Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Members of Paras Healthcare (Ranchi) Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Paras Healthcare (Ranchi) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

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

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

4. The Company's Board of Directors are responsible for the other information. Other information does not include the 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.

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

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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

i. The Company, as detailed in note 31 to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2022.;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.;

iv. a The management has represented that, to the best of its knowledge and belief, as disclosed in note 42 (c) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 42 (d) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

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

Tarun

Tarun Gupta
Partner
Membership No.: 507982

UDIN: 22507892AXNNWS7313

Place: Gurugram
Date: 30 September 2022

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits in excess of fifty million rupees by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products and services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle funds which were not required for immediate utilisation have been invested in readily realizable liquid investments.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 136.55 million and Rs 72.63 million respectively.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions , nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Tarun

Tarun Gupta
Partner
Membership No.: 507892

UDIN : 22507892AXNNWS7313

Place: Gurugram
Date: 30 September 2022

Annexure B to the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the financial statements of Paras Healthcare (Ranchi) Private Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Annexure B to the Independent Auditor's Report of even date to the members of Paras Healthcare (Ranchi) Private Limited on the financial statements for the year ended 31 March 2022 (cont'd)

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India .

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

Tarun

Tarun Gupta
Partner
Membership No.: 507892

UDIN: 22507892AXNNWS7313

Place: Gurugram
Date: 30 September 2022

Paras Healthcare (Ranchi) Private Limited
Balance sheet as at 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR Million, unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	201.49	140.04
Right of use assets	5	489.99	501.89
Capital work-in progress	6	275.91	30.56
Intangible assets	7	0.10	0.28
Financial assets			
Others	8	1.09	-
Other non-current assets	9	77.10	51.29
Total non-current assets		**1,045.68**	**724.06**
Current assets			
Inventories	10	3.33	2.35
Financial assets			
Trade receivables	11	1.15	1.52
Cash and cash equivalents	12	5.48	2.26
Bank balances other than cash and cash equivalents	13	30.43	-
Others	8	0.27	4.80
Other current assets	9	1.71	0.27
Total current assets		**42.37**	**11.20**
Total assets		**1,088.05**	**735.26**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	0.10	0.10
Other equity	15	(546.67)	(342.25)
Total equity		**(546.57)**	**(342.15)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	824.20	362.38
Lease liabilities	5	679.66	641.98
Provisions	18	1.21	0.82
Total non- current liabilities		**1,505.07**	**1,005.18**
Current liabilities			
Financial liabilities			
Lease liabilities	5	31.65	36.89
Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		0.02	0.25
- Total outstanding dues of creditors other than micro enterprises and small enterprises		62.03	30.46
Others	17	30.68	0.65
Other current liabilities	20	4.64	3.66
Provisions	18	0.53	0.32
Total current liabilities		**129.55**	**72.23**
Total equity and liabilities		**1,088.05**	**735.26**
Summary of significant accounting policies	3		

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

As per our report of even date attached

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

Tarun

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 30 September 2022

For and on behalf of Board of Directors of
Paras Healthcare (Ranchi) Private Limited

Shankar Narang

Dr. Shankar Narang
Director
DIN : 08059067

Place: Gurugram
Date: 23 September 2022

Nikhil Sharma
Director
DIN : 09689292

Place: Gurugram
Date: 23 September 2022

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Statement of Profit and Loss for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR Million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	21	38.61	13.06
Other income	22	1.45	-
Total income		40.06	13.06
Expenses			
Purchases of medical drugs	23	10.72	1.71
Changes in inventories of medical drugs	24	(0.93)	(0.29)
Employee benefits expense	25	21.69	14.72
Other expenses	26	57.52	31.72
Total expenses		89.00	47.86
Earning before interest, depreciation and amortisation and taxes (EBITDA)		(48.94)	(34.80)
Finance costs	27	120.05	87.55
Depreciation and amortization expense	28	35.21	34.79
Loss before tax		(204.20)	(157.14)
Tax expense			
Current year		-	-
Deferred tax charge/ (credit)		-	-
Loss after tax (A)		(204.20)	(157.14)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		(0.22)	0.04
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax (B)		(0.22)	0.04
Total comprehensive loss for the year (A+B)		(204.42)	(157.10)
Earnings per equity share			
Basic and diluted earnings per equity share (Face value of INR 10 per share)	30		
- Basic and diluted		(20,419.51)	(15,714.39)
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

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

Tarun

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 30 September 2022

For and on behalf of Board of Directors of
Paras Healthcare (Ranchi) Private Limited

Shankar Narang

Dr. Shankar Narang
Director
DIN : 08059067

Place: Gurugram
Date: 23 September 2022

Nikhil Sharma
Director
DIN : 09689292

Place: Gurugram
Date: 23 September 2022

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Cash Flow Statement for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR Million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities		
Loss before tax	(204.20)	(157.14)
Adjustments for:		
Depreciation and amortisation	35.21	34.79
Finance costs	120.05	87.55
Interest income	(1.45)	-
	(50.39)	(34.80)
Adjustments for changes in working capital:		
-in inventories	(0.98)	0.51
-in trade receivables	(2.84)	(1.21)
-in loans & assets	5.68	(4.76)
-in trade payables	31.34	16.44
-In provisions and other liabilities	1.36	4.01
Cash used in operations	(15.83)	(19.81)
Income tax paid	(0.59)	-
Net cash used in operating activities (A)	(16.42)	(19.81)
B. Cash flows from investing activities		
Payments for purchase of property, plant and equipment and intangible assets	(328.55)	(84.18)
Investment in bank deposits	(30.43)	-
Interest received	1.20	-
Net cash used in investing activities (B)	(357.78)	(84.18)
C. Cash flows from financing activities		
Proceeds of non current borrowings	419.49	118.13
Repayment of lease liabilities	(36.90)	(15.45)
Interest paid	(5.17)	-
Net cash from financing activities (C)	377.42	102.68
Net increase / (decrease) in cash and cash equivalents (A+B+C)	3.22	(1.31)
D. Cash and cash equivalents at the beginning of the year		
Cash on hand	0.21	0.62
Balance with banks:		
- On current accounts	2.05	2.95
	2.26	3.57
E. Cash and cash equivalents at the end of the year		
Cash on hand	0.04	0.21
Balance with banks:		
- On current accounts	5.44	2.05
	5.48	2.26
Net Increase/(decrease) in cash and cash equivalents (E-D)	3.22	(1.31)

