

## INDEPENDENT AUDITOR'S REPORT

Tel: +91 (044) 6688 5000  
Fax: +91 (044) 6688 5050

### To The Members of Dr. Agarwal's Health Care Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Dr. Agarwal's Health Care Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, total comprehensive profit, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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

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

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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



- Obtain an understanding of internal financial 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 standalone 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. The Company's daily backup of its accounting records are maintained in servers physically located outside India (Refer Note 39.A to the standalone financial statements).



- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 01 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 008072S)

*R. Prasanna Venkatesh*

**R. Prasanna Venkatesh**  
Partner  
(Membership No. 214045)  
UDIN: 23214045BGWJZX2169

Place: Chennai  
Date: 10 August 2023



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Dr. Agarwal's Health Care Limited** ("the Company") as of 31 March 2023 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

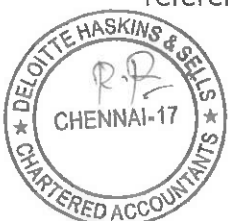
The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control 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 its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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

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

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



**Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

**Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us with, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 008072S)

*R. Prasanna Venkatesh*

**R. Prasanna Venkatesh**  
Partner  
(Membership No. 214045)  
UDIN: 23214045BGWJZX2169

Place: Chennai  
Date: 10 August 2023



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of property, plant and equipment and intangible assets:

(a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets except in the case of Property, Plant and Equipment, where the Company is in the process of updating the records for quantitative details and situation of certain assets.

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

(b) The Property, Plant and Equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties, which are reported under Property, Plant and Equipment and, hence, reporting under clause(i)(c) of the CARO 2020 is not applicable.

In respect of immovable properties that have been taken on lease and disclosed as Right of use assets as at the Balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.





(iii) (a) The Company has provided loans and stood guarantee during the year and details of which are given below:

(Amount in Rs. Crores)

Particulars	Loans	Guarantees
A. Aggregate amount granted/provided during the year :		
- Subsidiaries	3.05	-
- Associates	-	-
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries	27.19	90.04
- Associates	-	-

\*The amounts reported are at gross amounts, without considering provisions made. The above amounts include Rs. 34.19 crores of loan outstanding (including interest of Rs. 7.29 crores) from one of the subsidiaries in respect of which the Company has created a provision for impairment considering the operational and financial performance of the subsidiary. Refer Notes 9a and 16 of the standalone financial statements for the year ended 31 March 2023.

The Company has not granted any advances in nature of loans or provided security to any other entity during the year.

(b) The investments made, guarantees provided, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest. Refer Note to clause (iii)(a) above.

(c) In respect of loans granted by the Company, the schedule of repayment of principal is stipulated as to be repaid over a period of 5 years, though specific instalments for each period has not been specified. However, the payment of interest has not been stipulated. The repayments of principal amounts and receipts of interest are regular as per stipulation except for the following:

Name of the entity	Nature	Amount in INR Crores	Due Date	Extent of delay
Elisar Sciences Pvt Limited	Payment of Interest	7.29	Not Available	Not determinable

(d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest. Refer Note to clause (iii)(a) above in respect of the loan provided to the subsidiary.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanation given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Refer Note to clause (iii)(a) above and our responses in clause (iii)(c) above in respect of the loan provided to the subsidiary.



(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) In our opinion and according to the information and explanations given to us, the Company has maintained the cost records which has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities except for few delays in respect of dues towards provident fund due to delay in KYC verification, labour welfare fund and professional tax.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Employees' State Insurance, Income-tax, Goods and Services Tax, duty of Custom, Professional Tax, cess and other material statutory dues in arrears as at 31 March 2023 for a period of more than six months from the date they became payable except for provident fund professional tax and labour welfare fund aggregating Rs. 0.01 crores.

(c) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2023.

(viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

(d) In our opinion and according to the information and explanations given to us, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.



## Deloitte Haskins & Sells

(e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries or associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and, hence, reporting under clause (x)(a) of the Order is not applicable.

(b) The Company has made private placement of new equity shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

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

(b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company and, hence, reporting under clause (xii) of the CARO 2020 Order is not applicable.

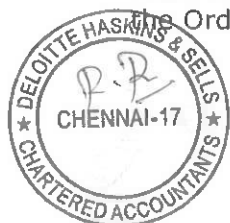
(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports issued to the Company during the year and covering the period up to 31 March 2023, in determining the nature, timings and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.



# Deloitte Haskins & Sells

(b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and, accordingly, reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 008072S)

*R. Prasanna Venkatesh*

**R. Prasanna Venkatesh**  
Partner  
(Membership No. 214045)  
UDIN: 23214045BGWJZX2169

Place: Chennai  
Date: 10 August 2023



Particulars	Note No.	(Amount in Rs. Crores)	
		As at 31st March 2023	As at 31st March 2022
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	5(A)	215.71	114.47
(b) Capital work-in-progress	5(B)	35.08	1.85
(c) Right of use asset	6	260.52	130.25
(d) Goodwill	7	215.21	90.23
(e) Other Intangible assets	7	214.50	32.20
(f) Financial assets			
(i) Investments	8	153.66	147.41
(ii) Loans	9(A)	1.89	21.08
(iii) Other Financial assets	9(B)	17.59	12.36
(g) Income tax assets (net)	12	28.39	17.49
(h) Deferred tax assets (net)	13.1	39.00	-
(i) Other non-current assets	10	4.36	2.21
<b>Total Non-current Assets</b>		<b>1,186.91</b>	<b>569.55</b>
<b>(2) Current assets</b>			
(a) Inventories	11	20.33	17.51
(b) Financial assets			
(i) Investments	8 (B)	33.66	-
(ii) Trade receivables	14	39.72	30.53
(iii) Cash and cash equivalents	15 (A)	76.81	43.74
(iv) Other Bank balances	15 (B)	20.67	16.26
(v) Other Financial Assets	16	2.35	6.96
(c) Other current assets	10	7.13	7.90
<b>Total current assets</b>		<b>200.67</b>	<b>122.90</b>
<b>TOTAL ASSETS</b>		<b>1,387.58</b>	<b>692.45</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	17	7.93	6.86
(b) Other equity	18	553.63	192.05
<b>Total Equity</b>		<b>561.56</b>	<b>198.91</b>
<b>(2) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	266.09	228.14
(ii) Lease Liability	40	254.45	140.15
(iii) Other financial liabilities	20	88.59	7.32
(b) Provisions	21	3.59	1.62
<b>Total Non-current Liabilities</b>		<b>612.72</b>	<b>377.23</b>
<b>(3) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	41.16	23.71
(ii) Lease Liability	40	28.80	15.97
(iii) Trade payables			
- Total outstanding dues of micro enterprises and small	24	14.16	6.76
- Total outstanding dues of creditors other than micro	24	46.14	46.91
enterprises and small enterprises			
(iv) Other financial liabilities	20	77.71	17.73
(b) Other current liabilities	22	4.16	4.56
(c) Provisions	21	1.17	0.67
<b>Total Current Liabilities</b>		<b>213.30</b>	<b>116.31</b>
<b>TOTAL LIABILITIES</b>		<b>826.02</b>	<b>493.54</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,387.58</b>	<b>692.45</b>

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration Number: 008072S

*R. Prasanna Venkatesh*

R. Prasanna Venkatesh

Partner

Membership No.: 214045

For and on behalf of the Board of Directors

*Dr. Adil Agarwal*  
Dr. Adil Agarwal  
Wholetime Director  
DIN: 01074272

*Dr. Anosh Agarwal*  
Dr. Anosh Agarwal  
Wholetime Director  
DIN: 02636035

*R. Udhay Shankar*

Mr. B. Udhay Shankar  
Chief Financial Officer

*Mr. Thanika Nathan Arumugam*  
Mr. Thanika Nathan Arumugam  
Company Secretary

Place : Chennai

Date : 10th August 2023

Place : Chennai

Date : 10th August 2023



Dr. Agarwal's Health Care Limited  
Standalone Statement of Profit and Loss as at 31st March 2023

Particulars	Note No.	(Amount in Rs. Crores)	
		For the Year ended 31st March 2023	For the Year ended 31st March 2022
I Revenue from Operations	25	597.64	361.59
II Other Income	26	17.70	10.37
III Total Income (I+II)		615.34	371.96
IV Expenses			
Purchase of Stock-in-trade	27	64.70	45.89
Changes in inventories of stock-in-trade	28	(2.51)	(2.93)
Employee benefits expense	29	90.85	59.18
Finance costs	30	61.86	36.57
Depreciation and amortisation expense	31	91.76	59.29
Other expenses	32	285.32	174.91
Total expenses (IV)		591.98	372.91
V Profit/(loss) before exceptional items and tax (III- IV)		23.36	(0.95)
VI Exceptional Items	9(A) & 16	29.20	-
VII Loss before tax (V-VI)		(5.84)	(0.95)
VIII Tax expense			
(a) Current tax	12.2	1.57	-
(b) Deferred tax	13.2	(39.00)	0.52
		(37.43)	0.52
IX Profit/(Loss) for the Year (VII-VIII)		31.59	(1.47)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(0.68)	(0.80)
(b) Income tax relating to items that will not be reclassified to profit or loss	13.1	-	-
Total other comprehensive loss for the year		(0.68)	(0.80)
XI Total comprehensive Profit/loss for the year (IX+X)		30.91	(2.27)
Earnings per equity share (Face value of Rs.10/- each)	41		
(a) Basic (in Rs.)		40.35	(2.15)
(b) Diluted (in Rs.)		40.20	(2.15)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration Number: 0080725

*R. Prasanna Venkatesh*

R. Prasanna Venkatesh

Partner

Membership No.: 214045

For and on behalf of the Board of Directors

*Dr. Anil Agarwal*

Dr. Anil Agarwal

Wholetime Director

DIN: 01074272

*Dr. Anosh Agarwal*

Dr. Anosh Agarwal

Wholetime Director

DIN: 02636035

*Mr. B. Udhay Shankar*

Mr. B. Udhay Shankar

Chief Financial Officer

*Mr. Thanikainathan Arumugam*

Mr. Thanikainathan Arumugam

Company Secretary

Place : Chennai

Date : 10th August 2023

Place : Chennai

Date : 10th August 2023



Dr. Agarwal's Health Care Limited  
Standalone Cash Flow Statement as on 31st March 2023

Particulars	(Amount in Rs. Crores)	
	For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>A. Cash flows from operating activities</b>		
Profit/(Loss) after tax for the year	31.59	(1.47)
<b>Adjustments for:</b>		
Depreciation and Amortization Expenses	91.76	59.29
Income taxes (current and deferred taxes)	(37.43)	0.52
Finance Costs / Interest Expense on financial liabilities at amortized cost	61.86	36.57
Interest Income - Bank & other investments	(5.66)	(3.54)
Interest Income - Other Financial Assets at amortized cost	(1.29)	(0.14)
Liabilities / provisions no longer required written back	(0.44)	(2.29)
Net gain on termination of right-of-use assets	-	(2.43)
Loss / (Profit) on sale of Property, Plant and Equipment (Net)	(0.05)	-
Allowance for Expected Credit Losses	6.71	5.30
Loss on property, plant and equipment discarded	-	0.48
Interest on Income Tax refund	(0.19)	(1.43)
Unrealised Foreign Exchange Loss / (Gain)	0.28	0.17
Provision for doubtful loans and advances / Impairment loss (refer Note 9 A)	29.20	3.09
Dividend Income	(3.00)	-
Profit on Redemption of Current Investments	(4.66)	-
<b>Operating Profit before Working Capital changes</b>	<b>168.68</b>	<b>94.12</b>
<b>Movements in working capital:</b>		
Decrease / (increase) in Inventories	(2.81)	(5.14)
Decrease / (increase) in Trade Receivables	(17.24)	(11.25)
(Increase) / Decrease in Loans and Other Financial assets (Current and Non Current)	22.50	(6.99)
(Increase) / Decrease in Other Assets (Current)	0.77	(4.29)
Increase / (Decrease) in Trade Payables	6.39	2.62
(Decrease) / Increase in Other Financial Liabilities (Current and Non Current)	(11.25)	10.64
(Decrease) / Increase in Provisions (Current and Non Current)	2.53	(0.36)
(Decrease) / Increase in Other Liabilities (Current)	(0.40)	1.74
<b>Changes in Working Capital changes</b>	<b>0.49</b>	<b>(13.03)</b>
	<b>169.17</b>	<b>81.09</b>
Income taxes (paid) - net of refunds	(12.28)	(2.79)
<b>Net cash generated by operating activities</b>	<b>156.89</b>	<b>78.30</b>
<b>B. Cash flows from investing activities</b>		
Capital Expenditure on Property, Plant and Equipment	(89.58)	(23.40)
Amount spent on account of Business acquisitions	(307.85)	(50.88)
Deferred consideration paid towards acquisition liabilities	(8.72)	(4.00)
Proceeds from Sale of Property, Plant and Equipment	0.05	11.96
Sale/(Purchase) of Investments (Net)	(35.26)	(26.00)
Increase in Bank balances not considered as Cash and cash equivalents	(4.40)	(7.20)
Interest Received from Bank & other investments	2.77	1.09
Dividend income	3.00	-
<b>Net cash flows used in investing activities</b>	<b>(439.99)</b>	<b>(98.43)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds/(Repayment) of borrowings	94.00	55.13
Finance costs paid on borrowings	(23.26)	(21.63)
Proceeds from issue of equity shares of the company	300.00	14.76
Proceeds from issue/(conversion) of Debentures of the company	-	20.08
Payment of lease liabilities	(54.57)	(28.17)
<b>Net cash flows from financing activities</b>	<b>316.17</b>	<b>40.17</b>



