	<b>21,478.41</b>	<b>24,816.55</b>

(Rs. in lakhs)				
31 March 2019	Less than 1 year	1-3 years	More than 3 year	Total
<b>Non-derivatives</b>				
<b>Concession Fee</b>	385.94	848.77	29,703.85	30,938.56
Borrowings	-	-	11,000.00	11,000.00
Trade payable	5.24	-	-	5.24
Other financial liabilities	906.87	-	-	906.87
<b>Total</b>	<b>1,298.05</b>	<b>848.77</b>	<b>40,703.85</b>	<b>42,850.67</b>

Global Health Private Limited, the holding company has issued a performance guarantee of Rs. 1,500 lakhs to Government of Bihar on behalf of the Company.

The Holding Company has issued a letter of comfort to the Company for providing necessary operational & financial support to continue as a going concern.

An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.



## Note - 29

## Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related party where control exists / able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

## i) Parties where control exists:

**Holding Company**

(i) Global Health Private Limited

**Key Management Personnel (KMP)**

(i) Dr. Naresh Trehan – Director

(ii) Mr. Sanjeev Kumar - Director (w.e.f. 26th Sept 2019)

(iii) Mr. Pankaj Sahni - Director

## (i) Transactions with related parties carried out in the ordinary course of business:

(Rs. in lakhs)

Serial number	Particulars	Related Parties		Total
		Year	Holding Company	
1	Reimbursement of expenses incurred on behalf of the company	31 March 2020	18.49	18.49
		31 March 2019	7.08	7.08
2	Issue of Share capital	31 March 2020	4,000.00	4,000.00
		31 March 2019	3,200.00	3,200.00
3	SFIS License	31 March 2020	200.00	200.00
		31 March 2019	-	-

## (ii) Closing balance with related parties in the ordinary course of business :

(Rs. in lakhs)

Serial number	Particulars	Related Parties		Total
		Year	Holding Company	
1	Share capital	31 March 2020	9,500.00	9,500.00
		31 March 2019	5,500.00	5,500.00
2	Amount Receivable	31 March 2020	12.92	12.92
		31 March 2019	-	-
3	Other Equity - SFIS License	31 March 2020	200.00	200.00
		31 March 2019	-	-

(iii) Global Health Private Limited has issued a performance guarantee of Rs. 1,500 lakhs to Government of Bihar on behalf of the Company.

(iv) An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.

(v) The Holding Company has also issued a letter of comfort to the Company for providing necessary operational & financial support to continue as a going concern.

(vi) SFIS License has been transferred by Holding Company for nil consideration and credited to equity (refer note 13).

## Note - 30 Contingencies and commitments

(a) The Company continues to evaluate the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

(b) The Company had received a legal notice from Health Department, Government of Bihar, Patna for non completion of first phase of the project as per the agreed timelines and demanded damages as per the calculation mechanism stated in the concession agreement, in the year 2017-18. The Company filed its response with the authorities and evaluated the legal notice with the help of internal and external experts and concluded that there is no trigger of any default or delay in completion of the project. In the current year, the agreement with the Health Department, Government of Bihar, was amended on 16 April 2019 and further amended on 28 November 2019 and the revised timeline to complete first phase of the project was agreed to be January 15, 2020. However, the Company could not meet the revised timeline due to current pandemic situation and has accordingly made provision for damages payable to the Government of Bihar for the period of delay till March 31, 2020 amounting to Rs.134.52 lakhs (refer note 16) in the current year. The Company has already intimated the developments to Health Department, Government of Bihar and planning to make OPD services operational by September 2020. Further considering the current pandemic situation the Company expects to complete the first phase of project as soon as situation normalise.



	As at 31 March 2020	(Rs. in lakhs) As at 31 March 2019
i) Capital commitment		
Estimated value of contracts in capital accounts remaining to be executed	5,832.37	7,806.58
ii) Other commitment		
Concession Fees *	-	30,938.56
<b>Total</b>	<b>5,832.37</b>	<b>38,745.14</b>

\* From 1 April, 2019, the Company has recognised right-of-use asset for the land taken on lease from the Government of Bihar for which the Company pays concession fees annually over the lease term of 33 years (refer note 31).

**Note - 31 Disclosure on adoption of Ind AS 116 'Leases' :**

**(i) Transitional disclosures**

The Company has entered into Concessionaire Agreement with Government of Bihar for lease of Land, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company has presented its right-of-use assets in in the balance sheet separately from other assets.

**- Transitional impact as at April 1, 2019**

(Rs. in lakhs)

- Opening balance of retained earnings	-
- Recognition of lease liability (included in 'Other financial liabilities')	7,261.94
- Recognition of right-of-use asset (includes Rs 167.79 lakhs reclassified from prepaid lease payments)	7,429.73

**- Statement of profit and loss for the year ended March 31, 2020**

- Decrease in rent expense (included in 'Other expenses')	375.52
- Increase in finance cost	691.04
- Increase in depreciation and amortisation expense	262.20

**Net decrease in profit before tax** **577.72**

Weighted average lessee's incremental borrowing rate applied to lease liabilities at the time of initial application is 9.80%

**(ii) Assets taken on lease**

**(a) Amounts recognised in the statement of profit or loss**

	As at 31 March 2020	As at 31 March 2019
<b>Depreciation charge of right-of-use asset</b>		
Leasehold land	262.20	-
Interest expense (included in finance cost)	691.04	-
Total cash outflows for lease	385.94	-

**(b) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:**

	As at 31 March 2020	As at 31 March 2019
Leasehold land	7,429.73	-

**(c) The Company's leasing activities:**

The Company has entered into a concession agreement with the Health Department, Government of Bihar on 11 August 2015 for development, operating and maintenance of Super Speciality Hospital on public private partnership mode in Patna. The agreement was subsequently amended on 16th April 2019. Under the terms of the agreement, the Government of Bihar has given land for the purpose of development of Super Speciality Hospital and the Company is required to pay concession fee year on year for 33 years with an escalation clause of 6.5% every year and annual variable fees post commencement of operations.