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Cash Flow Statement for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR Million, unless otherwise stated)

Notes:

1 The cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard 7 on Statement of cash flows as notified under section 133 of the Companies Act, 2013

2 Change in liabilities arising from financing activities:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance		
Borrowings	362.36	221.85
Lease liabilities	678.87	629.15
Cash flows		
Proceeds from borrowings	419.49	118.13
Payment of lease liabilities	(36.90)	(15.45)
Finance cost paid	(5.17)	0.00
Non-cash adjustments		
Interest expenses towards lease liabilities	69.32	65.17
Finance cost debited to statement of profit and loss	50.72	22.38
Closing balance		
Borrowings	827.41	362.36
Lease liabilities	711.31	678.87

Summary of significant accounting policies 3

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No 507892

Place: Gurugram
Date: 30 September 2022

For and on behalf of Board of Directors of
Paras Healthcare (Ranchi) Private Limited

Dr. Shankar Narang
Director
DIN : 08059067

Place: Gurugram
Date: 23 September 2022

Nikhil Sharma
Director
DIN : 09689292

Place: Gurugram
Date: 23 September 2022

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Statement of Changes in Equity for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR millions, unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2022 Number of shares	As at 31 March 2022 Amount	As at 31 March 2021 Number of shares	As at 31 March 2021 Amount
At the beginning of the year	10,000	0.10	10,000	0.10
Changes during the year	-	-	-	-
At the end of the year	**10,000**	**0.10**	**10,000**	**0.10**

B. Other equity

Attributable to the equity shareholders

Particulars	Reserves and surplus: Retained earnings	Reserves and surplus: Other comprehensive income	Total
Balance as at 31 March 2020	**(185.15)**	-	**(185.15)**
Loss for the year	(157.14)	-	(157.14)
Other comprehensive income for the year	-	0.04	0.04
Balance as at 31 March 2021	**(342.29)**	**0.04**	**(342.25)**
Loss for the year	(204.20)	-	(204.20)
Other comprehensive income for the year	-	(0.22)	(0.22)
Balance as at 31 March 2022	**(546.49)**	**(0.18)**	**(546.67)**

Summary of significant accounting policies 3

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

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No 507892

Place: Gurugram
Date 30 September 2022

For and on behalf of Board of Directors of
Paras Healthcare (Ranchi) Private Limited

Dr. Shankar Narang
Director
DIN : 08059067

Place: Gurugram
Date 23 September 2022

Nikhil Sharma
Director
DIN : 09689292

Place: Gurugram
Date 23 September 2022

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Notes to the Financial Statements for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR millions, unless otherwise stated)

4. Property, plant and equipment and Intangible assets
Property, plant & equipment

Particulars	Leasehold improvements	Plant and equipments	Medical equipments	Office equipments	Computers and servers	Furniture and fittings	Total
Gross carrying value							
Balance as at 31 March 2020	130.30	3.72	29.51	1.24	4.15	3.13	172.05
Additions during the year	0.07	-	0.84	0.09	-	-	1.00
Balance at 31 March 2021	130.37	3.72	30.35	1.33	4.15	3.13	173.05
Additions during the year	-	-	83.38	-	1.03	0.17	84.58
Balance as at 31 March 2022	130.37	3.72	113.73	1.33	5.18	3.30	257.63
							-
Accumulated depreciation							-
Balance as at 31 March 2020	5.79	0.35	2.78	0.12	1.20	0.37	10.60
Additions during the year	13.04	0.69	5.56	0.53	1.86	0.72	22.41
Balance at 31 March 2021	18.83	1.04	8.34	0.65	3.06	1.09	33.01
Additions during the year	13.04	0.55	7.99	0.31	0.71	0.53	23.13
Balance at 31 March 2022	31.87	1.59	16.33	0.96	3.77	1.62	56.13
Net Carrying Value							
As at 31 March 2022	98.50	2.13	97.40	0.37	1.41	1.68	201.49
As at 31 March 2021	111.54	2.68	22.01	0.68	1.09	2.04	140.04

Notes:
a) Refer note 16 for information on property, plant and equipment pledged as security by the Company for securing financing facilities from banks
b) The Company has not revalued its property, plant and equipment during the year.
c) Refer note 31 for information on capital commitments.

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

5. Right-of-use assets and lease liabilities

Information about leases for which the Company is a lessee is presented below

Particulars	Land and building	Right - of - use assets
Balance as at 01 April 2020	513.79	513.79
Depreciation charge for the year	(11.90)	(11.90)
Balance as at 31 March 2021	501.89	501.89
Depreciation charge for the year	(11.90)	(11.90)
Balance as at 31 March 2022	489.99	489.99

The following is the movement in lease liabilities during the year ended 31 March 2021 and 31 March 2022.

Particulars	Lease liabilites
Balance as at 01 April 2020	629.15
Interest expenses	65.17
Payment of lease liability	(15.45)
Balance as at 31 March 2021	678.87
Interest expenses	69.34
Payment of lease liability	(36.90)
Balance as at 31 March 2022	711.31

Current	
As at 31 March 2022	31.65
As at 31 March 2021	36.89

Non - current	
As at 31 March 2022	679.66
As at 31 March 2021	641.98

As at 31 March 2022 , the Company is not exposed to future cashflows relating to extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

A. The following are amounts recognised in Statement of Profit and Loss:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation expense of right-of-use assets	11.90	11.90
Interest expense on lease liabilities	69.34	65.17
Rent expenses (towards short term lease and variable lease payments which are not linked to any index etc. as per Ind AS - 116)	8.51	3.73
Total	89.75	80.80

B. The total amount of cashflow on account of leases for the year has been disclosed in the cash flow statement.

C. The table below describes the nature of Company's leasing activities by type of right-of-use asset recognised on the balance sheet:

		31 March 2022
Right of use assets	**Range of remaining term (in years)**	**Average remaining lease term (in years)**
Hospitals	41.19	41.19

		31 March 2021
Right of use assets	**Range of remaining term (in years)**	**Average remaining lease term (in years)**
Hospitals	42.19	42.19

The Company determines the leases term as either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Company will extend the term, or a lease period in which it is reasonably certain that the Company will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

D. The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 and as at 31 March 2021 on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	As at 31 March 2022	As at 31 March 2021
Less than one year	43.60	36.90
After one year but not longer than five years	193.70	184.54
More than five years	5,138.89	5,191.65
Total	5,376.19	5,413.09

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Notes to the Financial Statements for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR millions, unless otherwise stated)

E. Summary of significant leases:

Pursuant to the proposal by Heavy Engineering Corporation Ltd (hereinafter referred to as "HEC"), a public sector undertaking, the Company, through a bid by its holding company (Paras Healthcare Private Limited), was awarded with the contract to build and operate a multi-specialty hospital in Ranchi. As per the terms of the concession agreement, dated 16 January 2018, HEC hand over the existing hospital with 50 beds to the Company along with the land adjacent to it to build a multi-specialty hospital of 300 beds.
Therefore, the Lease Deed has been executed by and between HEC and PHRPL dated 14 August 2019 to occupy the said Premises for a term of 35 years extendable to 10 years (ten years) on same terms & conditions and the Paras Healthcare (Ranchi) Private Limited (PHRPL) shall run and operate a multi-specialty Hospital in the brand name of Paras HEC Hospital.