Dr. Agarwal's Health Care Limited  
Standalone Cash Flow Statement as on 31st March 2023

Particulars	(Amount in Rs. Crores)	
	For the Year ended 31st March 2023	For the Year ended 31st March 2022
Net increase in cash and cash equivalents [A+B+C]	33.07	20.03
Cash and cash equivalents at the beginning of the year	43.74	23.71
<b>Cash and cash equivalents at the end of the year</b>	<b>76.81</b>	<b>43.74</b>

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number: 008072S

*R. Prasanna Venkatesh*

R. Prasanna Venkatesh  
Partner  
Membership No.: 214045

*Dr. Adil Agarwal*  
Dr. Adil Agarwal  
Wholetime Director  
DIN: 01074272

*Dr. Anosh Agarwal*  
Dr. Anosh Agarwal  
Wholetime Director  
DIN: 02636035

*F. Udhay Shankar* *Mr. B. Udhay Shankar*  
*A. Thanikainathan Arumugam* *Mr. Thanikainathan Arumugam*

Mr. B. Udhay Shankar  
Chief Financial Officer  
Place : Chennai  
Date : 10th August 2023

Mr. Thanikainathan Arumugam  
Company Secretary

Place : Chennai  
Date : 10th August 2023





**Dr. Agarwal's Health Care Limited**  
**Statement of Changes in Equity for the year ended 31st March 2023**

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Balance as at beginning of the reporting period	6.86	6.86
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Changes in equity share capital during the year	1.07	-
<b>Balance at the end of reporting period</b>	<b>7.93</b>	<b>6.86</b>

**B. Other Equity**

Particulars	(Amount in Rs. Crores)			
	Securities Premium Account	Capital Redemption reserve	ESOP Reserves	Retained Earnings
Balance as at 31st March 2021	427.23	0.04	-	194.32
Loss for the year	-	-	-	(1.47)
Remeasurements of defined benefit plans (net of taxes)	-	-	-	(0.80)
Balance as at 31st March 2022	427.23	0.04	-	192.05
Profit for the year	-	-	-	31.59
Premium on Shares issued (Refer Note 18.1)	338.55	-	-	338.55
Application of securities premium for issue of equity shares (Refer Note 18.1)	(9.71)	-	-	(9.71)
Remeasurements of the defined benefit plans (net of taxes)	-	-	-	(0.68)
Employee Stock option Plan	-	-	1.83	-
<b>Balance as at 31st March 2023</b>	<b>756.07</b>	<b>0.04</b>	<b>1.83</b>	<b>(204.31)</b>
				<b>553.63</b>

See accompanying notes forming part of the standalone financial statements

In terms of our report attached  
**For Deloitte Haskins & Sells**  
**Chartered Accountants**  
 Firm's Registration Number: 0080725

*R. Prasanna Venkatesh*  
**R. Prasanna Venkatesh**  
 Partner  
 Membership No.: 214045

For and on behalf of the Board of Directors

*Dr. Anosh Agarwal*  
**Dr. Anosh Agarwal**  
 Wholetime Director  
 DIN: 02636035

*Mr. B. Lohay Shankar*  
**Mr. B. Lohay Shankar**  
 Chief Financial Officer

Place : Chennai  
 Date : 10th August 2023



**1 Corporate Information**

Dr. Agarwal's Health Care Limited ("the Company") was incorporated on 19 April 2010 and is primarily engaged in running, owning and managing eye care hospitals, opticals, pharmacies, etc. and related services. As at 31 March 2023, the Company is operating in 98 locations in India.

**2 Application of New and Revised Ind AS**

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily 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 March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendments Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 1 - Presentation of Financial Statements -**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023.

**Ind AS 12 - Income Taxes -**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023.

The Company is in the process of evaluating the impact of the above on the financial statements.

**3 Significant Accounting Policies**

**3.1 Statement of Compliance**

The Financial Statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements were authorised for the issue by the Company's Board of Directors on August 10, 2023

**3.2 Basis of Preparation and Presentation of Financial Statements**

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**3.3 Use of Estimates**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, lease term, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

**3.4 Cash and Cash Equivalents (for the purpose of Cash Flow Statement)**

Cash comprises cash on hand, cheques and demand drafts on hand, balances with banks in current accounts / demand deposits. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of margin money deposit with banks and balances in earmarked Escrow accounts.

**3.5 Cash Flow Statement**

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



**3.6 Functional and Presentation Currency**

Items Included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (Rs.), the national currency of India, which is the functional currency of the Company. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.

**3.7 Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**3.8 Business Combinations**

Business combinations in which control is acquired are accounted for using the acquisition method, other than those between entities subject to common control. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in Statement of Profit and Loss as incurred. Contingent consideration, if any, is measured at its acquisition date fair value. Subsequent changes to the fair values are recognised in the Statement of Profit and Loss unless such adjustments qualify as measurement period adjustments in which such it is adjusted to the cost of acquisition.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date the Company obtains complete information about facts and circumstances that existed as of the acquisition date. The measurement period is subject to a maximum of one year subsequent to the acquisition date.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively. Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Contracts acquired in a business combination are assessed for whether favorable or unfavorable relative to current market terms and if such favorable or unfavorable terms exist, the Company adjusts the effects of such terms in the measurement of the related assets or liabilities.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

**3.9 Property, Plant & Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of property, plant and equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work-in-Progress".

**Depreciation**

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on tangible property, plant and equipment has been provided on the straight line method (refer Note 5.1(a) for change in method of depreciation effective 1st April 2022) as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in cases of certain assets where the management's estimate of the useful life based on technical assessment is less than the life prescribed in Schedule II in which case depreciation is provided on the useful life as assessed by the management.

Category	Useful life
Leasehold Improvements	Over lease term
Medical Equipments	1-13 years
Office Equipments	5 - 8 years
Vehicles	8-10 years
Computers	3-6 years
Electrical Fittings	10 years
Furniture and Fixtures	8-10 years
Lab Equipments	10 years

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.



**3.10 Goodwill**

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

**3.11 Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses (if any). The intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date of asset available to Company for its use. The useful life considered for the intangible assets are as under:

Particulars	Useful lives
Software	5 years
Trademarks	10 years
Customer Relationship	5 years
Non-Compete Agreement	Agreed term or 5 years whichever is lower

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset measured as the difference between the net disposal proceeds and the carrying amount of the asset as recognized in profit or loss when the asset is derecognized.

**3.12 Research and Development Expenditure**

Expenditure on research activities are recognized as expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from development phase of an internal project) is recognized if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated asset can be recognized, development expenditure is recognized in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

**3.13 Impairment of Tangible and Intangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

The Company's policy for impairment of Goodwill is given in Note 3.10 above.



**Dr. Agarwal's Health Care Limited**  
**Notes to the Standalone Financial Statements for the Year Ended 31st March 2023**

**3.14 Equity Investments in Subsidiaries and Associates**

Investment in Subsidiaries and Associates are carried at cost in the Standalone Financial Statements as permitted under Ind AS 27.

**3.15 Inventories**

Inventory of Traded Goods comprising Opticals, Pharmaceutical Products, Contact Lenses and Accessories and Consumables are valued at lower of cost ascertained using the First-in-First-out method and net realizable value. Cost includes cost of purchase, freight, taxes, duties and other charges incurred for bringing the goods to the present location and condition and are net of GST credit, wherever credit has been availed.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Due allowance is estimated and made for unusable/ non-saleable/ expired items of inventory wherever necessary, based on the past experience of the Company and such allowances are adjusted against the inventory carrying value.

**3.16 Revenue Recognition**

**(i) Revenue from Operations**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Sales and Service Income exclude Goods and Service Tax (GST) and are net of trade / volume discounts, where applicable.

Sale of products comprising Sale of Optical Frames and Lens, Pharmaceutical Products, Contact Lens and related accessories and food items is recognised on delivery of items to the customers and when control on goods is passed on to the customers.

Sale of services comprising Income from Consultation, Surgeries, Treatments and Investigations performed are recognised when performance obligation is satisfied at a point in time, on rendering the related services.

Other Operating Income comprises medical support services provided by the Company and is recognised on rendering the related services.

**(ii) Other Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted for when right to receive it is established.

**(iii) Cross Charges**

The Company and Dr Agarwal's Health care Limited (DAHCL) its Holding company, incur expenses such as salaries, software development and depreciation on common assets etc on behalf of the group company and share the common resources for the group functions. Such expenses, which are incurred for the group, are identified, and cross-charged between the companies.

**3.17 Foreign Currency Transactions**

**Initial Recognition:**

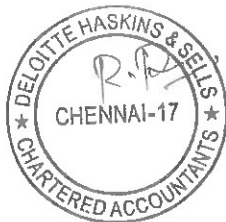
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent Recognition:**

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**Treatment of Exchange Differences:**

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.



**3.18 Employee Benefits**

Retirement benefit costs and termination benefits:

**i) Defined Benefit Plans:**

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

**Short-term and other long-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**ii) Defined Contribution Plans**

Employee defined contribution plans include provident fund and Employee state insurance.

**Provident Fund and Employee State Insurance:**

All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equaling to a specified percentage of employee's applicable emoluments. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

**3.19 Borrowing Costs**

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**3.20 Government Grants, Subsidies and Export Incentives**

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.



**3.21 Segment Reporting**

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis are included under "unallocated revenue / expenses / assets / liabilities".

**3.22 Leases**

The Company's lease asset classes consists of leases for buildings and medical equipments. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

**3.23 Earnings Per Share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earnings per share from continuing operations. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**3.24 Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognized as deferred tax asset when there is reasonable certainty that the Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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



**3.25 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

**3.26 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**3.27 Financial Instruments**

**Initial Recognition**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

**3.27.1 Financial Assets**

**(a) Recognition and initial measurement**

(i) The Company initially recognizes loans and advances, deposits and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

**(b) Classification of financial assets**

On initial recognition, a financial asset is classified to be measured at amortized cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

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

For the impairment policy in financial assets measured at amortized cost, refer Note 3.27.1 (e)

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.





**(c) Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

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

Debt instruments that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortized cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**(e) Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**(f) Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.



**(g) Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss.
- Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.
- For the purposes of recognizing foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

**3.27.2 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

**(a) Classification as debt or equity:**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(b) Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**(c) Financial liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

**(d) Financial liabilities subsequently measured at amortized cost:**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

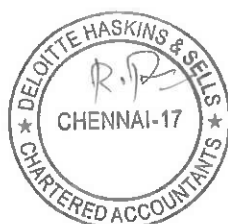
**(e) Foreign exchange gains and losses:**

For financial liabilities that are denominated in a foreign currency and measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortized cost of the instruments and are recognized in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognized in the Statement of profit and loss.

**(f) Derecognition of financial liabilities:**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.



**3.28 Goods & Service Tax Input Credit**

Goods & Service Tax Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

**3.29 Exceptional Items**

Exceptional items are items of income and expenses which are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company.

**3.30 Share Based Payments :**

During the year the Company had introduced the employee stock option scheme. Under the plan, the employees and doctors of the Company and its subsidiaries are granted shares and other stock awards of the Company, in accordance with the terms and conditions as specified in the plan. The plan is assessed, managed and administered by the Company, whose shares and share based benefits have been granted to the employees and doctors of the Company. The Company currently operates the plan / scheme of employee stock option ("ESOP") and a share appreciation rights ("SAR"). The Company has accounted for the amount of expense under Ind AS 102 considering the invoice received from the holding company taking into account the valuation carried out in respect of the same and has made the related disclosures required under INDAS 102 based on information obtained from the holding company (Refer Note 4.3)

**ESOPs:**

Equity settled share based payments to the employees of the company are measured at the fair value of the equity instruments at the grant date.

Compensation expense for the Employee Stock Option Plan ("ESOP") is measured at the option value as on grant date and the cost of the option will be amortised on a systematic basis which reflects pattern of the vesting of the options over the period of 4 years.

**SARs:**

Cash settled share based payments to the doctors of the company is remeasured at the value of option at the end of every reporting period. Compensation expense for the Share Appreciation Rights ("SAR") will be accounted at every reporting date till the date of exercise of the SARs based on the information provided by the holding company (Refer Note 4.3.4).

