

BOARD'S REPORT

**To
The Members,
Convenient Hospitals Limited**

On behalf of Board, we take pleasure in presenting the **Thirtieth** Annual Report on the business and operations of your Company along with the standalone summary financial statements for the year ended 31 March, 2023.

1. REVIEW OF OPERATIONS:

During the Financial Year 2022-23, the Company achieved a turnover of INR 1,413.08 Mn. The profit before Interest, depreciation and tax (EBIDTA) is INR 192.32 Mn. and the Net profit after, depreciation, finance cost and tax is INR. 104.20 Mn.

FINANCIAL PERFORMANCE FOR THE YEAR UNDER REVIEW

(Rupees in Millions)

Particulars	As at 31 March	
	2023	2022
Net Sales / Income from:		
Business Operations	1,413.08	1,334.89
Other Income	25.03	30.03
Total Income	1,438.11	1,364.92
Less: Expenditure	1,245.79	1,141.08
EBITDA	192.32	223.84
Less: Depreciation	34.13	33.74
Less: Finance cost	3.24	6.61
Profit before Tax	154.95	183.49
Less: Current Income Tax	47.15	49.50
Less: Previous year adjustment of Income Tax	5.00	2.03
Less: Deferred Tax	(1.40)	(3.08)
Net Profit after Tax	104.20	135.03
Other Comprehensive Income :		
(i) Items that will not be reclassified subsequently to profit or loss		
a. Remeasurement of defined benefit plan	10.84	10.50
(ii) Income Tax relating to items that will not be reclassified to profit or loss	(2.73)	(2.64)
Total Comprehensive Income for the Year	112.31	142.89
Earnings per share (Basic & Diluted))		
Basic Earnings per equity share (in ₹)	11.03	14.29
Diluted Earnings per equity share (in ₹)	11.03	14.29

2. CHANGE IN NATURE OF BUSINESS:

During the Financial year under review, there was no change in the nature of business of the Company.

3. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

During the current financial year 2023-24, As per the terms of Amended & Restated Share Purchase Agreement mentioned above and execution of Addendum Agreement dated 19th April, 2023, QCIL has further acquired remaining 5% of holding of the Company from promoters on 20th April, 2023 and the Company has become wholly owned subsidiary of Quality Care India Limited.

Except the above changes no material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

4. DIVIDEND

The Board of Directors of your Company has not recommended any dividend for the financial year 2022-23. The current year profits are ploughed back for expansion plans of the Company.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends not encashed/claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF).

The amount remaining in the unclaimed dividend account of the Company remains unpaid and unclaimed for a period less than seven years. Therefore, the provisions of Section 125(2) of the Companies Act, 2013 does not apply.

6. TRANSFER TO RESERVES

The details of the amount transferred to the reserves and surplus is detailed in Statement of changes in Equity for the year ended 31st March 2023 and Note No 4.12(b) of the financial statements enclosed herewith.

7. DETAILS OF SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

S. No.	Name and address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of share held	Applicable Section
1.	Heart Care Institute And Research Centre (Indore) Pvt Ltd	U85110MP1999PTC 013924	Wholly Owned Subsidiary	100%	2(87)

Further, the Company is a wholly owned subsidiary of Quality Care India Limited.

Pursuant to the provisions outlined in Rule 6 of the Companies (Accounts) Rules, 2014, and IND AS 110, an approval from shareholders has been obtained from shareholders of the Company for claiming an exemption for consolidation of financial statements of above said subsidiary with Convenient Hospitals Limited and further consolidation at ultimate holding entity Quality Care India Limited.

8. DETAILS RELATING TO DEPOSITS [Rule 8(5) (v) of Companies Accounts) Rules, 2014]

The Company has not accepted any public deposits under Sections 73 & 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year 2022-23 under review.

Details relating to deposits covered under Chapter V of the act –

- a. Accepted during the year; - NIL
- b. Remained unpaid or unclaimed as at the end of the year; - NIL
- c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- None
 - i. At the beginning of the year; - NA
 - ii. Maximum during the year; - NA
 - iii. At the end of the year; - NA

9. SHARE CAPITAL:

The Authorised Share Capital as on March 31, 2023 was Rs. 19,25,00,000/- consisting of 1,67,50,000 equity shares of Rs. 10/- (Rupees Ten Only) each and 25,00,000 6% Convertible Preference Shares of Rs.10/-. The paid-up Equity Share Capital as on March 31, 2023 was Rs. 9,44,86,930/- consisting of 94,48,693 Equity Shares of Rs. 10/- each.

During the year under review:

- a. the Company has not issued or allotted any Shares.
- b. the Company has not issued shares with differential voting rights.
- c. the company has not undertaken any of the following transactions.

Buy Back of Securities	Sweat Equity Shares	Bonus Shares	Employees Stock Option
Nil	Nil	Nil	Nil

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, (the Act) your Directors confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and of the profits of the Company for that period;

- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

During the financial year, the following changes took place:

- In accordance with provisions of Section 161 of the Companies Act, 2013, Mr. Jasdeep Singh (DIN: 02705303), Mr. Vikas Rastogi (DIN: 09622535) and Mr. Gautam Wadhwa (DIN: 03641071) were appointed as Additional Directors of the Company in the board meeting on June 29th, 2022 and subsequently regularized in the Extraordinary General Meeting of the Company held as on June 29, 2022.
- In accordance with provisions of Section 161 of the Companies Act, 2013, Board appointed Mr. Kewal Handa (DIN: 00056826) and Ms. Ekta Bahl (DIN: 01437166) as an Independent Directors of the Company vide circular resolution passed on CR 06 & CR 07 dated September 8, 2022, and subsequently regularized in the Annual General Meeting of the Company held as on September 30, 2022.
- During the financial year, following directors have tendered their resignations from the Board :
 - Mr. Rajesh Bhargava, Mr. Inder Soni and Mr. Sunil Kumar Gupta have tendered their resignation from the directorship of the company w.e.f. June 29th, 2022

Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 160 of the Companies Act, 2013 Mr. Jasdeep Singh, Director is liable to retire by rotation and being eligible offers himself for appointment.

- During the current financial year 2022-23, the members are informed that, pursuant to the execution of Addendum Agreement dated 19th April, 2023 to the Share Purchase Agreement dated April 07, 2022 (SPA) and further to amendments thereto, Convenient Hospitals Limited (CHL) has become a Wholly Owned Subsidiary of QCIL.
- As per the provisions of Section 149 read with rule 4(2) of Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, a Public Company which is a Wholly Owned Subsidiary is exempted from appointment of Independent Directors on its Board.

- Therefore, Mr. Kewal Handa and Ms. Ekta Bahl have tendered their resignation as independent Directors of the Company with effect from July 01, 2023.

KEY MANAGERIAL PERSONNEL's (KMP's):

During the year under review and in accordance with the provisions of Section 203 of the Companies Act, 2013, the following changes in the Key Managerial personnel have taken place:

- Resignation of Mr. Nemi Chand Maru, as Managing Director of the Company w.e.f. June 29, 2022.
- Resignation of Mr. Ashok Kumar Vaishnava, as Chief Financial Officer of the Company w.e.f. June 29, 2022.

12. NUMBER OF BOARD AND COMMITTEE MEETINGS

A). Number of Board Meetings:

The Board of Directors duly met Thirteen (13) times during the year. The details of Board and Committee meeting is as follows:-

Sr. No.	Name of the Director	No. of Board Meetings			Attendance at the previous Annual General Meeting
		Held	Entitled to Attend	Attended	
1	Mr. Jasdeep Singh*	13	4	4	Yes
2	Mr. Vikas Rastogi*	13	4	4	Yes
3	Mr. Gautam Wadwa*	13	4	1	No
4	Mr. Kewal Handa**	13	4	4	Yes
5.	Ms. Ekta Bahl**	13	4	4	Yes
6.	Mr. Rajesh Bhargava#	13	9	9	Yes
7.	Mr. Nemi Chand Maru#	13	9	9	Yes
8.	Mr. Inder Soni#	13	9	9	NA
9.	Mr. Sunil Kumar Gupta#	13	9	9	NA

#Note: Mr. Rajesh Bhargava, Mr. Nemi Chand Maru, Mr. Inder Soni and Mr. Sunil Kumar Gupta have resigned from the directorship of the company w.e.f. 29.06.2022.

*Note: Mr. Jasdeep Singh, Mr. Vikas Rastogi and Mr. Gautam Wadhwa have appointed as directors of the Company w.e.f. 29.06.2022.

**Note: Mr. Kewal Handa and Ms. Ekta Bahl have appointed as independent Directors of the Company w.e.f. 08.09.2022.

During the year under review 13 (Thirteen) meetings of the Board of Directors were held on in respect of which proper notices were given and proceedings were properly recorded in Minutes Book.

S No	Date of Meeting	S No	Date of Meeting
1	06-Apr-2022	8	18-Jun-2022
2	13-Apr-2022	9	29-Jun-2022
3	29-Apr-2022	10	27-Sep-2022
4	12-May-2022	11	30-Sep-2022
5	25-May-2022	12	06-Dec-2022
6	07-Jun-2022	13	30-Mar-2023
7	11-Jun-2022		

B). Details of Committee Meetings: -

i. Audit Committee Meeting:

During the year under the review, pursuant to execution of Share Purchase Agreement all the directors have tendered their resignations from Directorship of the Company w.e.f. 29th June, 2022. Further, the Board has constituted the Audit Committee by passing a circular resolution with following members w.e.f. 8th September, 2022:

- a) Mr. Kewal Handa - Chairman
- b) Ms. Ekta Bahl - Member
- c) Mr. Vikas Rastogi - Member

The Audit Committee of the Company had met Three (3) times during the year

Sr.No	Director	No. of Audit Committee Meetings		
		27-09-2022	30-09-2022	06-12-2022
1	Mr. Kewal Handa*	Yes	Yes	Yes
2	Ms. Ekta Bahl*	Yes	Yes	Yes
3	Mr. Vikas Rastogi*	Yes	Yes	Yes
4	Mr. Inder Soni#	NA	NA	NA
5	Mr. Sunil Kumar Gupta#	NA	NA	NA
6	Mr. Rajesh Bhargava#	NA	NA	NA

* Appointed w.e.f. 8th September, 2022

Resigned w.e.f. 29th June, 2022

During the current financial under the review, pursuant to the execution of Addendum Agreement dated 19th April, 2023 to the Share Purchase Agreement dated April 07, 2022 (SPA) and further to amendments thereto, Convenient Hospitals Limited (CHL) has become a Wholly Owned Subsidiary of QCIL.