6. Capital work-in-progress *

Particulars	As at 31 March 2022	As at 31 March 2021
Capital work-in-progress	275.91	30.56
Total	275.91	30.56

*Capital work-in-progress includes INR 39.57 million (31 March 2021: INR 15.23 million) towards pre-operative expenses (employee benefits and travelling expenses etc.) pending allocation.

(a) Capital work-in-progress ageing schedule as at 31 March 2022 and 31 March 2021

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
31-March-2022	245.35	22.63	7.93	-	275.91
31-March-2021	30.56	-	-	-	30.56

(b) There are no such project under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2022 and 31 March 2021.

7. Intangible assets

Particulars	As at 31 March 2022	As at 31 March 2021
Software		
A. Gross carrying amount		
Balance at the beginning of the year	1.08	1.08
Balance as at end of the year	1.08	1.08
B. Accumulated amortisation		
Balance at the beginning of the year	0.80	0.32
Additions during the year	0.18	0.48
Balance as at end of the year	0.98	0.80
Net carrying value	0.10	0.28

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

8. Other financial assets

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good				
Contract assets	-	-	0.02	4.73
Security deposits	0.40	-	-	0.07
Advance tax (net)	0.69	-	-	-
Accrued interest on fixed deposits	-	-	0.25	-
Total	1.09	-	0.27	4.80

9. Other assets

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good				
Capital advances	77.10	48.46	-	-
Prepaid expenses	-	2.83	0.52	0.22
Advance to employees	-	-	0.04	0.05
Advances to suppliers	-	-	1.15	-
Total	77.10	51.29	1.71	0.27

10. Inventories

	As at 31 March 2022	As at 31 March 2021
Valued at lower of cost and net realisable value		
-Medical drugs	2.53	1.60
- Stores and consumables	0.80	0.75
Total	3.33	2.35

11. Trade receivables

	As at 31 March 2022	As at 31 March 2021
Considered good, unsecured	1.15	1.52
Total	1.15	1.52

Trade receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from date of invoice					
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables						
- Unsecured, considered good	0.52	0.55	0.07	-	-	1.15
Total trade receivables	0.52	0.55	0.07	-	-	1.15

Trade receivables ageing schedule as at 31 March 2021

Particulars	Outstanding for following periods from date of invoice					
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables						
- Unsecured, considered good	1.52	-	-	-	-	1.52
Total trade receivables	1.52	-	-	-	-	1.52

1. There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

2. There are no disputed or unbilled trade receivables, hence the same is not disclosed in the ageing of the schedule

12. Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash in hand	0.04	0.21
Balances with banks		
- in current accounts	5.44	2.05
Total	5.48	2.26

13. Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Other bank balances		
- Deposits with original maturity more than three months but remaining maturity of less than twelve months#	30.43	-
Total	30.43	-

includes deposit of INR 0.05 million as lien against overdraft facility.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

PARAS HEALTHCARE (RANCHI) PVT. LTD.

(All amounts are in INR Million, unless otherwise stated)

14. Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorized share capital		
10,000 (31 March 2021 - 10,000) equity shares of INR 10/- each	0.10	0.10
Issued, subscribed and fully paid-up shares		
10,000 (31 March 2021 - 10,000) equity shares of INR 10/- each, fully paid up	0.10	0.10
Total issued, subscribed and fully paid-up share capital	0.10	0.10

a) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Equity shares of INR 10/- each issued, subscribed and fully paid	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning and end of the year	10,000	0.10	10,000	0.10

b) Terms, rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company in the proportion of equity shares held by the shareholders

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares of INR10/- each fully paid held by	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Paras Healthcare Private Limited (including nominee shareholder)	10,000	1.00	10,000	1.00

Note:
The above information is furnished as per shareholder register of the Company as at the year ended 31 March 2022 and 31 March 2021.

d) Details of shares held by promoters of the Company:

Equity shares of INR10/- each fully paid held by	Number of shares	% of holding	Number of shares	% of holding
Paras Healthcare Private Limited (including nominee shareholder)	10,000	1.00	10,000	1.00

Notes:
a) The above information is furnished as per shareholder register of the Company as at the year ended 31 March 2022 and 31 March 2021
b) No changes in promoter's shareholdings during the respective years.
c) 'Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date
The Company has not issued any shares pursuant to a contract without payment being received in cash, alloted as fully paid up by way of bonus shares nor has there been any buy-back of shares in the current year and immediately preceeding five years.

15. Other equity*

Particulars	As at 31 March 2022	As at 31 March 2021
Retained earnings (note a)	(546.49)	(342.29)
Other comprehensive income (note b)	(0.18)	0.04
	(546.67)	(342.25)

*Refer Statement of Changes in Equity

Nature and purpose of reserves
a) Retained earnings
Retained earnings are accumlated profits earned by the Company till date, as adjusted for distribution to owners.
a) Other comprehensive income
Other comprehensive income pertains to remeasurement gains/ (losses) on defined benefit plans

PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

16. Borrowings

	As at 31 March 2022	As at 31 March 2021
Non current		
Secured		
Term loans from banks	180.00	-
Unsecured		
Term loans from others	644.20	362.38
Total non-current borrowings	824.20	362.38

The Company has obtained borrowing from the holding company at 9.65% p.a. and the same will be repayable in five equal annual installments after initial moratorium period of six years starting from 2019-20 (year of commercial operation).
Rate of interest at 9.65% p.a (31 March 2021 : 9.65% p.a)
Note: The Company has not defaulted in repayment of interest and the principal is not due for payment in the current year.