**4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of Financial Statements in conformity with 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 and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

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

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Useful lives of Property, plant and equipment (Refer Note 3.9)
- (ii) Useful lives of intangible assets (Refer Note 3.11)
- (iii) Assets and obligations relating to employee benefits (Refer Note 3.18)
- (iv) Valuation and measurement of income taxes and deferred taxes (Refer Note 3.24)
- (v) Provisions for disputed statutory and other matters (Refer Note 3.25)
- (vi) Valuation of Goodwill and intangible assets on business combinations (Refer Note 3.8)
- (vii) Impairment of Goodwill (Refer Note 3.10)
- (viii) Allowance for expected credit losses (Refer Note 3.27.1(e))
- (ix) Fair value of Financial Assets and Liabilities (Refer Note 3.27.1 and 3.27.2)
- (x) Lease Term of Leases entered by the Company (Refer Note 3.22)

**Determination of functional currency:**

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).



5(A) PROPERTY, PLANT AND EQUIPMENT

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Carrying amounts of:</b>		
Leasehold Improvements	64.71	35.62
Medical Equipments - Freehold	125.99	64.45
Office Equipments	15.57	9.75
Vehicles	2.28	1.64
Computers	3.21	1.09
Furniture and Fixtures	3.95	1.92
<b>Total</b>	<b>215.71</b>	<b>114.47</b>

5.1 Details of movement in the carrying amounts of property, plant and equipment

Description of Assets	(Amount in Rs. Crores)						
	Leasehold Improvements	Medical Equipments - Freehold	Office Equipments	Vehicles	Computers	Furniture and Fixtures	Total
<b>I. Gross carrying value</b>							
As at 1 April 2021	59.37	116.81	30.13	2.95	3.39	6.29	218.34
Additions	8.18	10.44	1.72	1.10	1.05	0.47	22.97
Acquisitions through business combinations	-	10.68	-	-	-	-	10.68
Disposals / Deletions during the year	(0.50)	(0.38)	-	(0.12)	-	-	(1.00)
As at 31st March 2022	67.05	137.55	31.85	3.33	4.45	6.76	250.99
As at 1 April 2022	67.05	137.55	31.85	3.33	4.45	6.76	250.99
Additions	29.94	30.41	5.14	0.93	3.01	2.53	71.96
Acquisitions through business combinations (Refer Note 7.3.1)	7.88	44.39	2.44	-	-	-	54.71
Disposals / Deletions during the year	-	-	(0.05)	(0.31)	(0.01)	-	(0.37)
As at 31st March 2023	104.87	212.35	39.38	3.95	7.45	9.29	377.29
<b>II. Accumulated depreciation and impairment</b>							
As at 1 April 2021	23.92	57.77	18.88	1.50	2.64	4.17	108.88
Charge for the year	7.63	15.47	3.22	0.30	0.72	0.67	28.01
Disposals / Deletions during the year	(0.12)	(0.13)	-	(0.11)	-	-	(0.36)
As at 31st March 2022	31.43	73.10	22.10	1.69	3.36	4.84	136.52
As at 1 April 2022	31.43	73.10	22.10	1.69	3.36	4.84	136.52
Charge for the year	8.73	13.26	1.76	0.27	0.89	0.51	25.42
Disposals / Deletions during the year	-	-	(0.05)	(0.29)	-	(0.01)	(0.36)
As at 31st March 2023	40.16	86.36	23.81	1.67	4.24	5.34	161.58
Net carrying value as at 31st March 2023	64.71	125.99	15.57	2.28	3.21	3.95	215.71
Net carrying value as at 31st March 2022	35.62	64.45	9.75	1.64	1.09	1.92	114.47

5.1(a) During the period ended 31st March 2023, the Company has changed its method of depreciation from its existing method of written down value for certain categories of assets to straight line method taking into account its reassessment of the expected pattern of economic benefits from those assets. Had the Company continued its previous method of written down value for these assets, depreciation expense for the year ended 31st March 2023 would have been higher by Rs. 19.32 crores.



Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

5(B) CAPITAL WORK-IN PROGRESS  
(a) Aging Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in progress	34.98	0.10	-	-	35.08
-Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>34.98</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>35.08</b>

As at 31st March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
-Projects in progress	1.85	-	-	-	1.85
-Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.85</b>

As at 31st March 2022



6 RIGHT-OF-USE ASSETS

(Amount in Rs. Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
Carrying amounts of:		
Right-of-use assets	260.52	130.25
<b>Total</b>	<b>260.52</b>	<b>130.25</b>

6.1 Details of movement in the carrying amounts of right-of-use assets

(Amount in Rs. Crores)

Description of Assets	Medical Equipments	Buildings	Leasehold land	Total
<b>I - Gross carrying value</b>				
As at 1 April 2021	3.92	145.51	77.50	226.93
Additions	-	39.98	-	39.98
Disposals / Adjustments during the year	-	(1.89)	(77.50)	(79.39)
As at 31st March 2022	3.92	183.60	-	187.52
As at 1 April 2022	3.92	183.60	-	187.52
Additions	2.25	162.38	-	164.63
Acquisitions through business combinations (Refer Note 7.3.1)	-	-	-	-
Disposals / Adjustments during the year	-	(1.22)	-	(1.22)
As at 31st March 2023	6.17	344.76	-	350.93
<b>II. Accumulated depreciation and impairment</b>				
As at 1 April 2021	1.96	34.23	2.67	38.86
Charge for the year	0.40	21.25	1.24	22.89
Disposals / Adjustments during the year	-	(0.57)	(3.91)	(4.48)
As at 31st March 2022	2.36	54.91	-	57.27
As at 1 April 2022	2.36	54.91	-	57.27
Charge for the year	0.45	32.36	-	32.81
Disposals / Adjustments during the year	-	0.33	-	0.33
As at 31st March 2023	2.81	87.60	-	90.41
Net carrying value as at 31st March 2023	3.36	257.16	-	260.52
Net carrying value as at 31st March 2022	1.56	128.69	-	130.25



7 INTANGIBLE ASSETS

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Carrying amounts of :		
Goodwill	216.21	90.23
<b>Subtotal - Goodwill (A)</b>	<b>216.21</b>	<b>90.23</b>
Trademarks	0.01	0.01
Computer software	0.24	0.64
Customer Relationship	19.56	2.78
Non Compete Agreement	194.69	28.77
<b>Subtotal - Other Intangibles (B)</b>	<b>214.50</b>	<b>32.20</b>
Intangibles under development (C)	-	-
<b>Grand Total (A+B+C)</b>	<b>430.71</b>	<b>122.43</b>

7.1 Details of movement in the carrying amounts of goodwill and other intangible assets

Description of Assets	(Amount in Rs. Crores)					
	Goodwill	Trademarks	Computer Software	Customer Relationship	Non Compete Agreement	Total
<b>I. Gross carrying value</b>						
As at 1 April 2021	58.01	0.04	5.33	3.43	28.26	105.07
Additions	22.22	-	0.18	2.09	21.46	45.95
Additions through business combination	-	-	-	-	-	-
Disposals / Deletions during the year	-	-	-	-	-	-
As at 31st March 2022	<b>90.23</b>	<b>0.04</b>	<b>5.51</b>	<b>5.52</b>	<b>49.72</b>	<b>151.02</b>
As at 1 April 2022	90.23	0.04	5.51	5.52	49.72	151.02
Additions	-	-	0.15	-	2.13	2.28
Additions through business combination (Refer Note 7.3.1)	125.98	-	-	19.64	193.91	339.53
Disposals / Deletions during the year	-	-	-	-	-	-
As at 31st March 2023	<b>216.21</b>	<b>0.04</b>	<b>5.66</b>	<b>25.16</b>	<b>245.76</b>	<b>492.83</b>
<b>II. Accumulated amortization and impairment</b>						
As at 1 April 2021	-	0.02	3.85	1.82	9.99	15.68
Amortization charge for the year	-	0.01	1.02	0.76	7.42	9.21
Disposals / Deletions during the year	-	-	-	-	-	-
Impairment loss for the year	-	-	-	0.16	3.54	3.70
As at 31st March 2022	-	<b>0.03</b>	<b>4.87</b>	<b>2.74</b>	<b>20.95</b>	<b>28.59</b>
As at 1 April 2022	-	0.03	4.87	2.74	20.95	28.59
Amortization charge for the year	-	-	0.55	2.86	30.12	33.53
Disposals / Deletions during the year	-	-	-	-	-	-
As at 31st March 2023	-	<b>0.03</b>	<b>5.42</b>	<b>5.60</b>	<b>51.07</b>	<b>62.12</b>
Net carrying value as at 31st March 2023	<b>216.21</b>	<b>0.01</b>	<b>0.24</b>	<b>19.56</b>	<b>194.69</b>	<b>430.71</b>
Net carrying value as at 31st March 2022	<b>90.23</b>	<b>0.01</b>	<b>0.64</b>	<b>2.78</b>	<b>28.77</b>	<b>122.43</b>

7.2 Breakup of Goodwill

Particulars of Cash Generating Unit	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Hospital at Nellore	0.45	0.45
Hospital at Hyderabad	0.05	0.05
Hospital at Guntur	0.40	0.40
Hospital at Pune (1)	12.24	12.24
Hospital at Bengaluru (1)	2.37	2.37
Hospital at Bengaluru (2)	16.76	16.76
Hospital at Indore	9.30	9.30
Hospital at Mumbai (1)	4.28	4.28
Hospital at Coimbatore	0.10	0.10
Hospital at Nashik	14.28	14.28
Hospital at Vijayawada	4.52	4.52
Hospital at Pune (2)	3.32	3.32
Hospital at Mumbai (2)	22.16	22.16
Hospital at Pune (3)	3.05	-
Hospital at Punjab	4.00	-
Hospital at Mohali	5.81	-
Hospital at Panchkula	3.44	-
Hospital at Pune (4)	6.33	-
Hospital at Madanapalle	0.57	-
Hospital at Bhavnagar	3.93	-
Hospital at Surat	13.09	-
Hospital at Vapi	1.94	-
Hospital at Jammu	5.92	-
Hospital at Mumbai (3)	23.22	-
Hospital at Satara	0.09	-
Hospital at Davanagere	8.69	-
Hospital at Mumbai (4)	7.11	-
Hospital at Madurai	38.79	-
<b>Total</b>	<b>216.21</b>	<b>90.23</b>

Note : As on 31 March 2023, Goodwill balances have been tested for impairment and no provision required to be recorded in accordance with the requirements of Ind AS 36.



**Dr. Agarwal's Health Care Limited**  
Notes forming part of the Standalone Financial Statements for the Year Ended Period Name

**7.3 Particulars of business combinations accounted by the Company are as follows:**

The Company accounts for business combinations using the acquisition method of accounting. This method requires the application of fair values for both the consideration given and the assets and liabilities acquired. The calculation of fair values is often dependent on estimates and judgments including future cash flows discounted at an appropriate rate to reflect the risk inherent in the acquired assets and liabilities.

During the current year, the Company had the below business combinations primarily comprising acquisition of "Eye Hospitals" on a going concern basis. These business combinations involved acquisition of the Eye Hospitals from the Doctors and did not involve share dilutions in any other entities. As part of the acquisition, the Company acquired the assets, liabilities, employees etc. as determined pursuant to the acquisition agreements and also continuity of the acquiree Doctors who are also covered by a non-compete and have entered into a service contract to provided services to the Company. There are no non-controlling interests in the business combinations entered during the year. The details of the eligible/identifiable assets and liabilities have been furnished below. The resultant goodwill on such business combinations consists primarily of the synergies, increase in market share, workforce etc. The amount of such goodwill is not expected to be deductible for tax purposes. The contingent consideration arrangement requires the Company to pay the Acquiree's specified percentage of consideration if the acquired business meet the revenue targets for the periods mentioned in the agreements. The fair value of the consideration on the acquisition date was determined using the income approach with discount rates to determine such fair values ranged from 18% to 22%.