By virtue of Wholly Owned Subsidiary and Consequent to resignation of independent directors with effect from July 01, 2023, Board has passed a resolution for dissolution of the Audit Committee with effect from July 01, 2023.

ii. Nomination And Remuneration Committee(NRC):

During the year under the review, pursuant to execution of Share Purchase Agreement all the directors have tendered their resignations from Directorship of the Company w.e.f. 29th June, 2022. Further, the Board has constituted the Nomination and Remuneration Committee by passing a circular resolution with following members w.e.f. 8th September, 2022:

- a) Mr. Kewal Handa - Chairman
- b) Ms. Ekta Bahl - Member
- c) Mr. Vikas Rastogi - Member

The Nomination and Remuneration Committee of the Company had met Once (1) during the year

S. No.	Director	NRC Meetings
		29-06-2022
1	Mr. Kewal Handa*	NA
2	Ms. Ekta Bahl*	NA
3	Mr. Vikas Rastogi*	NA
4	Mr. Inder Soni#	Yes
5	Mr. Sunil Kumar Gupta#	Yes
6	Mr. Rajesh Bhargava#	Yes

* Appointed w.e.f. 8th September, 2022

Resigned w.e.f. 29th June, 2022

During the current financial under the review, pursuant to the execution of Addendum Agreement dated 19th April, 2023 to the Share Purchase Agreement dated April 07, 2022 (SPA) and further to amendments thereto, Convenient Hospitals Limited (CHL) has become a Wholly Owned Subsidiary of QCIL.

By virtue of Wholly Owned Subsidiary and Consequent to resignation of independent directors with effect from July 01, 2023, Board has passed a resolution for dissolution of the Nomination and Remuneration Committee with effect from July 01, 2023.

iii. Corporate Social Responsibility Committee(CSR):

During the current financial year, pursuant to execution of Share Purchase Agreement all the members of the Committee have tendered their resignations from Directorship of the Company w.e.f. 29th June, 2022.

Further, as per provisions of Section 135(9) of the Companies Act, 2013, it is not mandatory to constitute a CSR Committee for the Company where the amount CSR spent does not exceed Rs.50 Lakh and the Board of Directors of the Company shall discharge the functions of the CSR Committee. Therefore, the CSR Committee of the Company stand dissolved by passing the board resolution in the meeting held on 29th June 2022.

iv. Meeting of Independent Directors:

S.No.	Directors	30/03/2023
1	Mr. Kewal Handa*	Yes
2	Ms. Ekta Bahl*	Yes

3.	Shri Inder Soni#	NA
4.	Shri Sunil kumar Gupta#	NA

* Appointed w.e.f. 8th September, 2022

Resigned w.e.f. 29th June, 2022

13. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR

Your Company has received declarations from all independent directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of section 149 of the Companies Act, 2013. The independent Directors have duly complied with the code for Independent Directors prescribed in Schedule IV to the Act.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

14. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR.

The Company has 2 Independent Directors, Mr. Kewal Kundanlal Handa and Ms. Ekta Bahl and in the opinion of the Board, both of them possess requisite expertise, integrity and experience (including proficiency).

15. CORPORATE SOCIAL RESPONSIBILITY STATEMENTS

The Company was required to spend CSR amount in FY 2022-23 and the Company is committed to taking up Corporate Social Responsibility activities. The Corporate Social Responsibility Report including brief details of CSR Policy is enclosed to this Board report as **Annexure II**.

16. RELATED PARTY TRANSACTIONS

Transactions entered by company during the year, were in the ordinary course of business and at arm's length basis, do not fall under section 188 (1) of the Companies Act, 2013 and further, you are requested to refer Note No. 4.30 forming part of Balance Sheet for further details. There is also material related party transaction during the year details of the same are enclosed in **Annexure-I in Form AOC-2**.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements.

The details regarding such transactions are given in the notes to the financial Statements.

18. STATEMENT OF RISK MANAGEMENT

The Company has adequate internal financial control system in place which operates effectively. According to the Directors of your Company, elements of risks that threaten the existence of your Company are very minimal. Hence, no separate Risk Management Policy is formulated.

19. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 2022-23, is available on the Company's website at <https://www.carehospitals.com/annual-reports>

20. AUDITORS

a) STATUTORY AUDITORS

Members at their Twenty Ninth Annual General Meeting held on September 30, 2022, appointed M/s. Price Waterhouse & Co. Chartered Accountants LLP, (Reg. No. 012744N/N500016), as Statutory Auditors of the Company for a period of 5 years till the conclusion of 34th AGM to be held in the year 2027.

Statutory Auditors have opined a clean audit report expect for internal control over financial reporting was disclaimed by auditors since the management is still in the process of establishing control environment.

REPLY TO COMMENTS IN AUDITORS' REPORT

As required to be stated under section 134 (3)(f) of the Act, there are no qualifications, reservations or adverse remarks made by the Auditors in their independent auditor's report. The auditors' report and notes to accounts forming part of financial statements are self-explanatory and do not call for further explanation.

b) COST RECORD AND/OR COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, Company has appointed M/s. Nageswara Rao & Co, Cost Accountants, as the Cost auditors for the Company for conducting the cost audit for the Financial Year 2022-23.

The remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence the resolution at Item no. 3 of the Notice of the Annual General Meeting (AGM) is recommended by the Board for members approval.

DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS [RULE 8(5)(ix) of Companies (Accounts) Rule, 2014].

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

c) INTERNAL AUDIT

The internal audit function is adequately resourced commensurate with the operations of the Company. The provisions of section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014:

During the financial year 2022-23, the Board has appointed M/s. Ernst and Young LLP, Chartered Accountants as Internal Auditors of the Company for conducting the internal audit for the financial year 2022-23.

21. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

A. CONSERVATION OF ENERGY:	
1. The steps taken or impact on conservation of energy.	<p>The company is making efforts to conserve energy through periodic monitoring and analysis of energy consumption.</p> <p>The Company has taken appropriate steps to reduce the consumption through timely maintenance/ installation/upgradation of all the energy consuming areas/equipment.</p>
2. The steps taken by the Company for utilizing alternate sources of energy	<p>The company has successfully implemented several energy conservation measures and is also working on renewable energy options like solar energy where, an approximate of 1.6 million units is being generated via solar PV annually,</p> <p>Heat pumps where the conservation initiatives has resulted in migration of traditional hot water generators using diesel fuel / conventional Geysers to Heat pump technology thus saving fossil fuel and hot water generation cost.</p>
3. The Capital investment on energy conservation equipment	<p>Energy efficient air conditioning solutions like chillers, pumps and other associated measures have been implemented to optimize the energy savings and improve the patient service along with the ambience.</p> <p>All hospitals units have upgraded to LED lightings from conventional lighting systems.</p>

	<p>As part of our water conservation efforts we have upgraded and refurbished the STP & RO systems across the group.</p> <p>All efforts have been taken in order to maintain the equipment in optimum working condition to increase the life span and to decrease the energy consumption without compromising the safety and comfort of patients and customers.</p>
B. TECHNOLOGY ABSORPTION:	
1. The Efforts made towards technology absorption	<p>The company does not have in-house Research & Development department. However, the company continuously makes efforts towards sourcing medical & other equipment from vendors who adopt the latest state of art technology in their products/services. This endeavour ensures that the company always benefits in terms of cost reduction and improving efficiencies.</p> <p>Further the Company imported no technology during the year under review.</p>
2. The Benefits derived like product improvement, cost reduction, product development or import substitution	
3. Details of technology imported during the past 3 years	
4. The expenditure incurred on Research and Development	

C. FOREIGN EXCHANGE EARNINGS AND OUT GO	
Earning in foreign currency	NIL
Expenditure in foreign currency	NIL

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year no significant and material orders were passed by the regulators / courts / tribunals impacting the going concern status and the company's operations in future.

24. ESTABLISHMENT OF VIGIL MECHANISM

Pursuant to section 177 (9) of Companies Act, 2013, the Company formulated Whistle Blower Policy.

The Whistle Blower Policy / Vigil Mechanism provides a mechanism¹ for the Director / Employee to report violations without fear of victimisation/victimization of any unethical behaviour/behavior, suspected or actual fraud etc. which are detrimental to the organisation's/organization's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation/victimization or any other unfair employment practice.

25. SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings respectively.

26. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR. ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, there were no application made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

27. DIFFERENCE DETAILS OF DIFFERENCE BETWEEN VALUATION REPORT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, the Company has not obtained any loans or any valuation report. Therefore, this clause is not applicable.

28. ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. The Board places on record its deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.



For and on behalf of the Board


Jasdeep Singh
Director & Group CEO
DIN:02705303

Date: 21-08-2023
Place: Hyderabad


Vikas Rastogi
Director & Group CFO
DIN:09622535

Date: 21-08-2023
Place: Hyderabad

Annexure-I

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

There are no contracts or arrangements or transactions which were not on arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Nil					



For and on behalf of the Board


Jasdeep Singh
Director & Group CEO
DIN:02705303

Date: 21-08-2023
Place: Hyderabad


Vikas Rastogi
Director & Group CFO
DIN:09622535

Date: 21-08-2023
Place: Hyderabad

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 read with relevant Rules.

The Company believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. The Company commits itself to contribute to the society in ways possible for the organization

AIMS & OBJECTIVES

- To develop a long-term vision and strategy for Company's CSR objectives (Long term and otherwise)
- Establish relevance of potential CSR activities to Company's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
- Company shall promote projects that are :
 - (a) Sustainable and create an impact both long term and otherwise;
 - (b) Have specific and measurable goals in alignment with Company's philosophy;
 - (c) Address the most deserving cause or beneficiaries.
- To establish process and mechanism for the implementation and monitoring of the CSR activities for Company.

2. Composition of the CSR Committee.

Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, the CSR Committee has been dissolved w.e.f. 29.06.2022.