Nature of Security	Terms of Repayment
a) Rupee Term Loan from Banks	
i) INR 180.00 millions (31 March 2021 : Nil) are secured primarily by:	Repayable in 28 installments aggregating to INR 180.00 millions,
A. Exclusive charge by way of hypothecation over all movable assets of the borrower	Rate of interest at 5.75% p.a.(31 March 2021: nil)
B. Exclusive charge by way of hypothecation over all current assets, present or future, of the borrower	
C. Exclusive charge over the borrower's rights, title or interest created under the concession agreement between the borrower and HEC(including exclusive charge on leasehold rights and land and building)	

Utilisation of borrowings
The loan has been obtained for capital expenditure for setting up 300 bed hospital at Ranchi and other facility related expenses. However, the full has not been utilised yet. The unutilised funds have been invested in fixed deposits held with banks.

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

17. Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Payable for purchase of property, plant and equipment	30.06	-
Employees payable	0.62	0.65
Total	**30.68**	**0.65**

Note:
Refer note for detailed disclosure on fair value of financial liabilities
The Company's exposure to liquidity risks related to above financial liabilities are disclosed in note 38

18. Provisions

	Non current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Provision for gratuity (refer note 42)	0.60	0.31	0.20	0.06
Provision for compensated absences	0.61	0.51	0.33	0.26
Total	**1.21**	**0.82**	**0.53**	**0.32**

19. Trade payables

	As at 31 March 2022	As at 31 March 2021
Total outstanding due to micro and small enterprises	0.02	0.25
Total outstanding due to other than micro and small enterprises	62.03	30.46
Total	**62.05**	**30.71**

Notes:
a) For trade payables owing to related parties, refer note 32
b) For trade payables owing to micro and small enterprises, refer note 40

Trade Payable ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	-	0.02	-	-	-	0.02
Others	8.12	29.91	22.31	0.16	1.53	62.03
Total trade payables	**8.12**	**29.93**	**22.31**	**0.16**	**1.53**	**62.05**

Trade Payable ageing schedule as at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	0.02	0.24	-	-	-	0.25
Others	20.93	7.85	1.68	-	-	30.46
Total trade payables	**20.95**	**8.09**	**1.68**	**-**	**-**	**30.71**

There are no disputed trade payables, hence the same is not disclosed in the ageing schedule

20. Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Statutory dues payable	4.64	3.66
Total	**4.64**	**3.66**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

PARAS HEALTHCARE (RANCHI) PVT. LTD. *

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

21. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from sale of services - Healthcare		
Operating income - in patient department	31.93	7.05
Operating income - out patient department	6.33	1.51
Revenue from sale of product - Pharmacy		
Pharmacy	1.77	0.44
	40.03	9.00
Less: Trade discounts	(1.42)	(0.59)
	38.61	8.41
Other operating revenues		
Others	-	4.65
	-	4.65
Total	38.61	13.06

Note: Refer note 39 for revenue related disclosures.

22. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income under the effective interest method on:		
- fixed deposits	1.45	-
Total	1.45	-

23. Purchases of medical drugs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Purchases of medical drugs	10.72	1.71
Total	10.72	1.71

24. Changes in inventories of medical drugs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventories at the end of the year		
Purchase of medical drugs	2.53	1.60
	2.53	1.60
Inventories at the beginning of the year		
Purchase of medical drugs	1.60	1.31
	1.60	1.31
Total	(0.93)	(0.29)

25. Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	19.49	13.64
Contribution to provident fund and other funds	1.28	0.86
Staff welfare expenses	0.92	0.22
Total	21.69	14.72

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

26. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Power, fuel and water	2.54	1.68
Rent and facility fees	8.51	3.73
Repair and maintenance		
- Buildings	0.07	0.21
- Plant and equipment	1.63	1.64
- Others	1.75	0.83
House keeping	3.59	1.95
Laundry expenses	0.16	0.05
Patient food and beverage	1.60	0.83
Pathology laboratory and radiology	2.90	1.25
Consultation and professional charges to doctors	27.09	13.89
Outsourced medical services	0.28	0.79
Continuing medical education and hospitality	0.07	-
Security expenses	1.38	0.77
Legal and professional	0.57	0.31
Travelling and conveyance	1.48	1.47
Printing and stationery	0.48	0.45
Communication	0.45	0.35
Insurance	0.27	0.00
Marketing and business promotion	1.45	0.86
Auditors' remuneration (including applicable taxes)	-	-
- Statutory audit	0.47	0.35
- Out of pocket expenses	-	0.02
Bank charges	0.48	0.08
Miscellaneous expenses	0.30	0.21
Total	**57.52**	**31.72**

27. Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense		
- On loans taken from banks	5.17	-
- Others	45.54	22.38
Interest on lease liabilities	69.34	65.17
Total	**120.05**	**87.55**

28. Depreciation and amortization expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation and amortisation expenses	23.31	22.89
Amortisation of right-of-use assets	11.90	11.90
Total	**35.21**	**34.79**

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

29 Tax expense

a) Amount recognised in profit and loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax (a)	-	-
Deferred tax credit (b) (refer note below)	-	-
Tax expense for the year	-	-

b) Income recognised in other comprehensive income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Re-measurement of defined benefit liability	-	-

c) Reconciliation of effective tax rate

	For the year ended 31 March 2022		For the year ended 31 March 2021	
Loss before tax		(204.20)		(157.14)
Tax using the Company's domestic rate	26.00%	(53.09)	26.00%	(40.86)
	26.00%	(53.09)	26.00%	(40.86)
Tax expense recognised in the statement of profit and loss		-		-

d) Recognized deferred tax assets and liabilities
Deferred tax assets and liabilities attributable to the following:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets / (liabilities) :		
- Brought forward business losses and unabsorbed depreciation	76.87	43.01
- Property, plant and equipment	0.10	33.37
- Provision for employee benefits	0.45	0.30
- Lease liabilities (net of right of use assets)	57.54	29.99
	134.96	106.67
Deferred tax charge / credit (refer note below)	-	-
Net deferred tax assets (refer note below)	-	-

Note:
The Company is in its initial phase of operations and currently operating an existing 50 bed hospital. Further, the Company is constructing 300 beds multi-specialty hospital on the adjacent land. The deferred tax assets are recognised to the extent that it is probable future taxable profits will be available against which they can be used. The existence of unabsorbed tax losses and depreciation is an evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profits will be available against which such deferred tax assets can be realised. No deferred tax asset has been recognised by the Company as it is not probable that the Company would have significant future taxable profits to utilize these temporary differences.