Particulars	Acquisition Date	Consideration Paid (A)	Assets and Liabilities Acquired (B)			Total of Net Assets Acquired (B)	Goodwill (A)-(B)	
			Tangible Assets (Refer Note 5)	Intangible Assets (Refer Note 7)	Right of Use Assets (Refer Note 6)			Financial Liabilities Including Lease Liabilities
Hospital at Pune (1)	2022-23	18.98	0.83	10.19	4.64	(3.01)	12.65	6.33
Hospital at Pune (3)	2022-23	8.66	1.21	4.27	3.08	(2.94)	5.62	3.04
Hospital at Madanapalle	2022-23	3.46	1.28	1.42	2.45	(2.26)	2.89	0.57
Hospital at Mohali	2022-23	20.79	3.50	10.26	3.57	(2.36)	14.97	5.82
Hospital at Punjab	2022-23	35.14	10.84	14.77	5.64	(6.87)	31.13	4.01
Hospital at Panchkula	2022-23	7.39	0.55	3.42	0.82	(0.82)	3.95	3.44
Hospital at Surat	2022-23	38.81	3.30	22.43	3.94	(3.94)	25.73	13.08
Hospital at Bhavnagar	2022-23	9.94	1.25	4.76	1.44	(1.44)	6.01	3.93
Hospital at Vapi	2022-23	8.04	2.33	3.77	3.53	(3.53)	5.10	1.94
Hospital at Jamnu	2022-23	19.30	4.08	9.30	7.07	(7.07)	13.38	5.92
Hospital at Davanagere	2022-23	21.78	1.18	11.91	0.92	(0.92)	13.09	8.69
Hospital at Satara	2022-23	10.38	5.43	4.07	2.22	(1.84)	10.28	6.10
Hospital at Mumbai (4)	2022-23	16.71	0.42	8.82	0.94	(0.59)	9.59	7.12
Hospital at Madurai	2022-23	95.46	6.38	49.42	4.93	(4.05)	56.68	38.78
Hospital at Mumbai (3)	2022-23	94.24	12.15	54.34	8.26	(3.71)	71.03	23.21
<b>Total</b>		<b>499.08</b>	<b>54.71</b>	<b>213.55</b>	<b>57.45</b>	<b>(45.36)</b>	<b>283.10</b>	<b>125.98</b>





Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

8 INVESTMENTS

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Non-current, at cost</b>		
(a) Investment in Equity Instruments of Subsidiary - Quoted, at Cost Dr. Agarwal's Eye Hospital Limited (Refer Note (i) below) As at 31 March 2023 - 3,372,408 Shares of Rs. 10 each fully paid As at 31 March 2022 - 3,372,408 Shares of Rs. 10 each fully paid	33.92	33.92
(b) Investment in Equity Instruments of Subsidiary - Unquoted, at Cost Orbit Healthcare Services (Mauritius) Limited (Refer Note (ii) below) As at 31 March 2023 - 617,894,737 Ordinary Shares of MUR. 0.57 each fully paid - 64,426,001 Ordinary Shares of MUR. 1 each fully paid As at 31 March 2022 - 617,894,737 Ordinary Shares of MUR. 0.57 each fully paid - 64,426,001 Ordinary Shares of MUR. 1 each fully paid	83.67	83.67
(c) Investment in Equity Instruments of Associate - Unquoted, at Cost IdeaRx Services Private Limited (Refer Note (iii) below) As at 31 March 2023 - 49,254 Equity Shares of Rs. 1 each fully paid As at 31 March 2022 - 49,254 Equity Shares of Rs. 1 each fully paid	2.01	2.01
(d) Investment in Equity Instruments of Subsidiary - Unquoted, at Cost Elisar Life Sciences Private Limited (Refer Note (iv) below) As at 31 March 2023 - 18,05,618 Equity Shares of Rs. 10 each fully paid As at 31 March 2022 - 18,05,618 Equity Shares of Rs. 10 each fully paid	1.81	1.81
(e) Investment in Equity Instruments of Subsidiary - Unquoted, at Cost Aditya Jyot Eye Hospital (P) Ltd. (Refer Note (v) below) As at 31 March 2023 - 215,062 Equity Shares of Rs. 100 each fully paid As at 31 March 2022 - 173,410 Equity Shares of Rs. 100 each fully paid	32.25	26.00
<b>Total</b>	<b>153.66</b>	<b>147.41</b>

Notes:

(i) The Company had entered into a Share Purchase Agreement dated 11 January 2011, with the promoters of Dr. Agarwal's Eye Hospital Limited (DAEHL) to purchase 2,472,408 Equity Shares of DAEHL, comprising 54.9424% of the total Equity Share Capital of DAEHL, for which the Company proposed to issue Equity Shares of Rs. 10 each of the Company as consideration in the ratio of 1 Share of the Company for every 3.12 Shares of DAEHL.

Pursuant to the same, during the year ended 31 March 2012, in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the Company had acquired 900,000 Equity Shares of Rs. 10 each (being 20% of the total share capital of DAEHL) at a price of Rs. 159 per Equity Share through Open Offer to the shareholders of DAEHL for a total consideration of Rs. 14.31 Crores.

During the year ended 31 March 2013, post completion of the open offer, the Company had acquired 2,472,408 shares from the promoters of DAEHL in the month of April 2012 at the agreed price of Rs. 79.33 per Equity Share for a total consideration of Rs. 19.61 Crores and as a result thereof, DAEHL became the subsidiary of the Company with effect from 2 April 2012. The Company discharged the consideration by way allotting 792,089 Equity shares of Rs. 10 each (at a premium of Rs. 237.6188 per Equity Share) of the Company to the promoters of DAEHL at its Board Meeting held on 26 April 2012. The premium on these Equity Shares amounting to Rs. 18.82 Crores was credited to the securities premium account.

As at 31 March 2023, the Company is holding 71.7534%, of the total Equity Share Capital of DAEHL.

(ii) During the year ended 31 March 2017, the Company has acquired 1 ordinary shares of MUR 1 each, of Orbit Healthcare Services (Mauritius) Limited, from International Securities Limited on 10 January 2017 for a nil consideration. The Company also subscribed to additional 100,000 Ordinary Shares of MUR 1 each for Rs. 0.02 Crores on 9 February 2017. The same has been approved in the Shareholders meeting held on 2 January 2017.

During the period ended 31 March 2018, the Company has subscribed to 54,326,000 ordinary shares of MUR 1 each in various tranches for Rs. 12.57 Crores and the same has been allotted.

Further, during the year ended 31 March 2019, the Company had subscribed to 617,894,737 ordinary shares of MUR 0.57 each for Rs. 70.74 Crores and the same was allotted on 21 March 2019.

As at 31 March 2023, the Company is holding 100% of the total equity share capital of Orbit Healthcare Services (Mauritius) Limited.

(iii) Pursuant to an investment agreement dated 12 January 2017 entered into by the Company with the promoters of IdeaRx Services Private Limited ('IdeaRx') and IdeaRx, the Company has purchased 49,254 shares of Rs. 1 each (at a premium of Rs. 407.09 each) for Rs. 2.01 Crores approved in its general meeting held on 2 January 2017.

As at 31 March 2023, the Company is holding 14.71% of the total equity share capital of IdeaRx Services Private Limited

(iv) Pursuant to the Board Resolution dated 03 September 2019, the Board has approved the transfer of Elisar Research and Development undertaking of the Company to Elisar Lifesciences Private Limited, for a consideration of 18,05,618 Equity Shares of Rs. 10 each and Face value of Rs.10 each amounting to Rs. 1.81 Crores.

As at 31 March 2023, the Company is holding 76% of the total equity share capital of Elisar Lifesciences Private Limited

(v) Pursuant to the Share purchase agreement dated 08 October 2021 entered into by the Company with the promoters of Aditya Jyot Eye Hospital Private Limited ('AJEHP') and AJEHP, the Company has entered into the share purchase agreement of 3,40,020 shares of Rs. 100 each (at a premium of Rs.1400 each).

As at 31 March 2023, the Company is holding 63.25% of the total equity share capital of Aditya Jyot Eye Hospital Private Limited.

As at 31 March 2022, the Company was holding 51% of the total equity share capital of Aditya Jyot Eye Hospital Private Limited.

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
(a) Aggregate book value of quoted investments	33.92	33.92
Aggregate market value of quoted investments	308.68	246.51
(b) Aggregate book value of unquoted investments	119.74	113.49



Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

		(Amount in Rs. Crores)	
9(A) Loans		As at 31st March 2023	As at 31st March 2022
Particulars			
Non-current, at amortized cost			
(a) Loans to related parties, Unsecured (Refer Note 38 & Note 16 and notes below)			
- Considered good and recoverable		1.89	21.08
- Considered doubtful		25.01	3.09
Less : Provision for doubtful loans and advances		(25.01)	(3.09)
<b>Total</b>		<b>1.89</b>	<b>21.08</b>

Notes:

(i) Pursuant to the Board resolution dated 31 May 2021, the Company has converted its outstanding short term loans into long term loans granted to Elisar Life Sciences Private Limited (Elisar). The management carried out an impairment analysis of carrying value of investments as at 31 March 2023 INR 1.81 crores (as of 31 March 2022 INR 1.81 crores) as well as loan as of 31 March 2023 INR 25.09 crores and accrued interest of INR 7.29 crores (loan as of 31 March 2022 INR 24.17 crores and accrued interest of INR 4.11 crores) given to Elisar using the discounted cash flow method. Based on impairment assessment, management has recognised a provision as of 31 March 2023 INR 32.30 crores (as of 31 March 2022 INR 3.09 crores) against the outstanding loan balance. The additional provision of Rs. 29.20 crores made during the current year has been recognised in the Statement of Profit and Loss and disclosed as an exceptional item.

		(Amount in Rs. Crores)	
Particulars		As at 31st March 2023	As at 31st March 2022
Non - current			
Due from private company in which director of the Company is a director in the private company		1.89	21.08

9(B) Other financial assets

		(Amount in Rs. Crores)	
Particulars		As at 31st March 2023	As at 31st March 2022
Non-current, at amortized cost			
(a) Rental Deposits			
- Others		17.00	11.57
(b) Security deposits		0.59	0.79
<b>Total</b>		<b>17.59</b>	<b>12.36</b>

10 OTHER ASSETS (Unsecured, Considered good)

		(Amount in Rs. Crores)	
Particulars		As at 31st March 2023	As at 31st March 2022
Other non-current assets			
(a) Capital Advances		4.36	2.21
<b>Total</b>		<b>4.36</b>	<b>2.21</b>
Other current assets			
(a) Prepaid Expenses		4.37	1.40
(b) Advances to Suppliers		0.98	1.72
(c) Employee Advances		0.01	0.02
(d) Balances with Government Authorities			
- Input Credit Receivables		1.77	3.60
(e) Prepaid share issue expenses (refer note below)		-	1.16
<b>Total</b>		<b>7.13</b>	<b>7.90</b>

Note:

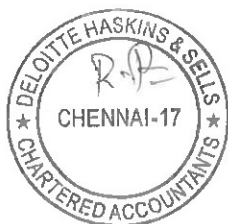
During the year ended 31 March 2022, the company incurred an amount of INR 1.16 crores towards fund raise which got concluded in FY2022-23. This amount is shown as prepaid share issue expenses is adjusted against security premium in the FY 2022-23.

11 INVENTORIES (at lower of cost and net realizable value)

		(Amount in Rs. Crores)	
Particulars		As at 31st March 2023	As at 31st March 2022
(a) Traded Goods			
- Opticals		5.80	4.55
- Pharmaceutical Products		4.72	2.81
- Contact Lens and Accessories		1.39	0.70
(b) Consumables (goods held for use in rendering services)		8.38	8.07
(c) Clinical Items and Equipments held for trading		0.04	1.38
<b>Total</b>		<b>20.33</b>	<b>17.51</b>

Notes:

		(Amount in Rs. Crores)	
Sl No	Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
1	The cost of inventories recognized as an expense during the year	146.76	91.39
2	The cost of inventories recognized as an expense, includes write downs of inventory to net realizable value	0.12	0.37

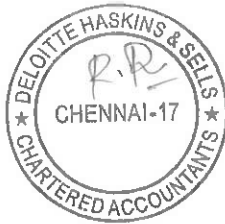


Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

8 (B) INVESTMENTS - CURRENT

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Current Investments - carried at Fair Value through Profit &amp; Loss</b>		
(a) Investments in Mutual Funds (quoted, fully paid-up)		
(i) SBI Liquid Fund growth	10.27	-
As at 31 March 2023 - 29,136 units @ 3,523.30 NAV per unit		
As at 31 March 2022 - Nil		
(ii) Invesco India Ultra Short Term Fund - Direct Plan Growth (MT-D1)	0.36	-
As at 31 March 2023 - 1,494 units @ 2,435.78 NAV per unit		
As at 31 March 2022 - Nil		
(iii) Sundaram Liquid Fund	10.03	-
As at 31 March 2023 - 50,487 units @ 1,986.65 NAV per unit		
As at 31 March 2022 - Nil		
(iv) HSBC Overnight Fund - Direct growth	13.00	-
As at 31 March 2023 - 110,844 units @ 1,173.46 NAV per unit		
As at 31 March 2022 - Nil		
<b>Total</b>	<b>33.66</b>	<b>-</b>

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
(a) Aggregate book value of quoted investments	33.66	-
Aggregate market value of quoted investments	33.66	-



12 INCOME TAX

12.1 Non-current income tax assets

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Income tax payments made against returns filed /demands received (including taxes deducted at source)	28.39	17.49
<b>Tax Refund receivable (net)</b>	<b>28.39</b>	<b>17.49</b>

12.2 Income tax expense

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>(A.1) Income Tax recognized in statement of profit and loss</b>		
<b>(i) Current Tax:</b>		
- In respect of current year	1.57	-
<b>Total (A)</b>	<b>1.57</b>	<b>-</b>
<b>(ii) Deferred Tax:</b>		
- In respect of current year	(39.00)	0.52
<b>Total (B)</b>	<b>(39.00)</b>	<b>0.52</b>
<b>Total income tax expense recognized in profit and loss account (A+B)</b>	<b>(37.43)</b>	<b>0.52</b>
<b>(A.3) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:</b>		
Profit / (Loss) before tax after exceptional items	(5.84)	(0.95)
Income Tax using the Company's domestic Tax rate	(1.47)	(0.24)
Tax Effect of :		
- adjustment on tax impact of exceptional items	(5.44)	-
- Adjustment towards recognition of deferred tax asset on brought forward losses and depreciation	28.12	(5.41)
- Reversal of deferred tax including MAT credit relating to AEIPL, merged entity	-	0.52
- Deferred Tax Credit not recognized till FY 22 and recognised in current year (Refer Note 13.2)	(57.39)	5.65
- Effect of expenses that are non-deductible in determining taxable profit	3.03	-
- Others	(4.28)	-
<b>Tax expense recognized in statement of profit or loss from continuing operations</b>	<b>(37.43)</b>	<b>0.52</b>

The tax rate used for the year ended 31 March 2023 and 31 March 2022 reconciliations above are the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under Indian Income Tax Laws.