*As per section 135(9) of The Companies act 2013 and rules made thereunder Where the amount to be spent by a company under Section 135 (5) does not exceed fifty lakh rupees, the requirement under Section 134(1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company As a result, the CSR committee was not needed to be formed under Section 135(1) of the Companies Act 2013, and the meeting of the CSR committee was not convened due to non-applicability and the CSR Committee has been dissolved w.e.f. 29.06.2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.carehospitals.com/policies>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
1.	2021-22	NA	NA
2.	2020-21	NA	NA
3.	2019-20	NA	NA
	TOTAL		

6. Average net profit of the company as per section 135(5): **Rs. 17,98,84,830/-**

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 35,97,697/-**

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

(c) Amount required to be set off for the financial year, if any: **19,992/-**

(d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. 35,77,705/-**

8. (a) **CSR amount spent or unspent for the financial year**:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
36,01,273/-	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act. area	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation – Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name.	CSR Registration number.
NA												

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act. area	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency.	
				State.	District			Name	CSR Registration number
1.	Education Promotion	Clause II of Schedule VII	Yes	Madhya Pradesh	Indore	12,500/-	Yes	NA	NA
2.	Education promotion	Clause II of Schedule VII	Yes	Madhya Pradesh	Indore	14,29,652/-	No	CHL Charitable Trust	CSR000 16385
3.	International Society for Krishna Consciousness (ISKCON)	Eradicating hunger, poverty and malnutrition & Promoting education and skill development	No	Telangana	Medchal, Malkagiri	21,59,121/-	No	International Society for Krishna Consciousness (ISKCON)	CSR000 05241
Total						36,01,273/-			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 36,01,273/-**

(g) Excess amount for set off, if any

Sl. No.	Particular Amount (in Rs.)	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	35,97,697.00
(ii)	Total amount spent for the Financial Year	36,01,273.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,576.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	19,992.00
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	23,568.00

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

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

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

(1) Sl. No.	(2) Project ID.	(3) Name of the Project	(4) Financi al Year in which the project was commen ced.	(5) Project duratio n.	(6) Total amount allocate d for the project (in Rs.)	(7) Amount spent on the project in the reportin g Financi al Year (in Rs).	(8) Cumula tive amount spent at the end of reportin g Financi al Year. (in Rs.)	(9) Status of the project - Comple ted /Ongoin g.
NIL								

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

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

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

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

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA



For and on behalf of the Board

Jasdeep Singh
Director & Group CEO
DIN:02705303

Date: 21-08-2023
Place: Hyderabad

Vikas Rastogi
Director & Group CFO
DIN:09622535

Date: 21-08-2023
Place: Hyderabad

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Convenient Hospitals Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Convenient Hospitals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the 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, 2023, total comprehensive income (comprising of profit 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 Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Convenient Hospitals Limited
Report on Audit of the Financial Statements

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 judgement 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.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Convenient Hospitals Limited
Report on Audit of the Financial Statements

- 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.
10. 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.

Other Matter

11. The comparative financial information of the Company for the year ended March 31, 2022 and the transition date opening balance sheet as at April 1, 2021 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated September 27, 2022 and December 8, 2021 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on other legal and regulatory requirements

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. 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, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above.
 - (g) 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".



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Convenient Hospitals Limited
Report on Audit of the Financial Statements

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 4.33(a)(i) to the financial statements;
 - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
 - 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, 2023.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.34(vii)(A) to the financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.34(vii)(B) to the financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Convenient Hospitals Limited
Report on Audit of the Financial Statements

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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



Sudharmendra N
Partner
Membership Number: 223014
UDIN: 23223014BGXLYK8412

Place: Hyderabad
Date: August 21, 2023

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We were engaged to audit the internal financial controls with reference to financial statements of Convenient Hospitals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to financial statements of the Company.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

Meaning of Internal Financial Controls with reference to financial statements

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

Basis for Disclaimer of Opinion

7. According to the information and explanation given to us, the Company is in the process of aligning its controls framework for the significant business processes, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and accordingly, we are unable to obtain sufficient audit evidence to determine if the Company has established adequate internal financial control with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2023.

Disclaimer of Opinion

8. As described in the 'Basis for Disclaimer of Opinion' paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.
9. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2023, and the disclaimer does not affect our opinion on the financial statements of the Company.

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



Sudharmendra N
Partner
Membership Number: 223014
UDIN: 23223014BGXLYK8412

Place: Hyderabad
Date: August 21, 2023

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties, as disclosed in Note 4.1 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the 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 Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

- 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 generally regular in depositing undisputed statutory dues in respect of Income tax, goods and service tax, provident fund and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) 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, noticed or reported during the year, nor have we been informed of any such case by the Management.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Convenient Hospitals Limited on the financial statements for the year ended March 31, 2023

- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 4.38 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Sudharmendra N
Partner
Membership Number: 223014
UDIN: 23223014BGXLYK8412

Place: Hyderabad
Date: August 21, 2023



Convenient Hospitals Limited**Balance Sheet**

(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at		
		31 March 2023	31 March 2022	1 April 2021
ASSETS				
A. Non-current assets				
(a) Property, plant and equipment	4.1	446.10	420.63	382.60
(b) Capital work-in-progress	4.2	-	-	30.84
(c) Goodwill	4.3	219.77	-	-
(d) Other intangible assets	4.3	1.89	0.52	0.84
(e) Investments	4.4	231.10	260.93	345.79
(f) Financial assets				
(i) Other financial assets	4.5 (a)	2.82	3.46	18.47
(g) Non-current tax assets (net)	4.6 (b)	57.87	58.09	8.84
(h) Other non-current assets	4.7 (a)	19.91	-	-
Total non-current assets (A)		979.46	743.63	787.38
B. Current assets				
(a) Inventories	4.8	9.45	8.91	11.16
(b) Financial assets				
(i) Trade receivables	4.9	97.89	52.88	99.03
(ii) Cash and cash equivalents	4.10 (a)	93.93	5.19	179.44
(iii) Bank balances other than above	4.10 (b)	0.94	24.00	11.30
(iv) Loans	4.11	-	252.33	133.47
(v) Other financial assets	4.5 (b)	4.72	3.92	36.96
(c) Other current assets	4.7 (b)	4.62	4.25	2.86
Total current assets (B)		211.55	351.48	474.22
Total assets (A+B)		1,191.01	1,095.11	1,261.60
EQUITY AND LIABILITIES				
Equity				
A. Equity				
(a) Equity share capital	4.12 (a)	94.49	94.49	106.37
(b) Other equity				
(i) Reserves and surplus	4.12 (b)	739.72	627.41	712.52
Total equity (A)		834.21	721.90	818.89
Liabilities				
B. Non-Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	4.13	-	13.36	25.12
(b) Employee benefit obligations	4.14 (a)	19.46	25.67	47.70
Total non-current liabilities (B)		19.46	39.03	72.82
C. Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	4.15	-	44.28	10.77
(ii) Trade payables				
(a) total outstanding dues of micro and small enterprises	4.16 (a)	-	-	-
(b) total outstanding dues other than (ii) (a) above	4.16 (b)	157.28	164.21	233.96
(iii) Other financial liabilities	4.17	56.37	33.34	28.90
(b) Employee benefit obligations	4.14 (b)	24.04	25.02	4.51
(c) Deferred tax Liability	4.6 (a)	26.51	25.18	25.61
(d) Other current liabilities	4.18	73.14	42.15	66.14
Total current liabilities (C)		337.34	334.18	369.89
Total liabilities (B+C)		356.80	373.21	442.71
Total equity and liabilities (A+B+C)		1,191.01	1,095.11	1,261.60

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's Registration No: 012754N/N500016

Sudharmendra N
 Partner
 Membership No: 223014
For and on behalf of Board of Directors of
Convenient Hospital Limited
CIN - U85110MP1993PLC007654

Jasdeep Singh
 Director
 DIN - 02705303
 Place: Hyderabad
 Date: 21 August 2023


Vikas Rastogi
 Director
 DIN - 09622535
 Place: Hyderabad
 Date: 21 August 2023


Rahul Agrawal
 Company Secretary
 Membership no: 34884
 Place: Indore
 Date: 21 August 2023
Place: Hyderabad, India
Date: 21 August 2023

Convenient Hospitals Limited**Statement of Profit and Loss**


(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2023	31 March 2022
I Revenue from operations	4.19	1,413.08	1,334.89
II Other income	4.20	25.03	30.03
III Total income (I+II)		1,438.11	1,364.92
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		265.85	250.66
(ii) Changes in inventories of medical consumables and pharmacy items	4.21	(0.54)	2.25
(iii) Employee benefits expense	4.22	335.87	348.53
(iv) Other expenses	4.23	644.61	539.64
Total expenses (IV)		1,245.79	1,141.08
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		192.32	223.84
(i) Depreciation and amortisation expense	4.25	34.13	33.74
(ii) Finance costs	4.24	3.24	6.61
VI Profit before tax		154.95	183.49
VII Income Tax expense/(benefit):			
(i) Current tax expense	4.26	47.15	49.50
(ii) Income tax relating to earlier periods	4.26	5.00	2.03
(iii) Deferred tax expense	4.6 (a)	(1.40)	(3.07)
Total tax expense		50.75	48.46
VIII Profit for the year (VI-VII)		104.20	135.03
IX Other comprehensive income:			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of post-employment benefit obligations		10.84	10.50
(ii) Income tax relating to these items		(2.73)	(2.64)
Other Comprehensive income for the year, net of tax		8.11	7.86
X Total comprehensive income for the year (VIII+IX)		112.31	142.89
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2022 : ₹10))			
Basic Earnings per equity share (in ₹)	4.27	11.03	14.29
Diluted Earnings per equity share (in ₹)		11.03	14.29

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's Registration No: 012754N/N500016

Sudharmendra N
 Partner
 Membership No: 223014
For and on behalf of Board of Directors of
Convenient Hospitals Limited
CIN - 85110MP1993PLC007654

Jasdeep Singh
 Director
 DIN - 02705303
 Place: Hyderabad
 Date: 21 August 2023


Vikas Rastogi
 Director
 DIN - 09622535
 Place: Hyderabad
 Date: 21 August 2023


Rahul Agrawal
 Company Secretary
 Membership no: 34884
 Place: Indore
 Date: 21 August 2023
Place: Hyderabad, India
Date: 21 August 2023

Convenient Hospitals Limited
Statement of Cash Flows

(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the period ended	
	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	154.95	183.49
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	-	(2.28)
Loss on sale of mutual funds and shares	6.45	-
Depreciation and amortisation expense	34.13	33.74
Expected credit loss	3.61	-
Property, plant and equipment written off	4.92	-
Interest income	(0.17)	(12.91)
Income/liabilities written back from operating activities	(0.42)	0.03
Profit on Sale of Asset	(15.81)	-
Finance costs	0.45	2.98
Change in operating assets and liabilities:	188.11	205.05
(Increase)/decrease in inventories	(0.75)	2.25
(Increase)/decrease in trade receivables	(30.56)	46.12
(Increase)/decrease in loans	252.33	(118.86)
(Increase) in other assets	(9.73)	(1.39)
(Increase)/decrease in other financial assets	(2.18)	33.25
Increase/(decrease) in trade payables	3.02	(69.75)
Increase in provisions	3.65	8.98
Increase in other financial liabilities	23.03	4.44
Increase/(decrease) in other liabilities	30.99	(23.99)
Cash generated from operations	457.91	86.10
Income tax paid, net	(50.83)	(100.78)
Net cash inflow (outflow) from operating activities (A)	407.08	(14.68)
Cash flow from investing activities		
Payments for property, plant and equipment	(100.98)	(40.61)
Proceeds from sale of Property, plant and equipment	42.10	-
Acquisition of Convenient Imaging Solutions	(250.00)	-
Sale of mutual funds and shares	55.18	2.28
Interest received on fixed deposits	1.25	12.91
Purchase of mutual funds and shares	(31.80)	84.86
Movement in other bank balances, net	24.00	2.10
Net cash inflow/ (outflow) from investing activities (B)	(260.25)	61.54
Cash flow from financing activities		
Repayments of long-term borrowings	(13.36)	(11.76)
Proceeds/(Repayments) from short term borrowings, net	(44.28)	33.51
Buy Back of Shares	-	(239.88)
Interest paid	(0.45)	(2.98)
Net cash outflow from financing activities (C)	(58.09)	(221.11)
Net increase/(decrease) in cash and cash equivalents(A + B + C)	88.74	(174.25)
Cash and cash equivalents at the beginning of the year	5.19	179.44
Cash and cash equivalents at the end of the year (note 1)	93.93	5.19
	For the period ended	
	31 March 2023	31 March 2022
Note 1:		
Cash and cash equivalents as per above comprise of the following		
- Included in cash and cash equivalents (refer note 4.10(a))		
Cash on hand	1.55	1.00
Balances with banks in current accounts	92.38	4.19
Balances as per Statement of Cash Flows	93.93	5.19