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Notes to the financial statements for the year ended 31 March 2022
CIN: U85110HR2017PTC072032
(All amounts are in INR millions, unless otherwise stated)

30 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on Conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Weighted average number of shares outstanding during the year	0.01	0.01
Net profit after tax available for equity shareholders	(204.20)	(157.14)
Basic and diluted earning per share (in INR) [Face value of INR 10/- each]	(20,419.51)	(15,714.39)

31 Commitments and Contingencies

a) Contingent liabilities not provided for:

The Company had received notice(s) amounting to INR 27.50 million from Heavy Engineering Corporation Limited ("HEC") as liquidated damages in earlier years on account of the delay in opening of 50 bedded hospital, in accordance with the terms and conditions of the Agreement dated 16 January 2018. The Company has replied to such notices from HEC and anticipate a favorable outcome in future. Basis the management's assessment and supported by the external legal opinion, the Company has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Company.

b) Commitments

Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the financial statements, amounts to INR 144.41 millions (31 March 2021: Nil)

(This space has been intentionally left blank)

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

32 Related party disclosures

In the normal course of business, the Company enters into transactions with its key management personnel. The names of related parties of the Company as required to be disclosed under Indian Accounting Standard 24 "Related Party Disclosures" is as follows:

Nature of relationship	Name of related party
a) List of related parties and nature of relationship where control exits	
Holding Company	Paras Healthcare Private Limited
b) List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year	
(i) Key management personnel of the Company	Dr. Shankar Narang (Director) Dr. Talat Halim (Director) Mr. Mridul Saxena (Non Executive Director) Mr. Vaibhav Ashok Doshi (Non Executive Director) Mr. Nikhil Sharma (Additional Director)

c).Transactions/ balances with related parties:

Particulars	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
Loan from Holding company	Paras Healthcare Private Limited	281.82	140.53
Interest expenses on Loan taken from Holding Company	Paras Healthcare Private Limited	42.33	22.38

Balance outstanding as at the end of the year:

Particulars	Name of related party	As at 31 March 2022	As at 31 March 2021
Loan from Holding company	Paras Healthcare Private Limited	644.20	362.38

Note: (a)The Holding Company (i.e. Paras Healthcare Private Limited) has given bank guarantee of INR 75.00 million as per the terms and conditions mentioned in the concession agreement entered with Heavy Engineering Corporation Limited (HECL).

(b)Subsequent to year end, the Holding Company has issued letter of support for financial assistance to the Company for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the Company for the year ended 31 March 2022.

33 Segment information

An operating segment is a component of the Company that engages in business activities from which (a) it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, (b) for which discrete financial information is available (c) operating results are reviewed regularly by the Company's managing director i.e. Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The Company is engaged in the business of providing health care services.Thus, the Company has only one operating segment, and has no reportable segments in accordance with Ind AS - 108 'Operating Segments'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

34 The Company has incurred a losses of (total comprehensive loss) INR 204.42 million in current year (previous year: INR 157.10 million) and has accumulated losses of INR 546.67 million as at 31 March 2022 (previous year: INR 342.25 million) which is has significantly eroded the net worth of the Company. Based on financial projections and expansion plans, the Company expects growth in its operations and improved operating performance in coming years and also, expects to earn enhanced cash inflows from its operating activities. The Company believes such anticipated internally generated funds from operations in future and its available sanctioned facilities and certain other current assets (financial and non-financial) as on date, will enable it to meet its future known obligations due in next year, in the ordinary course of business.

Further, the holding company has confirmed its intent as well as ability to extend continued financial support to the Company, as and when needed, so as to enable the Company continues its operations as a going concern in foreseeable future and board of directors of the Company have acknowledged the continued support.

In view of the same, the management of the Company is hopeful of generating sufficient cash flows in the future to meet the Company's financial obligations. Therefore, these financial statements have been prepared on a going concern basis.

PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

35 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India

a) Defined contribution plans

The Company has recognised the following amount in the Statement of profit and loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Employer's contribution to Employee's Provident Fund	1.05	0.74
Employer's contribution to Employee's State Insurance	0.23	0.12
Total	**1.28**	**0.86**

b) Other long-term employment benefits

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future years.

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the end of the year		
Compensated absences	0.94	0.77
Current and non-current liability breakup		
Non current	0.61	0.51
Current	0.33	0.26
	0.94	0.77

c) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for fifteen days salary multiplied for the number of years of service

The following table set out the status of the defined benefit obligation	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	0.80	0.37
Surplus	0.80	0.37
Current and non-current liability breakup		
Non current	0.60	0.31
Current	0.20	0.06
	0.80	0.37

For details about the related employee benefit expenses, refer note 25.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

(i) Reconciliation of present value of defined benefit obligation

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	0.37	0.28
Current service cost	0.19	0.10
Interest cost	0.02	0.01
Actuarial (gains)/ losses recognised in other comprehensive income	0.22	0.04
Benefits paid	-	(0.07)
Balance at the end of the year	0.80	0.37

(ii) Expense recognized in statement of profit or loss

	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	0.19	0.01
Net interest on net defined benefit liability / (asset)	0.02	0.10
	0.21	0.11

(iii) Remeasurements recognized in other comprehensive income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial gain on defined benefit obligation	0.22	0.04
	0.22	0.04

(iv) Experience History

	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation at the end of the period	0.80	0.37
Experience gain/(loss) adjustments on plan liabilities	0.22	0.03
	1.02	0.40

PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

(v) Defined benefit obligation - Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages)	As at 31 March 2022	As at 31 March 2021
Financial assumptions		
Discount rate	5.25%	5.00%
Salary escalation rate	5.00%	5.00%
Demographic assumptions		
Mortality rate	IALM 2012-14	IALM 2012-14
Retirement age	58 years	58 years
Withdrawal rate	35.00%	35.00%

As at 31 March 2022, the weighted average duration of the defined benefit obligation was 18 years (31 March 2021 : 19 years).

(vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	As at 31 March 2022		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	0.78	0.82	0.36	0.38
Salary escalation rate (1%)	0.82	0.78	0.38	0.36
Withdrawal rate (1%)	0.79	0.81	0.37	0.38

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.
When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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

(vii) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Particulars	As at 31 March 2022	As at 31 March 2021
Year 1	0.20	0.06
Year 2	0.06	0.03
Year 3	0.08	0.03
Year 4	0.07	0.03
Year 5	0.06	0.03
Next 5 years	0.34	0.20

The Company expects to contribute INR 0.47 million (31 March 2021 is INR 0.22 million) for post employment benefits during the next financial year.