13 DEFERRED TAXES

13.1 Deferred Tax Balances

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
The following is the analysis of the net deferred tax asset/ (liability) position as presented in the financial statements		
Deferred tax assets	39.00	-
Deferred tax liabilities	-	-
<b>Net Deferred tax Liabilities</b>	<b>39.00</b>	<b>-</b>

13.2 Movement in Deferred Tax Balances

A. For the Year Ended 31st March 2023

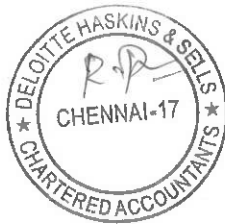
Particulars	As at 1 April 2022	Charge/(Credit) recognized in			As at 31st March 2023
		Statement of Profit and Loss	Other Comprehensive Income	Directly in Other Equity	
Tax effect of items constituting deferred tax assets / (deferred tax liabilities)					
Property, Plant and Equipment and Intangible Assets	1.00	5.05	-	-	6.05
Employee Benefits	0.77	0.71	-	-	1.48
Provision for Contingency	0.02	-	-	-	0.02
Provision for Expected Credit Loss	3.44	1.15	-	-	4.59
Brought Forward Loss and Unabsorbed Depreciation	45.99	(28.12)	-	-	17.87
Valuation of Investments	-	-	-	-	-
Other items	4.49	(1.24)	-	-	3.25
Lease assets net of lease liabilities	1.68	4.05	-	-	5.73
<b>Less: Valuation Allowance</b>	<b>(57.40)</b>	<b>57.40</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other items	(0.25)	0.25	-	-	-
MAT Credit	0.25	(0.25)	-	-	-
<b>Net Tax Asset /(Liabilities)</b>	<b>0.00</b>	<b>39.00</b>	<b>-</b>	<b>-</b>	<b>39.00</b>

B. For the Year Ended 31 March 2022

Particulars	As at 1 April 2021	Charge/(Credit) recognized in			As at 31st March 2022
		Statement of Profit and Loss	Other Comprehensive Income	Directly in Other Equity	
Tax effect of items constituting deferred tax assets / (deferred tax liabilities)					
Property, Plant and Equipment and Intangible Assets	3.73	(2.73)	-	-	1.00
Employee Benefits	0.56	0.21	-	-	0.77
Provision for Contingency	0.02	-	-	-	0.02
Provision for Expected Credit Loss	2.11	1.33	-	-	3.44
Brought Forward Loss and Unabsorbed Depreciation	40.04	5.96	-	-	45.99
Valuation of Investments	-	-	-	-	-
Other items	3.61	0.88	-	-	4.49
Lease assets net of lease liabilities	1.68	-	-	-	1.68
<b>Less: Valuation Allowance</b>	<b>(51.75)</b>	<b>(5.65)</b>	<b>-</b>	<b>-</b>	<b>(57.40)</b>
Other items	0.27	(0.52)	-	-	(0.25)
MAT Credit	0.25	-	-	-	0.25
<b>Net Tax Asset /(Liabilities)</b>	<b>0.52</b>	<b>(0.52)</b>	<b>-</b>	<b>-</b>	<b>0.00</b>

Notes

The Company has taxable profits during the year and basis the projections and performance of the Company there is reasonable certainty with convincing evidence of utilizing all the brought forward losses/depreciation in next 2 years. Considering the same, the Company had recognized Deferred Tax Asset during the year amounting to Rs. 39.00 crores (net).



14 TRADE RECEIVABLES

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Current</b>		
(a) Undisputed Trade Receivables - Considered good	57.96	44.21
'Allowance for doubtful debts - considered good	(18.24)	(13.68)
(b) Undisputed Trade Receivables - Considered doubtful	-	-
'Allowance for doubtful debts - considered doubtful	-	-
(c) Disputed Trade Receivables - Considered good	-	-
(d) Disputed Trade Receivables - Considered doubtful	-	-
<b>Total</b>	<b>39.72</b>	<b>30.53</b>

As at 31st March 2023 (Amount in Rs. Crores)

Particulars	Less than 6 months	6 months - 1year	1- 2years	2-3 years	More than 2 years	Total
(a) Undisputed Trade Receivables - Considered good	33.03	12.24	8.61	2.25	1.83	57.96
'Allowance for doubtful debts - considered good	(5.45)	(3.86)	(5.09)	(2.01)	(1.83)	(18.24)
(b) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(c) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(d) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(e) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(f) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>27.58</b>	<b>8.38</b>	<b>3.52</b>	<b>0.24</b>	<b>0.00</b>	<b>39.72</b>

As at 31st March 2022 (Amount in Rs. Crores)

Particulars	Less than 6 months	6 months - 1year	1- 2years	2-3 years	More than 2 years	Total
(a) Undisputed Trade Receivables - Considered good	26.48	6.00	5.52	4.78	1.43	44.21
'Allowance for doubtful debts - considered good	(3.92)	(1.71)	(2.89)	(3.84)	(1.32)	(13.68)
(b) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(c) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(d) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(e) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(f) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>22.56</b>	<b>4.29</b>	<b>2.63</b>	<b>0.94</b>	<b>0.11</b>	<b>30.53</b>

14.1 Credit period and risk

Significant portion of the Company's business is against receipt of advance. Credit is provided mainly to Insurance Companies, Corporate customers and customers covered by Government accorded health benefits. The Insurance Companies are required to maintain minimum reserve levels and pre-approve the insurance claim, Government undertakings and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is low.

Trade receivables are non-interest bearing and are generally due immediately when the invoice is raised. Of the Trade Receivable as at 31 March 2023, Rs. 31.78 Crores (As at 31 March 2022: Rs. 18.62 crores) are due from six of the Company's customers i.e. having more than 5% of the total outstanding trade receivable balance. There are no other customers who represent more than 5% of the total balance of trade receivables.

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

14.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix, considering the amounts due from the government undertakings and the other undertakings.

The provision matrix at the end of the reporting period (31 March 2023) is as follows:

Particulars	Expected Credit loss (%)
1-90 days past due	7% to 24%
91-180 days past due	22% to 50%
181-270 days past due	27% to 59%
271-360 days past due	35% to 60%
361-450 days past due	37% to 100%
451-540 days past due	44% to 100%
541-630 days past due	51% to 100%
630-720 days past due	61% to 100%
720-810 days past due	64% to 100%
More than 810 days past due	100%

14.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	(Amount in Rs. Crores)	
	2022-23	2021-22
Balance at beginning of the year	13.68	8.38
(Add) Provision Created during the year	6.71	5.30
(Less) Provision Utilised during the year	(2.15)	-
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	4.56	5.30
<b>Balance at end of the year</b>	<b>18.24</b>	<b>13.68</b>

During the year ended 31 March 2023, the Company has written-off trade receivables balances amounting to Rs. 2.15 crores which are outstanding for more than 3 years as at 31 March 2023 and have utilised the existing allowances towards expected credit loss. The company does not expect to receive future cash flows/recoveries from trade receivables previously written off.



15 CASH AND BANK BALANCES

		(Amount in Rs. Crores)	
		As at 31st March 2023	As at 31st March 2022
<b>15 (A) Cash and cash equivalents</b>			
	<b>Particulars</b>		
(a)	Cash on Hand	0.97	0.60
(b)	Balances with Banks		
	- In Current Accounts	32.52	15.14
	- In Fixed deposits with maturity less than 3 months	43.32	28.00
	<b>Total</b>	<b>76.81</b>	<b>43.74</b>

15 (B) Other Bank Balances

		(Amount in Rs. Crores)	
		As at 31st March 2023	As at 31st March 2022
<b>15 (B) Other Bank Balances</b>			
	<b>Particulars</b>		
(a)	In Fixed Deposits - under Lien	20.37	15.76
(b)	In Earmarked Escrow Accounts	0.30	0.50
	<b>Total</b>	<b>20.67</b>	<b>16.26</b>
<b>Notes:</b>			
(i) Deposit under Lien represents deposits placed for Bank Guarantees obtained by the Company			
	- Customers	1.10	3.37
	- Outstanding Interest Payable to Debenture Holder (CDC Group PLC)	10.77	3.89
	- FD marked under Lien - towards acquisition	8.50	8.50
	<b>Total</b>	<b>20.37</b>	<b>15.76</b>
(ii) Balance in Escrow accounts represents amount deposited in the account specifically earmarked for payment of interest on debentures to the debenture holders (Refer Note 19.1).			

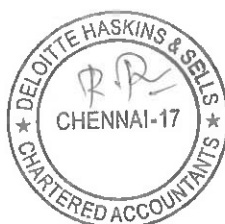
16 OTHER FINANCIAL ASSETS

		(Amount in Rs. Crores)	
		As at 31st March 2023	As at 31st March 2022
<b>16 OTHER FINANCIAL ASSETS</b>			
	<b>Particulars</b>		
<b>Current</b>			
(a)	Interest accrued		
	- on fixed deposits	0.46	0.17
	- Others		
	- Receivable from Related Parties (Refer Note 9(A))	7.29	4.11
	Less : Provision for doubtful loans and advances	(7.29)	-
	- Receivable from Others	0.02	0.03
(b)	Other receivables from related parties* (Refer Note 18.4 and Note 38)	1.05	-
(c)	Rental Deposits		
	- Others	0.82	2.65
	<b>Total</b>	<b>2.35</b>	<b>6.96</b>

Notes:

(i) Other receivables from related parties is the amount which is receivable from its subsidiary against Employee Stock Option.

(ii) Interest related to Elisar loan impaired fully hence the movement for current year not shown in the above note, refer note 9 (A).



17 EQUITY SHARE CAPITAL

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Rs. In Crores	Number of shares	Rs. In Crores
<b>Authorised share capital :</b>				
Equity Shares of Rs. 10 each	7,000,000	7.00	7,000,000	7.00
10% Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10 each	10,000,000	10.00	10,000,000	10.00
0.001% Fully and Compulsorily Convertible Cumulative Participative Preference Shares of Rs. 100 each	7,100,000	71.00	7,100,000	71.00
		<b>88.00</b>		<b>88.00</b>
<b>Issued and subscribed capital comprises:</b>				
Equity Shares of Rs. 10 each	7,926,103	7.93	6,859,969	6.86
<b>Total</b>	<b>7,926,103.00</b>	<b>7.93</b>	<b>6,859,969.00</b>	<b>6.86</b>

17.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of shares	Rs. In Crores	Number of shares	Rs. In Crores
<b>Equity Shares</b>				
Shares outstanding as at the beginning of the year	6,859,969	6.86	6,859,969	6.86
Add: Fresh issue of shares/adjustment during the year	941,716	0.94	-	-
Add: Conversion during the year	124,418	0.12	-	-
Shares outstanding as at the end of the year	<b>7,926,103</b>	<b>7.93</b>	<b>6,859,969</b>	<b>6.86</b>

Note

- During the year ended 31st March 2023 the company has issued fresh issue of shares of 5,96,420 numbers (Face Value of 10 each) to Arvon Investments Pte Ltd and 3,45,296 (Face Value of 10 each) numbers to Hyperion Investments Pte.Ltd aggregating to total Equity shares of 9,41,716 numbers dated 05th May, 2022
- Further during the year ended 31st March 2023, the Company has allotted 53,024 equity share to the holders of 1,24,301 Compulsorily Convertible Preference shares holders and 71,394 equity shares to holders of 1,67,366 shares to all of its Compulsorily Convertible Debentures holders.

17.2 Terms / rights attached to Equity Shares :

The Company has only one class of equity shares having a par value of Rs. 10. Each holder is entitled to one vote per equity share. Dividends are paid in Indian rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the annual general meeting except in case of interim dividend. Repayment of capital will be in accordance with the terms of the Articles of Association and in proportion to the number of equity shares held.