This is the Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sudharmendra N
Partner
Membership No: 223014

Place: Hyderabad, India
Date: 21 August 2023

For and on behalf of Board of Directors of
Convenient Hospitals Limited
CIN - U35110MP1993PLC007654

Jasdeep Singh
Director
DIN - 02705303
Place: Hyderabad
Date: 21 August 2023

Vikas Rustogi
Director
DIN - 09622535
Place: Hyderabad
Date: 21 August

Rahul Agrawal
Company Secretary
Membership no: 34884
Place: Indore
Date: 21 August 2023

Convenient Hospitals Limited
Statement of Changes in Equity

(All amounts in ₹ millions, except share data and where otherwise stated)

A. Share capital

i) Equity share capital

Particulars	Notes	Number of shares	Amount in millions
Balance at 1 April 2021		10,636,500	106.37
Changes in equity share capital on account of buy back	4.12 (a)	(1,187,807)	(11.88)
Balance as at 31 March 2022		9,448,693	94.49
Changes in equity share capital	4.12 (a)	-	-
Balance as at 31 March 2023		9,448,693	94.49

B. Other equity

Particulars	Reserves and surplus
	Retained earnings
Balance at 1 April 2021	712.52
Profit for the year	135.03
Buy back of shares and tax there on	(228.00)
Other comprehensive income, net of tax	7.86
Balance at 31 March 2022	627.41
Profit for the year	104.20
Other comprehensive income, net of tax	8.11
Balance as at 31 March 2023	739.72

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's Registration No: 012754N/N500016



Sudharmendra N
Partner
Membership No: 223014

Place: Hyderabad, India
Date: 21 August 2023

For and on behalf of Board of Directors of
Convenient Hospitals Limited
CIN - U85110MP1993PLC007654


Jasdeep Singh
Director
DIN - 02705303
Place: Hyderabad
Date: 21 August 2023


Vikas Rastogi
Director
DIN - 09622535
Place: Hyderabad
Date: 21 August 2023


Rahul Agrawal
Company Secretary
Membership no: 34884
Place: Indore
Date: 21 August 2023

Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

1. Company overview

Convenient Hospitals Limited (the "Company" or "CHL") is headquartered in Indore, India and was incorporated on 30th April, 1993 in accordance with the provisions of the erstwhile Companies Act, 1956. The Company is primarily engaged in providing healthcare and related services.

The Company has its registered office at Near LIG Square, A.B.Road, Indore, Madhya Pradesh - 452008, India.

The financial statements were authorised and approved for issue by the Company's Board of Directors on 21 August 2023

The conditions prescribed under rule 6 of the Companies (Accounts) rules, 2014 have been satisfied for exemption of preparation of consolidated financial statements. Accordingly, the company has opted an exemption for preparation of consolidated financial statements.

2. Basis of preparation of the financial statements

2.1. Statement of Compliance

The financial statements of the Company have been prepared and presented in accordance with all the material aspects of the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

Upto the year end 31 March 2022, the company prepared its financial statements in accordance with the requirements of the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first IND AS financial statements. The date of transition to IND AS is 1st April 2022 and in accordance with the notification issued by the MCA, the Company has adopted IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as per IND AS 101 First-time Adoption of Indian Accounting Standard, the company has presented a reconciliation from the presentation of Financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS with regard to shareholders equity as at 1st April 2021, 31st March 2022 and of the comprehensive net income for the year ended 31st March 2022.

2.2. New and amended standards adopted

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

2.3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

2.4. Basis for measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit plan	Fair value of present value of defined benefit obligations less fair value of plan assets



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

2.5. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Below are the areas involving critical estimates or judgements are:

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

- Note 3.6 – useful lives of PPE
- Note 4.29 – measurement of defined benefit obligations: key actuarial assumptions
- Note 4.9 – expected credit loss on financial assets
- Note 4.33 – contingencies

2.6. Current and non-current classification

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

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
 - b) it is held primarily for the purpose of being traded;
 - c) it is due to be settled within twelve months after the reporting date; or
 - d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively.

2.7. Measurement of fair values

The Company measures financial instruments at fair value at each Balance Sheet date.

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

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3. Significant accounting policies

3.1. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Recognition and initial measurement

A financial asset or financial liability is initially measured at fair value plus, for an item not recorded at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

b. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost; or
- fair value through profit or loss (either through other comprehensive income or through profit or loss). The classification depends upon the entity's business model for managing financial instruments and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

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

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

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

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

Financial assets: Subsequent measurement and gains and losses

Financial assets at fair value	These assets are subsequently measured at fair value (either through profit or loss or other comprehensive income). Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Recognition and measurement of mutual funds

Recognition:

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

Measurement:

Investments in mutual funds are recognized and subsequently measured at fair value through profit or loss. Changes in the fair value of investment in mutual funds are recognised in other gain/ (losses) in the statement of profit and loss.

3.2. Inventories

Inventory of medical supplies, drugs and other consumables are valued at lower of cost or net realizable value. Cost of medical supplies, drugs and other consumables is determined on the basis of Weighted Average Method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

3.3. Cash and cash equivalents

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

3.4. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

3.5. Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- (ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Goods and services tax is not received by the Company on its own account. Rather, it is tax collected by the Company on behalf of the Government. Accordingly, it is excluded from revenue.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

The Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative catch-up transition method, with effect from 1 April 2021 and accordingly these financial statements are prepared in accordance with the recognition and measurement principles laid down in Ind AS 115. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial statements of the Company.

Revenue from health care services and related activities

Income from healthcare services is recognised as revenue when the related services are rendered unless significant future uncertainties exists. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions, if any, given to the patients and disallowances including claims.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services. The revenue in respect of such arrangements is recognized as and when services are performed.

Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of pharmacy

Revenue from sale of pharmacy is recognised when control is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Interest Income

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

3.6. Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives then they are accounted as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss account.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Act, except for certain machinery and equipment for which the Company, based on technical assessment made by technical expert and management estimate, depreciates over estimated useful lives of thirteen years and except for improvements to leasehold premises which are amortized over the lower of the lease period including the renewal option and the useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Depreciation on sold/discarded assets is provided for up to the date of sale / discarded as the case may be.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Building	60 years
Plant and Machinery	13-15 years
Furniture & Fixtures	10 years
Office equipment's	5 years
Vehicles	8 years
Computers	3 years

Capital work-in-progress are not depreciated as these assets are not yet available for use.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognised as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

3.7. Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

The gratuity scheme is managed by third party administrators.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the employee has unconditional right to avail the leave, the benefit is classified as a short-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increases his entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.8. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are

3.9. Earnings per equity share (EPES)

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

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

3.10. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

3.11. Impairment

a. Impairment of financial instruments

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

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

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

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

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables, unbilled receivables and bank balances.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for these assets, the Company has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for these assets, the Company has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet.

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

Write-off

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



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

b. Impairment of non-financial assets

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are companied together into cash-generating units (CGUs). Each CGU represents the smallest company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

3.12. Investments in subsidiaries

The Company has elected to recognise its investments in equity instruments in subsidiaries and joint venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

3.13. Provisions and contingent liabilities

General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable than an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. when the company expects some or all of the provisions to be reimbursed, the expenses relating to the provisions is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of the money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

3.14. Measurement of Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/loss from operations. In its measurement of EBITDA, the Company includes other income but does not include depreciation and amortization expenses, finance cost and tax expense.

3.15. Business combination

The acquisition method of accounting is used to account for all business combinations.

The consideration transferred for the acquisition comprises the

- i) fair values of the assets transferred
- ii) liabilities incurred to the former owners of the acquired business
- iii) equity interests issued by the Company
- iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.



Convenient Hospitals Limited

Summary of the significant accounting policies and other explanatory information

(All amounts are in ₹ millions, unless otherwise stated)

3.16. First-time adoption

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2021 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

Deemed cost of property, plant and equipment

For transition to Ind AS, the Company has elected to adopt the carrying value of all of its property, plant and equipment recognised as of 1 April 2021 (transition date) measured as per the previous GAAP as its deemed cost as of transition date.

Fair value of financial assets or financial liabilities

For transition to Ind AS, the Company recognised all financial assets or financial liabilities at fair value. Financial assets includes investments which were carried at cost under previous GAAP. As per Ind AS, these investments are carried at fair value through statement of profit and loss.



4.1 Property, plant and equipment

Particulars	Freehold land*	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount								
Demised cost as at 1 April 2021	100.85	65.89	184.49	6.86	10.95	1.26	12.30	382.60
Additions	-	-	69.37	0.38	0.79	0.91	-	71.45
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2022	100.85	65.89	253.86	7.24	11.74	2.17	12.30	454.05
Additions	-	0.700	46.917	0.640	1.400	11.920	-	61.58
On account of business combination (Refer note 4.36)	-	-	28.32	0.09	0.50	-	-	28.91
Disposals	-	(17.85)	(5.26)	(0.51)	(0.81)	(0.15)	(6.63)	(31.21)
Closing gross carrying amount as at 31 March 2023	100.85	48.74	323.84	7.46	12.83	13.94	5.67	513.33
Accumulated depreciation								
Depreciation charge during the year	-	3.66	23.87	1.39	1.64	0.93	1.93	33.42
On disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2022	-	3.66	23.87	1.39	1.64	0.93	1.93	33.42
Depreciation charge during the period	-	3.42	25.42	1.20	1.48	1.28	1.01	33.81
On disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	-	7.08	49.29	2.59	3.12	2.21	2.94	67.23
Net carrying amount as at 31 March 2022	100.85	62.23	229.99	5.85	10.10	1.24	10.37	420.63
Net carrying amount as at 31 March 2023	100.85	41.66	274.55	4.87	9.71	11.73	2.73	446.10

* The title deeds of immovable properties are held in the name of the Company.