**(d) In applying Ind AS 116 for the first time, the Company has used the following practical expedients:**

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application

**(iii) Maturity of lease liability**

31 March 2020	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Lease Payments	411.03	437.74	466.20	29,237.66	30,552.62
Interest Expense	50.33	87.89	126.86	22,720.49	22,985.58
<b>Net Present Value</b>	<b>360.69</b>	<b>349.85</b>	<b>339.34</b>	<b>6,517.16</b>	<b>7,567.04</b>



*Handwritten signature*

## (iv) Information about extension and termination options

Particulars	Right of use assets
	Leasehold land
Number of leases	1.00
Range of remaining term (in years)	33.00
Average remaining lease term	28.00
Number of leases with extension option	-
Number of leases with purchase option	-
Number of leases with termination option	-

## (v) Leases disclosure as lessee under AS 19

## Operating leases

The Company has entered into a concession agreement with the Health Department, Government of Bihar on 11 August 2015 for development, operating and maintenance of Super Speciality Hospital on public private partnership mode in Patna. The agreement was subsequently amended on 16th April 2019. Under the terms of the agreement, the Government of Bihar has given land for the purpose of development of Super Speciality Hospital and the Company is required to pay concession fee year on year for 33 years with an escalation clause of 6.5% every year and annual variable fees post commencement of operations.

## The amount expected to be paid is as follows:-

(Rs. in lakhs)

	As at 31 March 2020	As at 31 March 2019
Within one year	-	385.94
Later than one year but not later than five years	-	1,811.46
Later than five years	-	28,741.16
<b>Total</b>	-	<b>30,938.56</b>

The current year expense of Rs. Nil (Previous period Rs. 387.17 lakhs) has been shown under note 25

## Note - 32 Capital management

The Company's objectives when managing capital are:

- To ensure Company's ability to continue as a going concern, and
- To maintain optimal capital structure

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is subject to externally imposed capital requirement as per the arrangement with the Bank to ensure term loan is disbursed in proportion of equity infused. Debt: Equity share capital infusion ratio is required to be maintained at 2X.

The amounts managed as capital by the Company are summarised as follows:

(Rs. in lakhs)

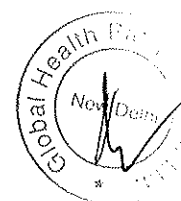
Particulars	As at 31 March 2020	As at 31 March 2019
Equity share capital	9,500.00	5,500.00
Lease Liability	7,567.04	-
Borrowings	15,930.00	11,000.00
<b>Total debts</b>	<b>23,497.04</b>	<b>11,000.00</b>
Debt Equity ratio	247%	200%

The net debt to equity ratio for the current year increased from 200% to 247% following the adoption of Ind AS 116. Bot net debt and gross assets increased following the recognition of right -of-use assets and lease liability on 1 April 2019 (refer note 31)

The holding company has issued an undertaking to the bank to meet any shortfall in repayment of loan taken from bank.

**Note - 33** As the Company has only one business segment which constitutes health care, there are no disclosures to be provided under Ind AS - 108 "Operating segments". The Company primarily operates in India which is considered as single geographical segment.

**Note - 34** There are no subsequent events impacting the financial statements for the year ended on March 31,2020.



**Note -35 Dues to micro and small enterprises**


The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	Year ended	Year ended
	31-Mar-20	31-Mar-19
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	166.92	-
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.99	-
(iii) Principal amount paid to suppliers registered under the MSMED ACT, beyond the appointed day during the year	153.50	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vii) Amount of interest due and payable for the period of delay in making payment, (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(viii) Interest accrued and remaining unpaid at the end of each accounting year	1.99	-
(ix) 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 the deductible expenditure under section 23 of MSMED Act	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as micro or small enterprises on the basis of information available with the Company.

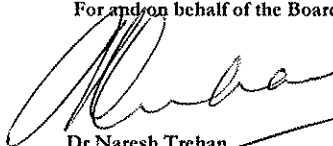
**Note -36** The outbreak of 'Covid-19' has severely impacted the businesses and economic activities around the world including India. Governments, both Central and State, have imposed lock down and other emergency restrictions which has led to the disruption of regular business operations in other industries. The Company has made a detailed assessment and considered possible effects and the management believes, there may not be any material impact of Covid-19 pandemic either on project completion or on operations of the company

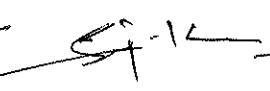
For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. 012754N/N500016

  
Abhishek Rara  
Partner  
Membership No. 077779

Place: Gurugram  
Date: 25 September 2020

For and on behalf of the Board of Directors

  
Dr Naresh Trehan  
Director  
DIN - 00012148

  
Mr Sanjeev Kumar  
Director  
DIN - 07060417

  
Mr. Om Prakash Choubey  
Company Secretary