17.3 Details of shares held by each shareholder holding more than 5% shares

Class of Shares	As at 31st March 2023		As at 31st March 2022	
	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares
<b>Equity shares</b>				
(a) Dr. Amar Agarwal	423,350	5.34%	423,350	6.17%
(b) Dr. Athiya Agarwal	512,062	6.46%	523,586	7.63%
(c) Dr. Adil Agarwal	418,743	5.28%	511,985	7.46%
(d) Dr. Anosh Agarwal	524,263	6.61%	524,263	7.64%
(e) Dr. Ashvin Agarwal	509,514	6.43%	509,514	7.43%
(f) Value Growth Investment Holdings Pte. Limited	-	-	2,174,285	31.70%
(g) Dr. Anosh Agarwal on behalf of Dr Agarwal's Eye Institute	366,339	4.62%	366,339	5.34%
(h) M/s Claymore Investments (Mauritius) Pte. Ltd.	1,614,815	20.37%	1,614,815	23.54%
(i) Hyperion Investments Pte. Ltd	2,590,975	32.69%	-	-
(j) Arvon Investment Pte. Ltd	754,210	9.52%	-	-
<b>TOTAL</b>	<b>7,714,271</b>	<b>97.33%</b>	<b>6,648,137</b>	<b>96.91%</b>

17.4 Share holding by promoters

Class of Shares	As at 31st March 2023	
	Number of Shares held	% holding of equity shares
<b>Equity shares</b>		
(a) Dr. Amar Agarwal	423,350	5.34%
(b) Dr. Athiya Agarwal	512,062	6.46%
(c) Dr. Adil Agarwal	418,743	5.28%
(d) Dr. Anosh Agarwal	524,263	6.61%
(e) Dr. Ashvin Agarwal	509,514	6.43%
(f) Dr. Ashar Agarwal	16,435	0.21%
(g) Dr Agarwal's Eye Institute Private Limited	144,744	1.83%
(h) Farah Agarwal	20,500	0.26%
(i) Urmila Agarwal	20,500	0.26%
(j) Dr. Anosh Agarwal on behalf of Dr Agarwal's Eye Institute	366,339	4.62%
<b>Total</b>	<b>2,956,450</b>	<b>37.30%</b>

17.5 Subsequent events (Refer note 19)

As of 10th August 2023, the Company has issued Compulsorily Convertible Preference shares of Rs. 100 face value for each shares as against which Re 1/- collected as share application money on 27th July 2023.





Dr. Agarwal's Health Care Limited

Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

18 OTHER EQUITY		(Amount in Rs. Crores)	
Particulars	Note	As at 31st March 2023	As at 31st March 2022
Securities premium reserve	18.1	756.07	427.23
Retained earnings	18.2	(204.31)	(235.22)
Capital redemption reserve	18.3	0.04	0.04
ESOP Reserve	18.4	1.83	-
<b>Total</b>		<b>553.63</b>	<b>192.05</b>

18.1 Securities premium

(Amount in Rs. Crores)		
Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	427.23	427.23
Add : Premium on shares issued/ converted during the year	338.55	-
Less: Application of securities premium for issue of equity shares	(9.71)	-
<b>Closing Balance</b>	<b>756.07</b>	<b>427.23</b>

18.2 Retained earnings

(Amount in Rs. Crores)		
Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	(235.22)	(232.95)
<b>Adjustments</b>		
Profit attributable to owners of the Company	31.59	(1.47)
Add/(Less): Other Comprehensive Income for the year	(0.68)	(0.80)
<b>Closing Balance</b>	<b>(204.31)</b>	<b>(235.22)</b>

Note:

In accordance with Notification G.S.R 404(E), dated 6 April 2016, remeasurement of defined benefit plans is recognized as a part of retained earnings.

18.3 Capital redemption reserve

(Amount in Rs. Crores)		
Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	0.04	0.04
Adjustments during the year	-	-
<b>Closing balance</b>	<b>0.04</b>	<b>0.04</b>

Note : The Company acquired business of AEIPL through acquisition of its entire share capital with an appointed date of 1st April 2021. This balance is taken over from such acquisition made.

18.4 ESOP Reserve

(Amount in Rs. Crores)		
Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	-	-
Employee stock option expense during the year	1.83	-
<b>Closing balance</b>	<b>1.83</b>	<b>-</b>

Note : Amount of Rs. 1.83 crores includes reserve created for the Company of Rs. 0.78 crores and for its subsidiaries of Rs. 1.05 crores. Refer Note 29 and Note 16



19 NON-CURRENT BORROWINGS

(Amount in Rs. Crores)

Particulars		As at 31st March 2023	As at 31st March 2022
<b>Borrowings measured at amortized cost:</b>			
Secured Borrowings			
(i)	2,150 Senior Redeemable, Non-Convertible Debentures of Face Value Rs. 10,00,000 each (Paid Up value - Rs. 10,00,000 each) (Refer Note (19.1(a)) below)	133.33	143.45
(ii)	Term Loans / Others (Refer Note (19.2) below)		
	- From Banks	132.67	49.77
(iii)	Vehicle loans	0.09	0.08
(iv)	0.001% Fully and Compulsorily Convertible Debentures of Face Value of Rs. 1200 each (Refer note (19.3) below)	-	20.08
(v)	0.001% Fully and Compulsorily Convertible Non-Cumulative Participative Preference Shares of Rs. 100 each (Refer note (19.3) below)	-	14.76
<b>Total</b>		<b>266.09</b>	<b>228.14</b>

19.1 Details of Redeemable Non Convertible Debentures

(a) 2,150 Senior Redeemable Non Convertible Debentures of Face Value Rs.10,00,000 each

The details of tenor, interest rate, repayment terms of the same are given below:

(Amount in Rs. Crores)

S.No.	Original Tenor (in Months)	Interest Rate	No. of Instalments outstanding as at 31st March 2023	No. of Instalments outstanding as at 31st March 2022	Repayment Terms	As at 31st March 2023	As at 31st March 2022
1	19 Months Quarterly Payout Refer Note (i)	3M MIBOR OIS + Spread Refer Note (ii)	18	19	Refer Note (i)	161.89	157.85
Less : Current Maturities of long-term borrowings (Refer Note 23)						(28.56)	(14.40)
<b>Long-term Borrowings</b>						<b>133.33</b>	<b>143.45</b>

Notes:

- (i) The first installment of principal is payable on expiry of 36 months from the date of first drawdown i.e. 11 December 2019.
- (ii) As per the terms of Debenture Trust Deed, the coupon rate shall be charged at the rate of 3M MIBOR + OIS Coupon Interest payments are to be made on a monthly basis for the year ended 31st March 2023  
During the period ended 31st March 2023, the company had received approval from the CDC Group PLC for change in repayment schedule of original 96 month repayment to 19 months quarterly payout
- (iii) The details of Security provided are as follows:  
-first-ranking security over the fixed assets of the Company  
-first-ranking security over the debt service reserve account  
-first-ranking pledge over the shares of the Company owned by Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashvin Agarwal, Dr. Ashar Agarwal, Ms. Farah Agarwal, Ms. Urmila Agarwal, Dr. Agarwal's Eye Institute Private Limited and Dr. Agarwal's Eye Institute.  
-non-disposal undertaking and negative pledge in respect of the shares: (a) in Dr. Agarwal's Eye Hospital Limited owned by the Company; and (b) in all Orbit subsidiaries owned directly or indirectly by Orbit (as applicable); and  
-personal guarantee of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashvin Agarwal and Dr. Ashar Agarwal, members of the Promoter Group and corporate guarantee from Orbit.
- (iv) Balance in Escrow accounts represents amount deposited in the account specifically earmarked for three months payment of { Interest + Principal } on debentures to the debenture holders (Refer Note 15(B)).
- (v) During the year ended 31st March, 2023 the company has repaid INR 45 Crores to British International Investments (Formerly CDC Group Plc) on 30th June, 2022 by way of refinancing the entire loan from HDFC Bank
- (vi) Subsequent to the year ended 31 March 2023, the Company refinanced entire NCDs held by CDC Group Plc with ICICI Bank term loan.

19.2 Details of Term Loan from Banks / Others - Secured

The Company has availed Term Loan from Banks as at 31 March 2023. The details of tenor, interest rate, repayment terms of the same are given below:

(Amount in Rs. Crores)

S.No.	Original Tenor (In Months)	Interest Rate	No. of Instalments outstanding as at 31st March 2023	No. of Instalments outstanding as at 31st March 2022	Repayment Terms	As at 31st March 2023	As at 31st March 2022
<b>I - Term Loan from HDFC Bank (Refer Note (i) below)</b>							
1	21 Months Quarterly Payout	3M T Bill + Spread	18	21	Refer Note (i)	48.71	54.68
2	21 Months Quarterly Payout	3M T Bill + Spread	18	-	Refer Note (i)	40.96	-
3	72 Months EMI	3M T Bill + Spread	72	-	Refer Note (i)	55.00	-
						<b>144.67</b>	<b>54.68</b>
<b>II - Vehicle Loans from HDFC Bank (Refer Note (i) below)</b>							
2	60	8.75%	7	19	Principal Monthly, Interest Monthly	0.09	0.26
<b>Sub-Total</b>						<b>0.09</b>	<b>0.26</b>
<b>Total of borrowings from Banks</b>						<b>144.76</b>	<b>54.94</b>
Less : Current Maturities of long-term borrowings (Refer Note 23)						(12.00)	(5.09)
<b>Long-term Borrowings from Banks</b>						<b>132.76</b>	<b>49.84</b>

Notes:

- (i) The loans are secured by hypothecation of respective Vehicles financed by the Bank.
- (ii) The details of security provided against the HDFC Term loans are as follows:  
-First charge by way of hypothecation on all Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future;  
- Exclusive charge on all Borrower's current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future;  
-First charge by way of hypothecation on all bank accounts and reserves of Borrower including but not limited to DSRA and other reserves;  
-Subject to provisions of Section 19(2) and (3) of Banking Regulation Act, 1949, pledge of 9.9% of equity share capital and preference share capital of Borrower by the Promoter to HDFC Bank exclusively; BII will have a share pledge over 16.8% shareholding of the Borrower held by the Promoter. For the remaining 10.6% stake shareholding lenders will have a negative pledge.  
- Personal Guarantees of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal and Dr. Ashvin Agarwal, being the promoter and relatives of the promoter.  
- Non-Disposal Undertaking and negative pledge in respect to shares of Dr. Agarwal's Eye Hospital Limited (AEHL) owned by the Borrower.
- (iii) The Company has obtained a written acknowledgement from the Bank that there were no non-compliances with the loan terms and conditions as at 31 March 2023.



**Dr. Agarwal's Health Care Limited**  
**Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023**

**19.3 Issues of Fully and Compulsorily Convertible Cumulative Participative Preference Shares**

Note: During the year ended 31 March 2022, the Company has issued, 0.001% Fully and Compulsorily Convertible Non-Cumulative Participative Preference Shares to Arvon Investments Pte Ltd of Rs. 100 each into 124,301 Equity Shares of Rs. 100 each (at a premium of Rs. 1,100 each) in its Board meeting held on 20 August 2021.

The conversion of Fully and Compulsorily Convertible Non-Cumulative Participative Preference Shares will happen at the earlier of two years or a fund raise exceeding Rs. 100 Crores, at a fixed return over the said period.

**0.001% Fully and Compulsorily Convertible Debentures of Face Value of Rs. 1200 each**

1. Pursuant to the extra ordinary general meeting of the company held on 12 August 2021, the company has allotted 1,67,366 units of Compulsorily Convertible Debentures (CCD) of Rs. 1200 each to Value Growth Investments Holding Pte Ltd.

The conversion of Fully and Compulsorily Convertible Debentures will happen at the earlier of two years or a fund raise exceeding Rs. 100 Crores, at a fixed return over the said period.

Note:

Pursuant to the board meeting dated 26 April 2022, the Company has allotted 53,024 equity share to the holders of 1,24,301 Compulsorily Convertible Preference shares holders and 71,394 equity shares to holders of 1,67,366 shares to all of its Compulsorily Convertible Debentures holders.

**20 OTHER FINANCIAL LIABILITIES**

(Amount in Rs. Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Non-current liabilities</b>		
Measured at Fair Value		
(a) Acquisition Liabilities (Refer Note below)	87.85	7.32
(b) Others	0.74	-
<b>Total</b>	<b>88.59</b>	<b>7.32</b>
<b>Current</b>		
Measured at Amortised Cost		
(a) Payables towards purchase of Property, Plant and Equipment	43.09	10.65
(b) Interest Accrued But Not Due on Borrowings		
- from Banks	1.17	-
Measured at Fair Value		
(c) Acquisition Liabilities (Refer Note below)	33.45	7.08
<b>Total</b>	<b>77.71</b>	<b>17.73</b>

Note: Acquisition Liabilities represents the estimated fair value of the contingent consideration relating to the acquisition of various eye clinics which was acquired upto 31 March 2023.