4.2 Capital work-in-progress

The Company does not have Capital work-in-progress for the period ended 31 March 2023 and 31 March 2022 whereas it has capital work-in-progress amounting to 30.84 ageing less than one year as at 31 March 2021.

The Company does have Capital work in progress whose completion is overdue/exceeded its cost compared to its original plan.

4.3 Goodwill and Other intangible assets

Particulars	Goodwill	Software	Total
Gross carrying amount			
Demised cost as at 1 April 2021	-	0.84	0.84
Additions	-	-	-
Closing gross carrying amount as at 31 March 2022	-	0.84	0.84
Additions	-	1.46	1.46
On account of business combination (Refer note 4.36)	219.77	0.23	220.00
Closing gross carrying amount as at 31 March 2023	219.77	2.53	222.30
Accumulated amortisation			
Amortisation charge for the year	-	0.32	0.32
Closing accumulated amortisation as at 31 March 2022	-	0.32	0.32
Amortisation charge for the year	-	0.32	0.32
Closing accumulated amortisation as at 31 March 2023	-	0.64	0.64
Closing net carrying amount as at 31 March 2022	-	0.52	0.52
Closing net carrying amount as at 31 March 2023	219.77	1.89	221.66

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment by allocating the value of goodwill to a Cash Generating Unit (CGU). The Company has identified each hospital unit as CGU for this purpose.

Value in use i.e. the enterprise value of each CGU is aggregate of cash flow projections, for five years as approved by Senior Management and beyond five years extrapolated using a long-term growth rate of 5%. Cash flow projections are discounted by a pre-tax discount rate, being the Weighted Average Cost of Capital (WACC), which ranges from 15.40% to 15.70%.

The Management believes that any reasonably possible change in the above key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.



4.4 Investments

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Non-current			
Investment in equity instruments (fully paid up)			
Unquoted			
Investment in subsidiaries - at cost			
Investment in Heart Care Institute And Research Centre (Indore) Pvt Ltd (Preference Shares)	107.00	107.00	107.00
Investment in Heart Care Institute And Research Centre (Indore) Pvt Ltd (Equity Shares)	124.10	124.10	124.06
Investment in Shree Kunj Buildcon Pvt. Ltd. (Equity Shares)	-	19.23	19.23
Total	231.10	250.33	250.29
Unquoted			
Investment in Partnership firms			
Investment in Central India Pharmacy	-	-	51.41
Investment in Convenient Imaging Solutions	-	-	38.60
	-	-	90.01
Aggregate amount of unquoted investments (A)	231.10	250.33	340.30
Investment in mutual funds and shares measured at FVTPL			
Quoted			
Investment in mutual funds & shares			
Nil (31 March 2022 : 249,987; 31 March 2021: Nil) units Nippon India Flexi Cap Fund GPGO	-	2.65	-
Nil (31 March 2022 : 249,987; 31 March 2021: Nil) units Nippon India Taiwan Fund GPGO	-	2.30	-
Nil (31 March 2022 : 78; 31 March 2021: Nil) units SBI Magnum Ultra Short Duration Fund	-	0.37	-
Investment in equity shares	-	5.28	5.49
Total	-	10.60	5.49
Aggregate amount of quoted investments and market value thereof (B)	-	10.60	5.49
Aggregate amount of quoted & unquoted investments (A) + (B)	231.10	260.93	345.79

4.5 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Non current			
Unsecured, considered good			
Security deposits	2.82	2.52	2.73
Fixed deposits with banks with more than 12 months maturity	-	0.94	15.74
Total	2.82	3.46	18.47
(b) Current			
Unsecured, considered good			
Security deposits	-	0.32	33.41
Interest accrued on fixed deposits with banks	0.32	1.40	0.41
Unbilled receivables	4.40	2.20	3.14
Total	4.72	3.92	36.96

4.6 (a) Deferred tax Assets/Liabilities (net)

The following is the analysis of deferred tax assets, net recognised in the Statement of Profit and Loss and other comprehensive income

(i) Deferred tax (assets)/liabilities in relation to:	As at 1 April 2022	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2023
Property, plant and equipment	51.76	3.42	-	55.18
Provision for bad and doubtful trade receivables	(5.67)	(0.91)	-	(6.58)
Provision for employee benefits	(12.77)	(0.93)	2.73	(10.97)
Indexation benefit of land	(8.14)	(1.48)	-	(9.62)
Expenses allowable on deduction of TDS	-	(1.50)	-	(1.50)
Total	25.18	(1.40)	2.73	26.51
(ii) Deferred tax (assets)/liabilities in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2022
Property, plant and equipment	50.57	1.19	-	51.76
Provision for bad and doubtful trade receivables	(5.36)	(0.31)	-	(5.67)
Provision for employee benefits	(13.15)	(2.26)	2.64	(12.77)
Indexation benefit of land	(6.45)	(1.69)	-	(8.14)
Total	25.61	(3.07)	2.64	25.18

4.6 (b) Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Advance income tax (net of provision for taxation)	57.87	58.09	8.84
Total	57.87	58.09	8.84



4.7 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Non-current			
Unsecured, considered good			
Capital advances	10.49	-	-
Others	9.42	-	-
Total	19.91	-	-
(b) Current			
Unsecured, considered good			
Prepaid expenses	3.65	3.68	2.86
Advances to vendors	0.65	0.57	-
Others	0.32	-	-
Total	4.62	4.25	2.86

4.8 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Medical consumables and pharmacy items	9.45	8.91	11.16
Total	9.45	8.91	11.16

4.9 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Trade receivables from contract with customers – billed	124.04	75.41	120.33
Trade receivables from contract with customers – unbilled	4.40	2.20	3.14
Total	128.44	77.61	123.47
Less: Expected credit loss	(26.15)	(22.53)	(21.30)
Total trade receivables and unbilled revenue	102.29	55.08	102.17
Trade receivables	97.89	52.88	99.03
Unbilled revenue recognised in other financial assets	4.40	2.20	3.14

*The movement in the expected credit loss on trade receivables for the year ended 31 March 2023, 31 March 2022 and 1 April 2021 is as follows:

	For the year ended		
	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Opening balance at beginning of the year	22.53	21.30	-
Provision made during the year (refer note 4.23)	3.62	1.23	21.30
Closing balance at end of the year	26.15	22.53	21.30

Ageing of trade receivables and unbilled as at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	4.40	20.60	49.55	27.74	-	-	-	102.29
-which have significant increase in credit risk	0.08	0.51	5.31	3.01	3.83	1.49	11.92	26.15
-Expected credit loss rate	2%	2%	10%	10%	100%	100%	100%	20%
-Expected credit loss	(0.08)	(0.51)	(5.31)	(3.01)	(3.83)	(1.49)	(11.92)	(26.15)
Total	4.40	20.60	49.55	27.74	-	-	-	102.29

Ageing of trade receivables and unbilled as at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	2.20	18.32	32.65	1.91	-	-	-	55.08
-which have significant increase in credit risk	0.05	0.39	3.08	0.15	7.40	10.70	0.76	22.53
-Expected credit loss rate	2%	2%	9%	7%	100%	100%	100%	-29%
-Expected credit loss	(0.05)	(0.39)	(3.08)	(0.15)	(7.40)	(10.70)	(0.76)	(22.53)
Total	2.20	18.32	32.65	1.91	-	-	-	55.08



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

Ageing of trade receivables and unbilled as at 1 April 2021

Particulars	Outstanding for following periods from the due date							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	3.14	17.67	68.38	4.79	8.19	-	-	102.17
-which have significant increase in credit risk	0.06	0.34	6.51	0.44	2.18	4.46	7.31	21.30
-Expected credit loss rate	2%	2%	9%	8%	21%	100%	100%	17%
-Expected credit loss	(0.06)	(0.34)	(6.51)	(0.44)	(2.18)	(4.46)	(7.31)	(21.30)
Total	3.14	17.67	68.38	4.79	8.19	-	-	102.17

4.10 Cash and bank balances
Particulars

As at 31 March 2023 As at 31 March 2022 As at 1 April 2021

a) Cash and cash equivalents

Balances with banks

-in current accounts

Cash on hand

92.38 4.19 175.38

1.55 1.00 4.06

93.93 5.19 179.44

b) Other bank balances

Deposits with maturity of more than 3 months but less than 12 months

0.94 24.00 11.30

0.94 24.00 11.30

Total

94.87 29.19 190.74

4.11 Loans
Particulars

As at 31 March 2023 As at 31 March 2022 As at 1 April 2021

Current
Unsecured, considered good

Advances to employees

Advances to related parties

Other advances

Total

- 5.74 5.19

- 188.63 87.91

- 57.96 40.37

- 252.33 133.47



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

4.12 (a) Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Authorised Share capital			
16,750,000 Equity Shares (31 March 2022: 16,750,000) of Rs. 10/- each	167.50	167.50	167.50
2,500,000 6% Convertible Preference Shares (31 March 2022: 2,500,000; 31 March 2021: 2,500,000) of Rs. 10/- each	25.00	25.00	25.00
Total authorised share capital	192.50	192.50	192.50
Issued, subscribed and fully paid up shares			
9,448,693 Equity Shares (31 March 2022: 9,448,693; 31 March 2021: 10,636,500) of Rs. 10/- each	94.49	94.49	106.37
Total issued, subscribed and fully paid-up shares	94.49	94.49	106.37

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	9,448,693	94.50	10,636,500	106.37	10,636,500	106.37
(Buyback) during the year	-	-	(1,187,807)	(11.88)	-	-
Balance at the end of the year	9,448,693	94.50	9,448,693	94.50	10,636,500	106.37

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Quality Care India Limited	8,976,253	89.76	-	-	-	-

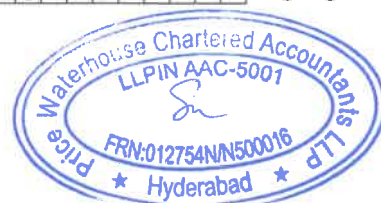
(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Quality Care India Limited	8,976,253*	95.00%	-	-	-	-
Mr. Rajesh Bhargava	-	-	2,743,490	29.04%	2,309,880	21.72%
Mr. Nemichand Maru	-	-	1,706,934	18.07%	1,698,324	15.97%
Mrs. Tara Bhargava	-	-	1,315,840	13.93%	2,415,840	22.71%
Mrs. Lalita Maru	-	-	682,118	7.22%	682,118	6.41%
Mr. Rajul Bhargava	-	-	721,000	7.63%	-	-
Mrs. Meenakshi Bhargava	-	-	-	-	562,500	5.29%
Mr. Himanshu Varma & Ms. Divya Varma	-	-	-	-	660,000	6.21%
Mr. Himanshu Varma & Mr. Dev Varma	-	-	-	-	660,000	6.21%

* Acquired on 28 June 2022

(v) The Company has not bought back any equity shares in the period of five years immediately preceding the last balance sheet date other than those disclosed.