(viii) Risk exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee

36. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holder. The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return on capital.
The Company monitors its net debt / equity ratio as well as compliance with financial covenants on regulary basis.
The Company is in the initial stage of operations and in the process of constructing 300 bed hospital. The Company has commenced its operations in the previous year. The Holding Company is providing financial support to the Company to continue as a going concern.

Particulars	As at 31 March 2022	As at 31 March 2021
Total liabilities	1,634.61	1,077.41
Less: cash and cash equivalent	5.48	2.26
Net debt	1,629.13	1,075.15
Total equity	(546.55)	(342.15)
Equity	(546.55)	(342.15)
Net debt to equity ratio	(2.98)	(3.14)

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

PARAS HEALTHCARE (RANCHI) PVT. LTD.

(All amounts are in INR Million, unless otherwise stated)

37. Fair value measurement and financial instruments

(i) Financial instruments by category and fair value hierarchy
The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy

As at 31 March 2022

Particulars	Carrying value			Fair value measurement using		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Trade receivables	-	1.15	1.15	-	-	-
Cash and cash equivalents	-	5.48	5.48	-	-	-
Loans	-	0.00	0.00	-	-	-
Others	-	0.27	0.27	-	-	-
Total	-	6.90	6.90	-	-	-
Financial liabilities						
Trade payables	-	62.05	62.05	-	-	-
Lease liabilities	-	711.31	711.31	-	-	-
Borrowings	-	824.20	824.20	-	-	-
Other financial liabilties	-	30.68	30.68	-	-	-
Total	-	1,628.24	1,628.24	-	-	-

As at 31 March 2021

Particulars	Carrying value			Fair value measurement using		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Trade receivables	-	1.52	1.52	-	-	-
Cash and cash equivalents	-	2.26	2.26	-	-	-
Loans	-	0.07	0.07	-	-	-
Others	-	4.73	4.73	-	-	-
Total	-	8.58	8.58	-	-	-
Financial liabilities						
Trade payables	-	30.71	30.71	-	-	-
Lease liabilities	-	678.87	678.87	-	-	-
Borrowings	-	362.38	362.38	-	-	-
Other financial liabilties	-	0.65	0.65	-	-	-
Total	-	1,072.61	1,072.61	-	-	-

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, current loans and other current financial assets and financial liabilities, approximates the fair values, due to their short-term nature

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2022 and 31 March 2021

Fair value through profit or loss

38. Financial risk management

The Company has exposure to the following risks arising from financial instruments:
• Credit risk ;
• Liquidity risk ;
• Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits.Risk management policies are reviewed regularly to reflect changes in market conditions and the 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 employees understand their roles and oblications.

(I) Credit risk

The maximum exposure to credit risks is represented by the gross carrying amount of these financial assets in the balance sheet.

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	1.15	1.52
Cash and Cash equivalents	5.48	2.26
Loans	0.00	0.07
Other financial assets	0.27	4.73

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

Credit risk arises mainly from loans, trade receivables, cash and cash equivalents, bank balances and financial assets. Other financial assets comprise of unbilled revenue and accrued interest on fixed deposits. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis.

The carrying amount of financial assets represents the maximum credit exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

PARAS HEALTHCARE (RANCHI) PVT. LTD.

(All amounts are in INR Million, unless otherwise stated)

In monitoring customer credit risk, customers/patients are grouped according to their credit characteristics, including, whether they are third party insurance agents or government panel patients and others

Credit risk arising from trade receivable is managed in accordance with the Company's established policy with regard to credit limits control and approval procedures
The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset This allowance is measured taking into account credit profile of the customer, trade channels, past experience of defaults, estimates for future uncertainties etc

The Company's exposure to credit risk for trade receivables are as follows.

Particulars	0-180 days	181-365 days	More than 365	Total
31 March 2022	1.15	-	-	1.15
31 March 2021	1.52	-	-	1.52

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

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

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments, where applicable

As at 31 March 2022	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non current liabilities				
Borrowings	10 35	726.14	156 03	892 51
Lease liabilities	43 60	140.94	5,191.65	5,376 19
Trade payables	62 05	-	-	62 05
Other financial liabilities	30 68	-	-	30 68
Total	**136.33**	**867.08**	**5,347.68**	**6,361.43**

As at 31 March 2021	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non current liabilities				
Borrowings	-	362 38	-	362 38
Lease liabilities	36 90	237 30	5,138 89	5,413 09
Trade payables	30 71	-	-	30 71
Other financial liabilities	0 67	-	-	0 67
Total	**68.28**	**599.68**	**5,138.89**	**5,806.85**

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return

a) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates The Company has limited exposure from the international market as the Company's operations are in India and earns less than 10% of its revenue from foreign currency from international patients. Also, capital expenditure includes capital goods purchased in foreign currency through the overseas vendors.

The Company is not exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows as there is no foreign currency exposure as on reporting date

Interest rate risk

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 interest rate risk arises from:-

- Borrowings which are made at market rate of interest at the time of borrowings.
- Bank deposits which are made at market rate of interest at the time of deposit.

This exposes the Company to cash flow interest rate risk.

Exposure to Interest Rate Risk	31-March-2022	31-March-2021
Fixed rate instruments	824.20	362 38
Total	**824.20**	**362.38**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31-March-2022	31-March-2021
Interest sensitivity*		
Interest rates - increase by 100 basis points (31 March 2020 100 basis points)	8.24	3 62
Interest rates - decrease by 100 basis points (31 March 2020: 100 basis points)	(8.24)	(3.62)

* Holding all other variables constant

PARAS HEALTHCARE (RANCHI) PVT. LTD.