**21 PROVISIONS**

(Amount in Rs. Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Non-current portion</b>		
(a) Provision for Employee Benefits:		
- Gratuity Payable (Refer Note 37.3)	1.20	0.32
- Compensated Absences (Refer Note 37.2)	2.39	1.30
<b>Total</b>	<b>3.59</b>	<b>1.62</b>
<b>Current portion</b>		
(a) Provision for Employee Benefits:		
- Compensated Absences (Refer Note 37.2)	1.09	0.59
(b) Provision for Contingencies	0.08	0.08
<b>Total</b>	<b>1.17</b>	<b>0.67</b>

21.1 The Company carries a 'provision for contingencies' towards various claims against the Company not acknowledged as debts (Refer Note 36), based on Management's best estimate. The details are as follows:

(Amount in Rs. Crores)

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	0.08	0.08
Provision made during the year	-	-
Amounts Utilized during the year	-	-
Unused Amounts Reversed during the year	-	-
<b>Closing Balance</b>	<b>0.08</b>	<b>0.08</b>

Note:

Whilst the provision as at 31 March 2023 is considered as current in nature, the actual outflow with regard to said matters depends on the exhaustion of remedies available under the law based on various developments. No recoveries are expected against the provision.



22 OTHER LIABILITIES

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Current liabilities</b>		
(a) Statutory Remittances	1.18	2.30
(b) Advances from Customers	1.77	1.41
(c) Gratuity payable - Current	1.21	0.85
<b>Total</b>	<b>4.16</b>	<b>4.56</b>

23 CURRENT BORROWINGS

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>(a) Loans Repayable on Demand</b>		
(i) From Banks - Secured		
- Cash Credit Facility (Refer Notes (i) and (ii) below)	0.60	4.22
(ii) Current Maturities of Long-Term Borrowings (Refer Note 19.1 and 19.2)		
- from secured borrowings	28.56	14.40
- from banks (secured)	12.00	5.09
<b>Total</b>	<b>41.16</b>	<b>23.71</b>

Notes :

(i) The details of interest rate, repayment and other terms of the Short Term Borrowings are as follows:

Type	Name of the Party	Interest Rate	Repayment Terms	(Amount in Rs. Crores)	
				As at 31st March 2023	As at 31st March 2022
Cash Credit facility from Bank	HDFC Bank	HDFC Base Rate + 2.85%	On Demand	0.60	4.22

(ii) The Cash credit facility availed by the Company as at 31 March 2023 & 31 March 2022 is secured by the following:

- First and exclusive charge by way of hypothecation of current assets of the company
- Personal Guarantees of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal and Dr. Ashwin Agarwal, being the promoters and relatives of the promoters and Dr. Agarwal's Eye Institute.

24 TRADE PAYABLES

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Current</b>		
- Dues of Micro Enterprises and Small Enterprises (Refer Note 32)	14.16	6.77
- Dues of Creditors Other than Micro Enterprises and Small Enterprises	46.14	46.90
- Disputed dues of Micro Enterprises and Small Enterprises (Refer Note 32)	-	-
- Disputed dues of Creditors Other than Micro Enterprises and Small Enterprises	-	-
- Other Trade Payable	-	-
<b>Total</b>	<b>60.30</b>	<b>53.67</b>

As at 31st March 2023

Particulars	(Amount in Rs. Crores)				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
- MSME	14.12	0.03	0.01	-	14.16
- Others	40.78	4.19	0.42	0.75	46.14
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>54.90</b>	<b>4.22</b>	<b>0.43</b>	<b>0.75</b>	<b>60.30</b>

As at 31st March 2022

Particulars	(Amount in Rs. Crores)				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
- MSME	6.76	0.01	-	-	6.77
- Others	45.73	0.42	0.75	-	46.90
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>52.49</b>	<b>0.43</b>	<b>0.75</b>	<b>-</b>	<b>53.67</b>



25 REVENUE FROM OPERATIONS

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Sale of Products (Refer Note (i) below)	123.39	86.53
(b) Sale of Services (Refer Note (ii) below)	474.16	274.91
(c) Other Operating Revenues	0.09	0.15
<b>Total</b>	<b>597.64</b>	<b>361.59</b>

25.1 Disaggregation of the revenue information

The tables below present disaggregated revenues from contracts with customers for the year ended 31 March 2023 by offerings. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Notes :

(i) Sale of Products comprises the following:

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Traded (Domestic) :</b>		
(i) Opticals	69.45	49.23
(ii) Pharmaceutical Products	43.13	26.93
(iii) Contact Lens and Accessories	1.85	1.42
	<b>114.43</b>	<b>77.58</b>
<b>Traded (Export) :</b>		
(i) Opticals	0.03	0.04
(ii) Pharmaceutical Products	-	0.05
(iii) Clinical Items and Equipments	8.93	8.86
	<b>8.96</b>	<b>8.95</b>
<b>Total - Sale of Products</b>	<b>123.39</b>	<b>86.53</b>

(ii) Sale of Services comprises the following :

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(i) Income from Surgeries	398.79	223.18
(ii) Income from Consultation	31.06	13.23
(iii) Income from Treatments and Investigations	44.31	38.50
<b>Total - Sale of Services</b>	<b>474.16</b>	<b>274.91</b>

The services are rendered to various patients and there are no patients who represent more than 10% of the total revenue. However, the Hospital also serves patients who are covered under insurance/health schemes run by insurance companies, corporates and the central/state government agencies, wherein the services rendered to the patient is on credit to be reimbursed by the said insurance company, corporate or government agency.

25.2 Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods / services are delivered / performed to the customer.

Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

25.3 Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in IND AS - 115, the Company has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.



26 OTHER INCOME

(Amount in Rs. Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Interest Income		
- Bank deposits	2.48	1.09
- Loans to Subsidiary (Refer note 38)	3.18	2.45
(b) Interest Income - Other Financial Assets at amortized cost	1.29	0.14
(c) Net gain on termination of right-of-use assets	-	2.44
(d) Profit on sale of Property, Plant and Equipment (Net)	0.05	-
(e) Liabilities / provisions no longer required written back	0.44	2.29
(f) Interest on Income Tax refund	0.19	1.43
(g) Net gain on Foreign Currency Transactions	0.66	-
(h) Miscellaneous Income		
- Other Miscellaneous Income	1.75	0.53
- Dividend	3.00	-
(i) Profit on Redemption of Current Investments	4.65	-
<b>Total</b>	<b>17.70</b>	<b>10.37</b>

27 PURCHASE OF STOCK IN TRADE

(Amount in Rs. Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Opticals	26.09	20.02
(b) Pharmaceuticals Products	29.75	17.71
(c) Contact Lens and Accessories	1.84	1.14
(d) Clinical Items and Equipments	7.02	7.02
<b>Total</b>	<b>64.70</b>	<b>45.89</b>

28 CHANGES IN INVENTORIES OF STOCK IN TRADE

A. Inventories at the beginning of the year:

(Amount in Rs. Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Opticals	4.55	2.99
(b) Pharmaceuticals Products	2.81	2.27
(c) Contact Lens and Accessories	0.70	0.24
(d) Clinical Items and Equipments	1.38	1.01
<b>Total (A)</b>	<b>9.44</b>	<b>6.51</b>

B. Inventories at the end of the year:

(Amount in Rs. Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Opticals	5.80	4.55
(b) Pharmaceuticals Products	4.72	2.81
(c) Contact Lens and Accessories	1.39	0.70
(d) Clinical Items and Equipments	0.04	1.38
<b>Total (B)</b>	<b>11.95</b>	<b>9.44</b>
<b>Total (A) - (B)</b>	<b>(2.51)</b>	<b>(2.93)</b>

29 EMPLOYEE BENEFITS EXPENSE

(Amount in Rs. Crores)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Salaries and Bonus	81.21	53.72
(b) Contributions to Provident and Other Funds (Refer Note 37.1)	4.77	3.36
(c) Staff Welfare Expenses (Refer Note 37.1)	4.09	2.10
(d) Employee Stock option Expenses (Refer Note 43.4 and 18.3)	0.78	-
<b>Total</b>	<b>90.85</b>	<b>59.18</b>



Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

30 FINANCE COSTS

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Interest on Loan		
(i) On Term Loans	7.38	1.65
(ii) On Debentures	14.16	16.67
(iii) On Others	5.95	1.16
(iv) Interest on Acquisition Liabilities	12.86	-
(b) Interest on Lease Liability (Refer Note 40)	21.51	17.09
<b>Total</b>	<b>61.86</b>	<b>36.57</b>

31 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Depreciation on Tangible Assets (Refer Note 5)	25.42	28.00
(b) Amortization on Intangible Assets (Refer Note 7)	33.53	9.21
(c) Depreciation on right of use asset (Refer Note 6 & 40)	32.81	18.38
(d) Impairment on Intangible Assets	-	3.70
<b>Total</b>	<b>91.76</b>	<b>59.29</b>

32 OTHER EXPENSES

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Consultancy Charges*	101.64	59.86
(b) Consumables	84.57	48.43
(c) Power and Fuel	7.29	4.88
(d) Water Consumption	0.30	0.25
(e) Rent (Refer Note 40)	6.88	4.08
(f) Repairs & Maintenance		
- Equipments	4.53	2.57
- Others	5.17	4.20
(g) Hospital Maintenance Charges	10.77	8.50
(h) Insurance	1.85	1.08
(i) Rates and Taxes	2.35	0.68
(j) Communication	2.45	1.63
(k) Travelling and Conveyance	8.98	4.37
(l) Printing and Stationery	2.47	1.28
(m) Legal and Professional Charges	9.16	6.33
(n) Software Maintenance Charges	3.42	1.39
(o) Business Promotion and Entertainment	8.55	5.34
(p) Marketing Expenses	12.97	7.23
(q) Payments to Auditors (Refer Note 32.1 below)	0.45	0.41
(r) Bank Charges	2.46	1.59
(s) Net Loss on Foreign Currency Transactions and Translations	0.29	0.17
(t) Allowance for expected credit losses	6.71	5.30
Less:		
Bad debts written off	2.15	-
(Release of provision)	(2.15)	-
(u) Loss on property, plant and equipment discarded	-	0.48
(v) Impairment Loss	-	3.09
(w) Miscellaneous Expenses	2.06	1.77
<b>Total</b>	<b>285.32</b>	<b>174.91</b>

\* Consultancy charges includes an amount of Rs. 0.74 crores relating Share Appreciation Expenses. (Refer Note 43.4)

32.1 Payments to the Auditors Comprises :

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) As Auditors:		
- For Statutory Audit	0.35	0.29
- For Quarterly review	0.03	0.03
- Other Services	-	0.03
- Goods and Service Tax/Service Tax	0.07	0.06
<b>Total</b>	<b>0.45</b>	<b>0.41</b>



**33 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars*	(Amount in Rs. Crores)	
	2022-23	2021-22
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	14.16	6.76
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.17	0.06
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.17	0.06
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.17	0.06
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0.17	0.06

\*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

**34 Disclosure under Section 186 (4) of the Companies Act, 2013**

The particulars of investments made as required to be disclosed u/s 186 (4) of the Companies Act, 2013 are disclosed in Note 8 of Notes forming part of the Standalone Financial Statements.

The particulars of the loans provided is disclosed in Note 9(i) of the Standalone financial statements.

The particulars of guarantees given as required to be disclosed u/s 186 (4) of the Companies Act, 2013 are as follows:

Beneficiary of the Guarantee	Party to which Guarantee is given	(Amount in Rs. Crores)	
		As at 31st March 2023	As at 31st March 2022
Dr. Agarwal's Eye Hospital Limited (Refer Note 38)	Axis Bank	43.83	31.94
Aditya Jyot Eye Hospital Private Limited (Refer Note 38)	Kotak Mahindra	2.14	3.38
Orbit Health Care Services (Mauritius) Limited (Refer Note 38)	SBM Bank (Mauritius) Limited	1.75	-

Further, 1350,000 Equity Shares held by the Company in Dr. Agarwal's Eye Hospital Limited has been pledged as one of the collateral securities with Axis Bank, for the loans taken by Dr. Agarwal's Eye Hospital Limited to the extent of INR 43.83 crores. The above mentioned amounts are outstanding position as on 31 March 2023 and does not include the entire sanctioned amount, where the entire sanctioned amount is Rs. 90.04 crores.

**35 Capital Commitments**

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
(i) The estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for	20.86	6.98

**36 Contingent Liabilities**

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Consumer Claims against the Company not acknowledged as debt	0.15	0.15

**Notes:**

(i) Based on Professional Advice / Management's assessment of all the above claims, the Company expects a favorable decision in respect of the above claims and hence no specific provision has been considered for the above claims. Also refer Note 21.1

(ii) The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately.