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last Balance Sheet date.



Convenient Hospitals Limited

Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

(vii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	31 March 2023		31 March 2022		1 April 2021	
	Number of Shares	% holding	Number of Shares	% holding	Number of Shares	% holding
Mr. Rajesh Bhargava	-	-	2,743,490	29.04%	2,309,880	21.72%
Mr. Nemichand Maru	-	-	1,706,934	18.07%	1,698,324	15.97%
Mrs. Meenakshi Bhargava	-	-	-	-	562,500	5.29%
Total	-	-	4,450,424	47.11%	4,570,704	42.98%

4.12 (b) Other equity

Particulars	Reserves and surplus
	Retained earnings
Balance at 1 April 2021	712.52
Profit for the year	135.03
Buy back of shares and tax there on	(228.00)
Other comprehensive income, net of tax	7.86
Balance at 31 March 2022	627.41
Profit for the year	104.20
Other comprehensive income, net of tax	8.11
Balance at 31 March 2023	739.72



4.13 Long-term borrowings

	31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Non-current	Current	Non-current	Current	Non-current	Current*
Secured - at amortised cost						
Term loans from banks						
- HDFC Bank Ltd. (refer note i)	-	-	13.36	11.72	25.12	10.77
Term loans from banks	-	-	13.36	11.72	25.12	10.77

Reconciliation of liabilities arising from financial activities excluding interest accrued*

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	25.08	35.89
Repayments of long-term borrowings	(25.08)	(10.81)
Closing balance at end of the year	-	25.08

*Borrowings include current and non-current portions of term loans from banks.

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	-	-
Interest expenses	0.45	2.98
Interest paid	(0.45)	(2.98)
Closing balance at end of the year	-	-

i Term Loan from HDFC Bank Limited is secured by way of mortgage of Property Situated at Plot No. 1, Chhoti Khajrani, A. B. Road, Indore, personal guarantees of directors of the company & mortgage of moveable assets of both present & future. The Interest on the loan is payable @ 9.75% p.a. The Loan is repayable in 84 Monthly Installments.

4.14 Employee benefit obligations

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Non-current			
Provision for employee benefits			
Gratuity	11.10	16.19	35.64
Compensated absences	8.36	9.48	12.06
Total	19.46	25.67	47.70
(b) Current			
Provision for employee benefits			
Gratuity	16.62	17.63	2.54
Compensated absences	7.42	7.39	1.97
Total	24.04	25.02	4.51

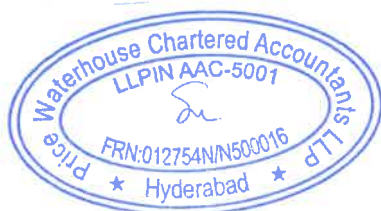
4.15 Short-term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Secured - at amortised cost			
Current maturities of term loans from banks (refer note 4.13)	-	11.72	10.77
Current maturities of term loans from financial institutions (refer note 4.14)	-	-	-
Cash credit facilities from banks (refer note i)	-	32.56	-
	-	44.28	10.77

Notes:

a) Includes an amount of 10.79 overdraft loan from HDFC Bank Limited is secured by way of mortgage of property situated at plot No. 1, chhoti khajrani, A. B. road, Indore, personal guarantees of directors of the company & mortgage of moveable assets of both present & future. The Interest on the loan is payable @ 9.80% p.a.

b) Includes an amount of 21.77 overdraft loan from Axis Bank Limited is secured against fixed deposit of the Company. The Interest on the loan is payable @ 1.00% above the fixed deposit rate.



4.16 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Trade payable : Micro and small enterprises;	-	-	-
(b) Trade payable : others	157.28	164.21	233.96
	157.28	164.21	233.96

Ageing of trade payables as on 31 March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	23.32	114.35	12.63	4.72	0.85	1.41	157.28
Total	23.32	114.35	12.63	4.72	0.85	1.41	157.28

Ageing of trade payables as on 31 March 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	19.32	121.07	13.03	4.98	2.56	3.25	164.21
Total	19.32	121.07	13.03	4.98	2.56	3.25	164.21

Ageing of trade payables as on 1 April 2021:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	22.62	166.94	12.69	20.51	6.45	4.75	233.96
Total	22.62	166.94	12.69	20.51	6.45	4.75	233.96

Note:

The Management has identified the supplier status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the information available with the Company.

4.17 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Current			
Capital creditors	14.02	3.51	2.01
Employee benefit payables	20.21	23.58	21.53
Retention money and deposits	5.57	6.25	4.66
Other payables	16.57	-	0.70
Total	56.37	33.34	28.90

4.18 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Current			
Statutory dues	10.52	16.26	7.52
Unearned revenue	16.47	25.89	51.65
Advance from related party	46.15	-	6.97
	73.14	42.15	66.14



Convenient Hospitals Limited**Notes to the financial statements**

(All amounts in ₹ millions, except share data and where otherwise stated)

4.19 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from healthcare services	1,412.57	1,334.89
Other operating income	0.51	-
Total	1,413.08	1,334.89

Revenue disaggregation geography wise is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
India	1,413.08	1,334.89
	1,413.08	1,334.89

Reconciliation of contract price to revenue recognised from healthcare services is as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from healthcare services, gross	1,421.60	1,334.89
Less: disallowances	(9.03)	-
Revenue from healthcare services	1,412.57	1,334.89

4.20 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Interest income		
on financial assets (bank deposits) measured at amortised cost	0.17	12.91
(b) Other non-operating income		
Net gain/(loss) arising on mutual funds designated at FVTPL	-	2.28
Profit on Sale of Asset	15.81	-
Miscellaneous income	8.63	14.87
(c) Income/liabilities written back from operating activities	0.42	(0.03)
Total	25.03	30.03

4.21 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	8.91	11.16
Inventory at the end of the year	9.45	8.91
Total	(0.54)	2.25

4.22 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	305.44	322.82
Contribution to provident and other funds	14.65	14.06
Gratuity and compensated absences	10.82	11.65
Staff welfare expenses	4.96	-
Total	335.87	348.53



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

4.23 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	23.41	25.50
Rent	17.54	6.54
Repairs and Maintenance		
- Buildings	3.39	4.64
- Plant and machinery and others	28.80	19.55
Hospital maintenance	4.48	-
Housekeeping charges	20.71	20.91
Security charges	3.38	1.84
Insurance	1.06	0.89
Water charges	0.31	0.11
Books and periodicals	0.01	0.03
Rates and taxes, excluding taxes on income	3.41	3.76
Travelling and conveyance	7.17	3.50
Communication expense	1.41	1.22
Marketing and business promotion expense	10.59	1.60
Loss on sale of investment in equity shares	3.66	-
Loss on sale of mutual funds	2.79	-
Expected credit loss	3.61	-
Printing and stationery	5.72	4.86
Payments to the auditor (Refer Note (a))	0.60	0.48
Legal and professional charges	5.17	1.23
Catering charges, net	16.01	14.82
Diagnostics expenses	6.39	6.05
Contribution towards Corporate social responsibility (Refer Note (b))	3.60	3.63
Professional charges to doctors	460.84	410.95
Loss on disposal of property, plant and equipment	4.92	-
Bank charges	0.32	-
Miscellaneous expenditure	5.31	7.53
Total	644.61	539.64

Note (a): Details of payments to auditors

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For statutory audit	0.60	0.48
	0.60	0.48

Note (b): Details of Corporate social responsibility

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to ISKCON towards - Eradicating Hunger, poverty and malnutrition & Promoting Education and Skill development	2.16	-
Contribution to CHL Charitable Trust towards - Promoting Health care & Education related activities.	1.44	3.63
Total	3.60	3.63

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1 April 2022	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2023
Nil	Nil	3.60	3.60	Nil

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1 April 2021	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2022
Nil	Nil	3.64	3.64	Nil



4.24 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on borrowings	0.45	2.98
Others	2.79	3.63
Total	3.24	6.61

4.25 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	33.81	33.42
Amortisation on other intangible assets	0.32	0.32
Total	34.13	33.74

4.26 Income tax expense/ (credit)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	47.15	49.50
Income tax relating to earlier periods	5.00	2.03
Deferred tax expense/(credit)	(1.40)	(3.07)
	50.75	48.46

Reconciliation of tax expense/ (credit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	154.95	183.49
Tax at the Indian tax rate 25.17% (31 March 2022: 25.17%)	39.00	46.18
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Income tax pertaining to earlier years	5.00	2.03
Short term capital gain on sale of hostel building	3.30	-
Indexation benefit on land	1.48	-
Other adjustments	1.97	0.25
Tax expense	50.75	48.46

4.27 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year	104.20	135.03
Number of equity shares outstanding at the beginning of the year	9,448,693	9,448,693
Total number of equity shares outstanding at the end of the year	9,448,693	9,448,693
Basic Earnings per equity share in ₹ (absolute number)	11.03	14.29
Diluted Earnings per equity share in ₹ (absolute number)	11.03	14.29



Convenient Hospitals Limited**Notes to the financial statements**

(All amounts in ₹ millions, except share data and where otherwise stated)

4.28 Segment Information

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

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

4.29 Employee benefits**Defined benefit plan**

The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's last drawn salary for each year of completed services at the time of retirement/exit. The scheme is managed by Life Insurance Corporation of India. The Company's obligation in respect of gratuity plan, which is a defined benefit plan is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Company recognizes actuarial gains and loss immediately in the Statement of Profit and Loss. The Company accrues gratuity as per the provisions of the payment of Gratuity Act, 1972 as applicable as at the balance sheet date.

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

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Defined benefit obligations	41.88	48.92	53.23
Fair value of plan assets	14.16	15.10	15.05
Net defined benefit liability	27.72	33.82	38.18
Total employee benefit liability	27.72	33.82	38.18
Non-current	11.10	16.19	35.64
Current	16.62	17.63	2.54

B Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit obligation and its components.