(All amounts are in INR Million, unless otherwise stated)

39. Revenue related disclosures

I Disaggregation of revenue

Revenue recognised mainly comprises of healthcare services. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Description	For the year ended 31 March 2022	For the year ended 31 March 2021
(A) Operating revenue		
Income from healthcare services		
In patient	30.97	6.73
Out patient	5.89	1.25
Income from sale of pharmacy products	1.75	0.43
(B) Other operating revenue		
Miscellaneous income	-	4.65
Total revenue	38.61	13.06

II Timing of revenue recognition

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	For the year ended 31 March 2022	For the year ended 31 March 2021
At point in time	7.64	1.68
At point over time	30.97	11.38
Total revenue	38.61	13.06

III Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at 31 March 2022	As at 31 March 2021
Contract assets - Unbilled revenue		
Opening balance of Contract assets - Unbilled revenue	4.73	0.01
Less: Amount of revenue recognised during the year	(4.73)	(0.01)
Add: Addition during the year	0.02	4.73
Closing balance of Contract assets - Unbilled revenue	0.02	4.73

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

IV Reconciliation of revenue :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue	37.19	12.47
Adjustment for:		
- Discounts	1.42	0.59
Income from healthcare services	38.61	13.06

40 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

Based on the information available with the Company, some of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) to whom the Company owes and the same is outstanding for more than 45 days as at 31 March 2022. The information has been determined to the extent such parties have been identified on the basis of responses received from vendors on confirmation sought by the Company.

Particulars	As at 31 March 2022	As at 31 March 2021
a) The principal amount payable to suppliers at the year end	0.02	0.24
b) The amount of interest due on the remaining unpaid amount to suppliers as at the year end	-	0.02
c) The amount of interest paid by buyer in terms of section 16 of MSMED, along with the amount	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.02
f) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED.	-	-

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

41. Ratio analysis and its elements

a) The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021

Particular	Note	As at 31 March 2022	As at 31 March 2021	Variance
(a) Current ratio	(i)	0.33	0.16	110.91% *
(b) Debt equity ratio	(ii)	-1.51	-1.06	42.38% *
(c) Debt service coverage ratio	(iii)	-1.16	-2.25	-48.34% *
(d) Retun on equity ratio (%)	(iv)	46%	60%	-22.92%
(e) Inventory turnover ratio	(v)	3.45	0.54	534.45% *
(f) Trade receivable turnover ratio	(vi)	23.94	7.68	211.55% *
(g) Trade payable turnover ratio	(vii)	0.23	0.08	203.74% *
(h) Net capital turnover ratio	(viii)	-0.44	-0.21	106.91% *
(i) Net profit ratio (%)	(ix)	-529%	-1203%	-56.04% *
(j) Return on capital employed ratio (%)	(x)	-18%	-174%	-89.89% *
(k) Return on investment ratio (%)	(xi)	NA	NA	NA

Reasons for variance
The Ratios has been improved due to improved business post Covid-19 in commparision to last year
Notes :
(i) Current ratio = Current assets/ current liabilities
(ii) Debt Equity Ratio = Total Debt/ shareholders equity
(iii) Debt service coverage ratio = Earnings available for debt service/ debt service (refer point (A) below)
(iv) Return on Equity = Net Profits after taxes / average Shareholder's Equity
(v) Inventory turnover ratio = Sales / average inventory
(vi) Trade receivables turnover ratio = in patient department sales / average accounts receivable
(vii) Trade payables turnover ratio = Net credit purchases (comprise of purchase of stock-in-trade) / average trade payable
(viii) Net capital turnover ratio = Net Sales/ Working Capital
(ix) Net Profit Ratio= Net profit/ Net sales
(x) Return on capital employed (ROCE)= Earning before interest and taxes/ Capital Employed (refer point (B) below)
(xi) Return on investment is not applicable to the Company as no investment is held by the Company

Other explanatory points
(A) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of PPE etc
Debt service = Interest & Lease payments + Principal repayments
"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income

(B) Capital Employed = Tangible net worth + Total debt + Deferred tax liability

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WALKER CHANDIOK & CO LLP

PARAS HEALTHCARE (RANCHI) PVT. LTD.

42 Other statutory information

a) The Company does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Company does not have any charge which is yet to be registered with ROC beyond the statutory period.

c) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

d) 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
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

e) The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

f) The Company has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

g) The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.

h) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

g) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.

43 Pursuant to changes notified in Schedule-III, during the year ended 31 March 2022, the Company has reclassified/regrouped certain previous year's balances

As per our report of even date attached

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

Tarun Gupta
Partner
Membership no. 507892

Place: Gurugram
Date: 30 September 2022

For and on behalf of Board of directors of
Paras Healthcare (Ranchi) Private Limited

Dr. Shankar Narang
Director
DIN : 08059067

Place: Gurugram
Date: 23 September 2022

Nikhil Sharma
Director
DIN : 09689292

Place: Gurugram
Date: 23 September 2022

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Paras Healthcare (Ranchi) Private Limited
Notes to financial statements for the year ended 31 March 2022
CIN: U85110HR2017PTC072032

1. Corporate Information

Paras Healthcare (Ranchi) Private Limited ('the Company') is a company domiciled in India with its registered office situated 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector-54, Gurugram-122002,. The Company has been incorporated as a wholly owned subsidiary of Paras Healthcare Private Limited on 29 December 2017. The Company is primarily engaged in the business of providing healthcare services.

2. Basis of preparation of financial statements

(i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

(ii) Functional and presentation currency

These financial statements are prepared in INR millions, which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest millions and two decimals thereof except share data and per share data, unless otherwise stated.

(iii) Basis of measurement

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

Items	Measurement basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Certain financial assets and financial liabilities	Amortized cost

(iv) Amended Accounting Standards (Ind AS) and interpretations effective during the year

a. Ind AS 109 Financial Instruments; Ind AS 107 Financial Instruments: Disclosures and Ind AS 116 Leases (amendments related to Interest Rate Benchmark Reform)

The amendment to Ind AS 109, provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

The amendment to Ind AS 107, clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform:

(i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;

(ii) the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition;

(iii) the instruments exposed to benchmark reform disaggregated by significant interest rate benchmark along with qualitative information about the financial instruments that are yet to transition to alternative benchmark rate;

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PARAS HEALTHCARE (RANCHI) PVT. LTD. *

(iv) changes to entity's risk management strategy.

The amendments introduced a similar practical expedient in Ind AS 116. Accordingly, while accounting for lease modification i.e. remeasuring the lease liability, in case this is required by interest rate benchmark reform, the lessee will use a revised discount rate that reflects the changes in the interest rate.

These amendments did not have any material impact on the financial statements of the Company.

b. Ind AS 116 Leases (amendment related to rent concessions arising due to COVID-19 pandemic)

The amendment to Ind AS 116 Leases extended the practical expedient introduced for financial year 2020-21 related to rent concessions arising due to Covid-19 pandemic, that provides an option to the lessee to choose that rent concessions for lease payments due on or before 30 June 2022 (from erstwhile notified date of 30 June 2021), arising due to COVID-19 pandemic ('COVID-19 rent related concessions') need not be treated as lease modification. The amendment did not have any material impact on financial statements of the Company.

c. Amendments consequent to issue of Conceptual Framework for Financial reporting under Ind AS (Conceptual Framework)

(i) Ind AS 102 Share Based Payments - Amended the definition of 'liabilities' to 'a present obligation of the entity to transfer an economic resource as a result of past events'.

(ii) Ind AS 103 Business Combinations - The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definitions of an asset and a liability given in the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards rather than the Conceptual Framework.

(iii) Ind AS 114 Regulatory Deferral Accounts - The amendment added a footnote against the term 'reliable' used in the Ind AS 114. The footnote clarifies that term 'faithful representation' used in the Conceptual Framework encompasses the main characteristics that the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards called 'reliability'. However, for the purpose of this Ind AS, the term 'reliable' would be based on the requirements of Ind AS 8.

(iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - The MCA clarified that the definition of term 'liability' in this Ind AS is not being revised following the revision of the definition of liability in the Conceptual Framework.

(v) Ind AS 38 Intangible Assets - The MCA clarified that the definition of an 'asset' in this Ind AS is not being revised following the revision of the definition of asset in the Conceptual Framework.

(vi) Ind AS 106 Exploration for and Evaluation of Mineral Resources; Ind AS 1 Presentation of Financial Statements; Ind AS 8 Accounting policies, Changes in Accounting Estimates and Errors and Ind AS 34 Interim Financial Reporting - The reference to the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards has been substituted with reference to the Conceptual Framework.

The above amendments did not have any material impact on the financial statements of the Company.

(v) Use of estimates and judgements

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as disclosures. Actual results may differ from these estimates.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

PARAS HEALTHCARE (RANCHI) PVT. LTD.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amount recognised in the financial statements pertains to:

a) Useful lives and recoverable amount of property, plant and equipment and intangible assets:

The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

b) Impairment assessment:

Property, plant and equipment, Right-of-Use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic, fair value and market conditions.

c) Income taxes:

Recognition of deferred tax assets/ liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses, deductible temporary differences and MAT credit available, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

d) Employee benefit obligations:

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e) Leases:

Critical judgements in determining the lease term:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such

PARAS HEALTHCARE (RANCHI) PVT. LTD.

as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical judgements in determining the discount rate:

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

(vi) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company's Group CFO regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(vii) Current versus non-current classification

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

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

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

All other assets are classified as non-current.

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

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

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non- current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be within 12 months for the purpose of current and non- current classification of assets and liabilities.

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

3. Significant accounting policies

A. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. 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 cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the written down value except for leasehold improvements, and is recognised in the statement of profit and loss.

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower.
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

B. Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

work-in-progress.

Expenditure against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

C. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization methods, estimated useful lives and residual value

Intangible assets are amortised @40% p.a on written down value of the assets. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

D. Inventories

Inventories of medical drugs, stores and consumables are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs in bringing them to their present condition and location. The cost of the items constituting the inventory is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

E. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, and demand deposits with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

F. Leases

For all existing and new contract on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

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

Recognition and initial measurement

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

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

Subsequent measurement

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

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

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

G. Financial instruments

(i) Recognition and initial measurement

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

Trade receivables and debt securities 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.

(ii) Classification and subsequent measurement

Financial assets

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

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 the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

PARAS HEALTHCARE (RANCHI) PVT. LTD. *

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI 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 FVOCI 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 management. The information considered includes:

a) 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;

b) how the performance of the portfolio is evaluated and reported to the Company's management;
c) 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;
d) 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
e) 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 a 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:

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

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PARAS HEALTHCARE (RANCHI) PVT. LTD. *

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and 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 statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and 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 statement of profit and 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 statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) Derecognition

Financial asset

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.

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

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PARAS HEALTHCARE (RANCHI) PVT. LTD. *

Financial liability

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 statement of profit and loss.

(iv) 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.

H. Impairment

(i) Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Measurement of expected credit loss

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).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realisations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

(ii) Impairment of non – financial assets

The Company's non-financial assets, other than 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 grouped together into cash-generating units (CGUs). Each CGU represents the smallest group 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. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

I. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets

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

J. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, Revenue is presented net of returns, trade allowances, value added taxes, goods and service taxes (GST). Revenue is recognised as follows:

Revenue from sale of goods - pharmacy

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and trade discounts. Revenue from sale of pharmacy is recognised when control of the pharmacy items is transferred to customers, being the products are delivered to customers. These products are generally sold with no right of return.

Revenue from sale of services – healthcare

Revenue from sale of services primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients.

Revenue from providing services is recognised in the accounting period in which services are rendered. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices.

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

Contract assets and liabilities

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

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Other income

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. 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.

K. Employee benefits

The Company's obligation towards various employee benefits has been recognised as follows:

(i) 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., wages and salaries, short-term cash bonus, etc., 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.

(ii) Long term employee 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.

Provident fund and employee's state insurance scheme are defined contribution plans. These contributions are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.
The Company has defined benefit plan namely, Gratuity.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current period, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

The Company determines the net interest expense/(income) 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 net defined benefit liability, 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

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

PARAS HEALTHCARE (RANCHI) PVT. LTD.

recognised in statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

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 statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other long term employee benefits – compensated absences

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in statement of profit and loss in the period in which they arise.

L. Income tax

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

i. 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.

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.

ii. 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 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 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.

M. Recognition of interest expense

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument to:

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PARAS HEALTHCARE (RANCHI) PVT. LTD.

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

N. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company is engaged in the business of providing healthcare services, which has been defined as one business segment. Accordingly, the Company's activities/business is reviewed regularly by the Company's Managing Director from an overall business perspective, rather than reviewing its services as individual standalone components.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

P. Measurement of EBITDA

The Company has elected to present earnings before finance costs, depreciation and amortization, exceptional item and taxes as a separate line item on the face of the Standalone statement of Profit and Loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations.

In the measurement, the Company includes interest income but does not include finance costs, depreciation and amortization, exceptional item and taxes.

Q. Amendment to Accounting Standards (Ind AS) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

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

Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on its financial statements.

Ind AS 37 – Onerous Contracts - costs of fulfilling a contract
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

PARAS HEALTHCARE (RANCHI) PVT. LTD.

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

Ind AS 109 – Annual improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.