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation at the beginning of the year	48.92	53.23
Benefit payments from plan assets	(2.95)	(1.83)
Benefit payments from employer	(0.77)	(0.60)
Current service cost	4.16	4.98
Interest expense	3.45	3.59
Actuarial (gains)/losses recognised in other comprehensive income		
- changes in Demographic assumptions	0.09	-
- changes in financial assumptions	(0.15)	-
- experience adjustments	(10.87)	(10.45)
Defined benefit obligation as at the balance sheet date	41.88	48.92

ii) Reconciliation to fair value of plan assets

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at beginning of the year	15.10	15.05
Contributions paid	1.07	0.84
Employer Direct Benefit Payments	0.77	0.60
Interest income	1.04	1.00
Benefits paid	(3.73)	(2.44)
Remeasurement - return on assets (excluding interest income)	(0.09)	0.05
Plan assets at end of the year	14.16	15.10



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

C (i) Expenses recognised in Statement of Profit and Loss

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	4.16	4.98
Interest on net defined liability/ (asset)	2.41	2.59
Net cost, included in 'employee benefits'	6.57	7.57

(ii) Remeasurements recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain) / loss on defined benefit obligation	(10.94)	(10.45)
Actual return on plan assets less interest on plan assets	0.09	(0.05)
Closing amount recognised in OCI outside Statement of Profit and Loss	(10.85)	(10.50)

D Plan assets

Plan assets comprises of the following:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Fund managed by Insurer	14.16	15.10	15.05

E Other disclosures

i) Actuarial assumptions

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

Principal actuarial assumptions	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Attrition rate	40.00%	35.76%	2.56%
Discount rate	7.51%	7.34%	6.91%
Salary escalation rate	5.00%	5.00%	10.32%
Retirement age	58 years	58 years	58 years

Maturity profile of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
1st following year	16.73	17.63
Year 2 to 5	25.74	30.56
Year 6 to 9	5.92	8.47
Year 10	0.50	0.79

Notes:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The Company evaluates these assumptions annually based on the long-term plans of growth and industrial standards.

b) Significant actuarial assumption for the determination of the defined obligation are discount rate, expected salary escalation rate and withdrawal rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate (+ 1% movement)	-1.84%	-2.10%
Discount rate (- 1% movement)	1.94%	2.20%
Salary escalation (+ 1% movement)	2.63%	2.90%
Salary escalation (- 1% movement)	-2.55%	-2.80%

c) The expected contribution for the Company during the next year is 16.62 (31 March 2022: 17.63) (1 April 2021: 2.54).

F Defined contribution plan

The Company's contribution towards its provident fund is a defined contribution retirement plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited with Provident Fund Commissioner which is recognised by the Income Tax authorities. Details for the expenditure recognised in the Statement of Profit and Loss is as below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount recognised in the Statement of Profit and Loss towards		
Provident fund & ESI Contributions	14.65	14.06



4.30 Related party disclosures

(a) Parties where control exists or where significant influence exists and with whom transactions have taken place during the current year or previous year

List of Parties

Key Managerial Personnel

Mr. Jasdeep Singh (w.e.f 29.06.2022)
Mr. Vikas Rastogi (w.e.f 29.06.2022)
Mr. Gautam Wadhwa (w.e.f 29.06.2022)
Mr. Nemichand Maru (Upto 29.06.2022)
Mr. Rajesh Bhargava (Upto 29.06.2022)
Mr. Rahul Agrawal
Mr. Ashok Kumar Vaishnav (Upto 29.06.2022)

Relation

Key Managerial Person
Key Managerial Person
Key Managerial Person
Key Managerial Person
Key Managerial Person
Key Managerial Person
Key Managerial Person

Relatives of Key Managerial Personnel

Mrs. Lalita Maru (Upto 29.06.2022)
Mrs. Renu Bhargava (Upto 29.06.2022)
Mr. Rajul Bhargava (Upto 29.06.2022)
Mrs. Saatvika Bhargava (Upto 29.06.2022)
Dr. Raunak Maru (Upto 29.06.2022)
Dr. Shruti Kochar Maru (Upto 29.06.2022)

Relation

Relative of Key Managerial Person
Relative of Key Managerial Person
Relative of Key Managerial Person
Relative of Key Managerial Person
Relative of Key Managerial Person
Relative of Key Managerial Person

Holding Company/Subsidiaries / Joint Ventures / Associates

TPG Capital, L.P (w.e.f 29.06.2022)
Quality Care India Limited (w.e.f 29.06.2022)
Heart Care Institute And Research Centre (Indore) Pvt Ltd
Shree Kunj Buildcon Private Limited (Upto 29.06.2022)

Relation

Holding Company
Ultimate Holding Company
Subsidiary
Subsidiary

Other related party

CHL Charitable Trust (Upto 29.06.2022)
Central India Pharmacy (Upto 29.06.2022)
Convenient Imaging solutions (Upto 29.06.2022)

Relation

Common Director
Common Director
Common Director

(b) The schedule of related party transactions are as follows

Transaction details	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue Transactions		
1) Remuneration Paid to KMP	10.25	34.09
Mr. Nemichand Maru	3.90	15.60
Mr. Rajesh Bhargava	3.83	15.30
Mr. Rahul Agrawal	2.23	2.13
Mr. Ashok Kumar Vaishnav	0.29	1.06
2) Professional Fees to Relatives of Key managerial Persons	8.79	6.66
Mr. Nemichand Maru	2.25	-
Mr. Rajesh Bhargava	2.25	-
Mr. Rajul Bhargava	2.40	-
Dr. Raunak Maru	0.99	3.66
Dr. Shruti Kochar Maru	0.90	3.00
3) Salary to Relatives of Key managerial Persons	2.15	8.58
Mrs. Renu Bhargava	0.08	0.30
Mr. Rajul Bhargava	1.35	5.40
Mrs. Saatvika Bhargava	0.72	2.88
4) Purchase of Goods, Services and Facilities	104.27	57.27
CHL Charitable Trust	9.11	10.71
Heart Care Institute And Research Centre (Indore) Pvt Ltd	65.93	1.49
Central India pharmacy	29.23	45.07
5) Transfer of Goods & Services	4.66	1.24
Heart Care Institute And Research Centre (Indore) Pvt Ltd	4.66	1.24
6) Advances Given to		
Heart Care Institute And Research Centre (Indore) Pvt Ltd	49.17	37.26
CHL Charitable Trust	-	101.94
7) Advances Repaid by		
Heart Care Institute And Research Centre (Indore) Pvt Ltd	3.00	38.75
CHL Charitable Trust	169.40	0.01
8) Loan repaid/ deposits repaid		
Mr. Nemichand Maru	-	0.18
Mr. Rajesh Bhargava	-	0.20
Shree Kunj Buildcon Private Limited	-	0.09
9) Interest Received		
Heart Care Institute And Research Centre (Indore) Pvt Ltd	-	0.56
CHL Charitable Trust	-	4.41

(c) Balances receivable/(payable)

Transaction details	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 1 April 2021
Balances outstanding from/ to the related parties			
Short Term Loans & Advances			
CHL Charitable Trust	(15.53)	184.93	83.00
Heart Care Institute And Research Centre (Indore) Pvt Ltd	49.49	3.32	4.81
Mr. Nemichand Maru	-	-	0.18
Mr. Rajesh Bhargava	-	-	0.20
Deposits			
Shree Kunj Buildcon Private Limited	-	-	0.09
Trade Receivables			
Heart Care Institute And Research Centre (Indore) Pvt Ltd	4.66	-	-
Trade Payables			
Heart Care Institute And Research Centre (Indore) Pvt Ltd	41.30	-	-
CHL Charitable Trust (Blood Bank Services)	5.47	-	-
Central India pharmacy	4.72	5.78	18.87

Note: CHL Charitable trust is related party up to 29 June 2022, but the transactions with the party were disclosed for full year.



Convenient Hospitals Limited**Notes to the financial statements**

(All amounts in ₹ millions, except share data and where otherwise stated)

4.31 Financial instruments**i) Capital risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Company includes within net debt, borrowings (long and short term), less cash and cash equivalents.

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Borrowings		57.64	35.89
Less: Cash and cash equivalents and other bank balances		(29.19)	(190.74)
Net debt		28.45	(154.85)
Total equity		721.90	818.89
Capital and net debt		750.35	664.04
Gearing ratio (%)		3.79%	-23.32%

Note: Since there are no borrowings in current year, gearing ratio for current year is not presented.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. There have been no breaches in the material financial covenants of any borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023.

ii) Categories of financial instruments

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investments - current	-	10.60	5.49
Measured at amortised cost			
Other financial assets - non-current	2.82	3.46	18.47
Trade receivables- current	97.89	52.88	99.03
Cash and cash equivalents	93.93	5.19	179.44
Bank balances other than above	0.94	24.00	11.30
Loans receivables - current	-	252.33	133.47
Other financial assets- current	4.72	3.92	36.96
Total	200.30	352.38	484.16

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Financial liabilities			
Measured at amortised cost			
Trade payables	157.28	164.21	233.96
Other financial liabilities- current	56.37	33.34	28.90
Total	213.65	197.55	262.86



Convenient Hospitals Limited

Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. At the end of the reporting periods, there are no significant concentrations of financial instruments designated at FVTPL.

iii) Financial risk management

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

a) Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all the employees understand their roles and obligations.

b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans and other receivables. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash and cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2023. Credit risk on cash and cash equivalents, including fixed deposits is limited as the Company generally transacts with banks with high credit ratings assigned by international and domestic credit rating agencies.

Financial assets that are past due but not impaired :

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to 12 months expected credit loss or at an amount equal to the life time expected credit losses if the credit risk on the financial assets have increased significantly since the initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

The Company's credit period for customers generally ranges from 0 - 90 days.

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



Convenient Hospitals Limited**Notes to the financial statements**

(All amounts in ₹ millions, except share data and where otherwise stated)

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Trade payables	157.28	-	-	157.28
Other financial liabilities	56.37	-	-	56.37
Total	213.65	-	-	213.65

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

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Trade payables	164.21	-	-	164.21
Other financial liabilities	33.34	-	-	33.34
Total	197.55	-	-	197.55

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 1 April 2021:

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Trade payables	233.96	-	-	233.96
Lease liabilities	-	-	-	-
Other financial liabilities	28.90	-	-	28.90
Total	262.86	-	-	262.86

d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Considering the nature of the Company's financial instruments, the Company is exposed to interest rate risk.

e) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments in deposits and mutual funds are with banks and reputed financial institutions and therefore do not expose the Company to significant interest rates risk.

The exposure of the Company's financial assets on interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Fixed rate instruments			
Financial assets			
Fixed deposits	0.94	24.94	27.04
	0.94	24.94	27.04



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

4.32 Fair value measurement

- i) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Valuation technique and key input	Fair value hierarchy	Fair value as at (in ₹)		
			As at	As at	As at
			31 March 2023	31 March 2022	1 April 2021
Financial assets					
Investment in mutual funds	Based on the net asset value	Level 1	-	10.60	5.49
There was no transfer between Level 1, Level 2 and Level 3 in the period.					

ii) Financial assets measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The fair value hierarchy of financial assets and financial liabilities of the Company, except for 'investment in mutual funds' is level 3.

4.33 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Pending litigations			
(i) Claims against the Company not acknowledged as debts:			
Patient legal claims	25.75	20.22	20.22
Other legal claims	14.74	14.74	14.74
(ii) Bank Guarantees	0.40	0.40	0.2

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

(b) Commitments	51.73	-	-
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4.34 Regulatory information

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company does not has any loan from banks which are secured by the hypothecation of current asset/immovable property.

(iii) Wilful defaulter

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.



Convenient Hospitals Limited**Notes to the financial statements**

(All amounts in ₹ millions, except share data and where otherwise stated)

(vii) Utilisation of borrowed funds and share premium

- (A) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (B) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment, intangible asset and investment property

The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

4.35 Other regulatory information**(i) Title deeds of immovable properties held in name of the Company**

The title deeds of immovable properties are held in the name of the Company.

(ii) Registration of charges or satisfaction with Registrar of Company:

The company has not given loans and advances in the nature of loans to promoters, directors, KMP and related parties which are repayable on demand or without specifying terms and conditions of repayment.

(iii) Utilisation of borrowings availed from banks and financial institutions

The company has utilised the borrowings for the purpose they were obtained.

4.36 Business Combination

On 16 June 2022 the Company has acquired Convenient Imaging Solution, Partnership firm Indore engaged in the business of diagnostics on a slump sale basis.

The assets and liabilities acquired:

Particulars	Convenient Imaging Solution
Property, plant and equipment	28.91
Intangible Assets	0.23
Trade receivables	10.84
Trade payables	(9.96)
Inventory	0.21
Net identifiable assets acquired	30.23
Purchase consideration paid in cash	250.00
Goodwill recognised (Refer note 4.3)	219.77

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is no gain/loss attributable on fair value. The goodwill recognised is not deductible for tax purposes.

Fair value of trade receivables acquired is ₹10.84 as of acquisition date and as of 31 March 2023, the amounts are substantially collected.

The disclosure as required in Para B64 (q) of Ind AS 103 "Business Combination" is not practicable as the business acquired has been integrated with the existing business and also the management reviews entire business as one cash generating unit for evaluating the operational performance.



4.37 Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP and Ind AS.

First time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the balance sheet as at 31 March 2022 and 1 April 2021

Particulars	As at 31 March 2022			As at 1 April 2021		
	Previous GAAP	Effect of Ind AS adoption	As per Ind AS balance sheet	Previous GAAP	Effect of Ind AS adoption	As per Ind AS balance sheet
Non-current assets						
(i) Property, plant and equipment	420.63	-	420.63	382.60	-	382.60
(ii) Capital work-in-progress	-	-	-	30.84	-	30.84
(iii) Other intangible assets	0.52	-	0.52	0.84	-	0.84
(iv) Investments	260.93	-	260.93	345.78	0.01	345.79
Financial assets						
(i) Other financial assets	3.46	-	3.46	18.97	(0.50)	18.47
Non-current tax assets (net)	58.09	-	58.09	8.84	-	8.84
Total non-current assets	743.63	-	743.63	787.87	(0.49)	787.38
Current assets						
Inventories	8.91	-	8.91	11.16	-	11.16
Financial assets						
(i) Trade receivables	77.61	(24.73)	52.88	123.47	(24.44)	99.03
(ii) Cash and cash equivalents & Bank Balances	29.19	-	29.19	190.74	-	190.74
(iii) Loans	249.93	2.40	252.33	137.22	(3.75)	133.47
(iv) Other financial assets	0.32	3.60	3.92	33.41	3.55	36.96
Other current assets	5.65	(1.40)	4.25	2.86	-	2.86
Total current assets	371.61	(20.13)	351.48	498.86	(24.64)	474.22
Total assets	1,115.24	(20.13)	1,095.11	1,286.73	(25.13)	1,261.60
Equity						
Equity share capital	94.49	-	94.49	106.37	-	106.37
Other equity	690.56	(63.15)	627.41	774.95	(62.43)	712.52
Total equity	785.05	(63.15)	721.90	881.32	(62.43)	818.89
Borrowings	13.36	-	13.36	25.12	-	25.12
Employee benefit obligations	-	25.67	25.67	-	47.70	47.70
Total non-current liabilities	13.36	25.67	39.03	25.12	47.70	72.82
Financial liabilities						
(i) Borrowings	44.28	-	44.28	10.77	-	10.77
(ii) Trade payables	97.58	66.63	164.21	192.36	41.60	233.96
(iii) Other financial liabilities	-	33.34	33.34	0.70	28.20	28.90
Employee benefit obligations	12.83	12.19	25.02	15.51	(11.00)	4.51
Deferred tax Liability	22.42	2.76	25.18	21.60	4.01	25.61
Other current liabilities	139.72	(97.57)	42.15	139.35	(73.21)	66.14
Total current liabilities	316.83	17.35	334.18	380.29	(10.40)	369.89
Total liabilities	330.19	43.02	373.21	405.41	37.30	442.71
Total equity and liabilities	1,115.24	(20.13)	1,095.11	1,286.73	(25.13)	1,261.60

b) Reconciliation of total other equity as at 31 March 2022 and 1 April 2021

Particulars	31-Mar-22	01-Apr-21
Total equity as per previous GAAP	785.05	881.32
Adjustments		
Provision for ECL and disallowance	23.27	21.30
Gratuity and leave encashment expense	37.12	37.12
Deferred tax expense	2.76	4.01
Total adjustments	63.15	62.43
Total equity as per Ind AS	721.90	818.89



Convenient Hospitals Limited
Notes to the financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

c) Effect of Ind AS adoption on the statement of profit and loss for the period ended 31 March 2022

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	1,343.04	8.15	1,334.89
Other income	24.08	(5.95)	30.03
Total income	1,367.12	2.20	1,364.92
Expenses			
Purchases of medical consumables and pharmacy items	250.66	-	250.66
Changes in inventories of medical consumables and pharmacy items	2.25	-	2.25
Employee benefits expense	306.38	(42.15)	348.53
Other expenses	571.52	31.88	539.64
Finance costs	6.61	-	6.61
Depreciation and amortisation expense	33.74	-	33.74
Profit before tax	195.96	12.47	183.49
Current tax expense	51.53	-	51.53
Deferred tax expense	0.82	3.89	(3.07)
Profit after tax	143.61	8.58	135.03

d) Reconciliation of total comprehensive income for the period ended 31 March 2022

Particulars	31-Mar-22
Profit as per GAAP	143.610
Adjustments:	
Provision for ECL and disallowance	1.22
Gratuity and leave encashment expense	0.75
Deferred tax credit	(1.25)
OCI & tax there on	7.86
Total adjustments	8.58
Profit after tax as per Ind AS	135.03



4.38 Financial ratios


S.No.	Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022		Variance %	Reason if variance is more than 25%
		Amount	Ratio	Amount	Ratio		
1	Current ratio						
	Numerator - Current assets	211.55	0.63	351.48	1.05	-40.38%	The change in ratio when compared to previous year is mainly on account of decrease in current assets.
	Denominator - Current liabilities	337.34		334.18			
2	Debt-equity ratio						
	Numerator - Total debt	-	-	57.64	0.08	-100.00%	The change in ratio when compared to previous year is mainly on account of repayment of debt during the period.
	Denominator - Total shareholders equity	834.21		721.90			
3	Debt service coverage ratio						
	Numerator - PAT + Depreciation and amortisations + Interest + Loss on property, plant and equipment + Provision for doubtful balances	141.57	5.55	175.38	12.72	-56.40%	The change in ratio when compared to previous year is mainly on account of i) Decrease in profit after tax and ii) Increase in repayment of debt.
	Denominator - Interest & lease payments + principal repayments	25.53		13.79			
4	Return on equity ratio (in %)						
	Numerator - Profit after tax	104.20	13.39%	135.03	17.53%	-23.59%	The change in ratio when compared to previous year is mainly on account of decrease in profit after tax.
	Denominator - Average shareholders equity	778.05		770.40			
5	Inventory turnover ratio (in times)						
	Numerator - Cost of goods sold	265.31	28.90	252.91	25.20	14.67%	None
	Denominator - Average Inventory	9.18		10.04			
6	Trade receivables turnover ratio (in times)						
	Numerator - Net credit sales	720.18	9.55	701.33	9.23	3.46%	None
	Denominator - Average trade receivables	75.39		75.96			
7	Trade payables turnover ratio (in times)						
	Numerator - Net credit purchases	896.56	11.40	778.25	9.48	20.28%	None
	Denominator - Average trade payables	78.64		82.11			
8	Net capital turnover ratio (in times)						
	Numerator - Revenue from operations	1,413.08	(26.05)	1,334.89	21.95	-218.68%	The change in ratio when compared to previous year is mainly on account of i) Increase in revenue from operations ii) Increase in current liabilities leading to decrease in working capital.
	Denominator - Average working capital	(54.25)		60.82			
9	Net profit ratio (in %)						
	Numerator - Profit for the year	104.20	7.37%	135.03	10.12%	-27.10%	The change in ratio when compared to previous year is mainly on account of i) Decrease in profit for the period. ii) Increase in revenue from operations.
	Denominator - Revenue from operations	1,413.08		1,334.89			
10	Return on capital employed (in %)						
	Numerator - Profit before tax and finance costs	158.19	18.38%	190.10	23.62%	-22.20%	The change in ratio when compared to previous year is mainly on account of i) Decrease in profit for the period. ii) Increase in network.
	Denominator - Capital employed= Tangible network + Total debt + Deferred tax liability	860.72		804.72			
11	Return on investment (in %)						
	Numerator - Earnings before interest and taxes	158.19	13.84%	190.10	16.13%	-14.22%	None
	Denominator - Average total assets	1,143.06		1,178.36			


For Price Waterhouse Chartered Accountants LLP
Firm's registration number: 012754N/N500016



Sudharmendra N
Partner
Membership No: 223014

Place: Hyderabad
Date: 21 August 2023

For and on behalf of Board of Directors of
Convenient Hospitals Limited
CIN - 085110MP1993PLC007654


Jasdeep Singh
Director
DIN - 02705303
Place: Hyderabad
Date: 21 August 2023


Rahul Arawal
Company Secretary
Membership no: 34884
Place: Indore
Date: 21 August 2023


Vikas Rastogi
Director
DIN - 09622535
Place: Hyderabad
Date: 21 August 2023