37 Employee Benefits

37.1 Defined Contribution plans

(a) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Expenses recognized :

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(i) Included under 'Contributions to Provident and Other Funds' (Refer Note 29) Contributions to provident and pension funds	3.88	2.71
(ii) Included Under 'Staff Welfare Expenses' (Refer Note 29) Contributions to Employee State Insurance	0.59	0.45

37.2 Compensated Absences

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Included under 'Salaries and Bonus' (Refer Note 29)	1.82	0.67

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
(b) Net asset / (liability) recognized in the Balance Sheet	(3.48)	(1.89)
Current portion of the above (Refer Note 21)	(1.09)	(0.59)
Non-current portion of the above (Refer Note 21)	(2.39)	(1.30)

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2022-23	2021-22
Discount Rate (% p.a)	7.3%	5.85%
Future Salary Increase (% p.a)	10%	8%

37.3 Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2023 by M/s Kapadia Actuaries and Consultants. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

(a) Amount recognized in the statement of profit & loss (including other comprehensive income) in respect of the defined benefit plan are as follows :

Particulars	(Amount in Rs. Crores)	
	For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>Amounts recognized in Statement of Profit &amp; Loss in respect of these defined benefit plans are as follows:</b>		
Service Cost (Refer Note(i) below) :		
- Current Service Cost	0.85	0.64
- Net Interest expense	0.04	0.01
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>0.89</b>	<b>0.65</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Return on plan assets (excluding amount included in net interest income)	(0.02)	0.01
Actuarial gains and loss arising from changes in Demographic assumptions	-	0.20
Actuarial gains and loss arising from changes in Financial assumptions	0.06	0.15
Actuarial gains and loss arising from experience adjustments	0.65	0.44
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>0.69</b>	<b>0.80</b>
<b>Total defined benefit cost recognized in Statement of Profit and Loss and Other Comprehensive Income</b>	<b>1.58</b>	<b>1.44</b>

(i) The current service cost and interest expense for the year are included in Note 29 - "Employee Benefit Expenses" in the Statement of Profit & Loss under the line item "Contribution to Provident and Other Funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>Net Asset/(Liability) recognized in the Balance Sheet</b>		
1. Present value of defined benefit obligation	5.05	3.75
2. Fair value of plan assets	2.64	2.59
<b>Net asset / (liability) recognized in the Balance Sheet</b>	<b>(2.41)</b>	<b>(1.16)</b>
Current portion of the above	(1.21)	(0.85)
Non-current portion of the above	(1.20)	(0.32)



(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Present value of defined benefit obligation at the beginning of the year	3.75	2.64
Expenses Recognized in Statement of Profit and Loss:		
- Current Service Cost	0.85	0.64
- Interest Expense (Income)	0.20	0.11
Adjustments	-	(0.07)
Recognized in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial (Gain)/ Loss arising from:		
i. Demographic Assumptions	-	0.20
ii. Financial Assumptions	0.06	0.15
iii. Experience Adjustments	0.64	0.44
Benefit payments	(0.45)	(0.36)
Present value of defined benefit obligation at the end of the year	5.05	3.75

(d) Movement in fair value of plan assets are as follows :

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Fair value of plan assets at the beginning of the year	2.58	2.12
Expenses Recognized in Statement of Profit and Loss:		
- Expected return on plan assets	0.15	0.10
Recognized in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial gains and loss arising from changes in financial assumptions	-	-
- Return on plan assets (excluding amount included in net interest income)	0.02	(0.01)
Contributions by employer	0.33	0.72
Benefit payments	(0.44)	(0.35)
Fair value of plan assets at the end of the year	2.64	2.58

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Investment Funds with Insurance Company		
- Life Insurance Corporation of India	2.64	2.58

(f) The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity.

(g) The Actual return on plan asset for the year ended 31. March 2023 is INR 0.17 crores ( For the year ended - 31. March 2022: INR 0.09 crores).

(g) Actuarial assumptions

Investment Risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Interest Risk:

A decrease in the yield of Indian government securities will increase the plan liability.

Longevity Risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

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

Particulars	As at 31st March 2023	As at 31st March 2022
Discount rate	7.3%	5.85%
Expected rate of salary increase	10%	8%
Expected return on plan assets	7.3%	5.85%
Expected Attrition rate based on Past Service (PS) (% p.a)	28%	28%
Mortality	Indian Assured Lives (2012-2014)	Indian Assured Lives (2012-2014)

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation

2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversified.



**Sensitivity Analysis:**

The benefit obligation results of a such a scheme are particularly sensitive to discount rate, salary growth and employee attrition, if the plan provision do provide for such increases on commencement of pension.  
The following table summarizes the impact in financial terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these four key parameters:

(Amount in Rs. Crores)

Increase / (Decrease) on the Defined benefit Obligation	As at 31st March 2023	As at 31st March 2022
(i) Discount Rate		
Increase by 100 bps	(4.89)	(0.12)
Decrease by 100 bps	5.24	0.13
(ii) Salary growth rate		
Increase by 100 bps	5.22	0.13
Decrease by 100 bps	(4.90)	(0.12)
(iii) Attrition rate		
Increase by 100 bps	(5.05)	(0.01)
Decrease by 100 bps	5.07	0.01

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(h) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate.

(i) Effect of Plan on Entity's Future Cash Flows

A) Funding Arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

B) The Company expects to make a contribution of INR 1.21 crores during the next financial year.

C) The weighted average duration of the benefit obligation at 31 March 2023 is 3.40 years (as at 31 March 2022 is 3.44 years).

D) Maturity profile of defined benefit obligation:

Expected cash flows over the next (valued on undiscounted basis)	(Amount in Rs. Crores)
Within 1 year	1.11
2 to 5 years	3.30
6 to 10 years	1.67
more than 10 years	-

(ii) Experience Adjustments

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Defined Benefit Obligations	5.05	3.75	2.64	1.95	1.39
Plan Assets	2.64	2.58	2.12	1.60	1.18
Surplus / (Deficit)	(2.41)	(1.17)	(0.52)	(0.35)	(0.21)
Experience Adjustments on Plan Liabilities	0.64	0.44	0.28	0.19	0.19
Experience Adjustments on Plan Assets	-	-	-	-	-

Experience adjustments related to prior years have been disclosed based on the information to the extent available.



Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

38 Related Party Disclosure

38.1 Names of Related Parties and Nature of Relationships

Nature of Relationship	2022-23	2021-22
(i) Subsidiary Company	Dr. Agarwal's Eye Hospital Limited (AEHL)	Dr. Agarwal's Eye Hospital Limited (AEHL)
	Orbit Healthcare Services (Mauritius) Limited	Orbit Healthcare Services (Mauritius) Limited
	-----	Orbit Healthcare Services International Operations Limited (Merged with Orbit Healthcare Services (Mauritius) Limited w.e.f. 01 April 2022)
	Orbit Health care services (Tanzania) Limited	Orbit Health care services (Tanzania) Limited
	Orbit Healthcare Services Limited, Rwanda	Orbit Healthcare Services Limited, Rwanda
	Orbit Healthcare Services Ghana Limited	Orbit Healthcare Services Ghana Limited
	Orbit Healthcare Services Mozambique Limited	Orbit Healthcare Services Mozambique Limited
	Orbit Healthcare Services SARL, Madagascar	Orbit Healthcare Services SARL, Madagascar
	Orbit Healthcare Services Uganda Limited	Orbit Healthcare Services Uganda Limited
	Orbit Healthcare Services Zambia Limited	Orbit Healthcare Services Zambia Limited
	Orbit Thelish Healthcare Services (Nigeria) Limited (Disinvestment of entire holding from July 19, 2022)	Orbit Thelish Healthcare Services (Nigeria) Limited
	Orbit Healthcare Services Kenya Limited	Orbit Healthcare Services Kenya Limited
	Aditya Jyot Eye Hospital Private Limited	Aditya Jyot Eye Hospital Private Limited (w.e.f 08 October 2021)
	-----	Advance Eye Institute Private Limited ( Merged with AHCL w.e.f 01 April 2021)
	Elisar Life Sciences Private Limited	Elisar Life Sciences Private Limited
(ii) Associate Company	IdeaRx Services Private Limited	IdeaRx Services Private Limited
(iii) Entities having significant influence over the company	Value Growth Investment Holdings PTE Ltd (up to 05 May 2022)	Value Growth Investment Holdings PTE Ltd
	Claymore Investments (Mauritius) Pte. Ltd	Claymore Investments (Mauritius) Pte. Ltd
	Hyperion Investments Pte. Ltd (w.e.f 05 May 2022)	-----
	Arvon Investments Pte. (w.e.f 05 May 2022)	-----
(iv) Key Management Personnel of the Company	Dr. Amar Agarwal	Dr. Amar Agarwal
	Dr. Athiya Agarwal	Dr. Athiya Agarwal
	Mr. Balakrishnan Venkataraman	-----
	-----	Mr. Trichur Ramasubramanian Ramachandran
	Mr. Sanjay Dharambir Anand	Mr. Sanjay Dharambir Anand
	Dr. Ashwin Agarwal	Dr. Ashwin Agarwal
	Dr. Ashar Agarwal	Dr. Ashar Agarwal
	Dr. Adil Agarwal	Dr. Adil Agarwal
	Dr. Anosh Agarwal	Dr. Anosh Agarwal
	Mr. Shiv Agrawal	Mr. Shiv Agrawal
	Mr. Thanikainathan Arumugam (Company Secretary)	Mr. Thanikainathan Arumugam (Company Secretary)
	Mrs. Meenakshi Jayaraman (AEHL)	Mrs. Meenakshi Jayaraman (w.e.f 16 December 2021) (AEHL)
	-----	Mrs. Jolly H Jivanti (up to 13 Aug 2021) (AEHL)
	Ms. Lakshmi Subramanian (AEHL)	Ms. Lakshmi Subramanian (AEHL)
	Mr. Suresh Eshwara Prabhala (up to 04 May 2022)	Mr. Suresh Eshwara Prabhala
	Mr. B. Udhay Shankar (Group CFO)	Mr. B. Udhay Shankar (Group CFO)
	Mr. Venkatesh Ratnasami (up to 05 May 2022)	Mr. Venkatesh Ratnasami
Mr. Ankur Nand Thadani (w.e.f 05 May 2022)	-----	
Mr. Ved Prakash Kalanoria (w.e.f 05 May 2022)	-----	
(v) Enterprise over which the Key Management Personnel of the Company is in a position to exercise control/joint control	Dr. Agarwal's Eye Institute	Dr. Agarwal's Eye Institute
	Dr. Agarwal's Eye Institute Private Limited	Dr. Agarwal's Eye Institute Private Limited
	Maatrum Technologies and Legal Ventures Private Limited	Maatrum Technologies and Legal Ventures Private Limited
	Orbit International	Orbit International

\*Related party relationships are as identified by the Management and relied upon by the auditors.



Dr. Agarwal's Health Care Limited  
Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

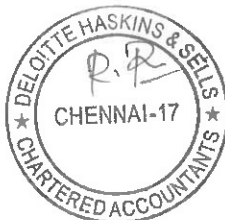
38.2 Transactions carried out with related parties referred to above in the ordinary course of business during the Year

(Amount in Rs. Crores)

Particulars	Related Party	2022-23	2021-22
<b>Transactions during the Year</b>			
<b>Revenue</b>			
Sale of Goods	Aditya Jyot Eye Hospital Private Limited	0.26	-
Export Sales	Orbit Healthcare Services Limited, Rwanda	0.37	0.17
	Orbit Healthcare Services Ghana Limited	0.98	1.23
	Orbit Health Care Services (Mauritius) Limited	0.43	0.89
	Orbit Healthcare Services Mozambique Limited	1.60	0.90
	Orbit Healthcare Services SARL, Madagascar	0.46	0.37
	Orbit Health Care Services (Tanzania) Limited	0.52	0.93
	Orbit Healthcare Services Uganda Limited	0.70	0.68
	Orbit Healthcare Services Zambia Limited	3.55	3.35
	Orbit Thelish Healthcare Services (Nigeria) Limited	0.12	0.20
	Orbit Healthcare Services Kenya Limited	0.22	0.25
Dividend Received	Dr. Agarwal's Eye Hospital Limited	1.01	-
Corporate Guarantee Charges	Dr. Agarwal's Eye Hospital Limited	0.07	0.11
Other Income	Orbit Healthcare Services Limited, Rwanda	0.04	0.02
	Orbit Healthcare Services Ghana Limited	0.09	0.05
	Orbit Health Care Services (Mauritius) Limited	0.05	0.05
	Orbit Healthcare Services Mozambique Limited	0.17	0.08
	Orbit Healthcare Services SARL, Madagascar	0.04	0.03
	Orbit Health Care Services (Tanzania) Limited	0.06	0.05
	Orbit Healthcare Services Uganda Limited	0.09	0.07
	Orbit Healthcare Services Zambia Limited	0.25	0.25
	Orbit Thelish Healthcare Services (Nigeria) Limited	0.02	0.02
	Orbit Healthcare Services Kenya Limited	0.03	0.02
<b>Expenses</b>			
Reimbursement of Expenses	Dr. Agarwal's Eye Hospital Limited	1.84	2.37
Purchases	IdeaRx Services Private Limited	16.05	12.90
Maintenance	Elisar Life Sciences Private Limited	0.10	-
Asset Purchase	Elisar Life Sciences Private Limited	0.34	0.09
<b>Recovery of Expenses</b>			
Consultancy Charges	Orbit Healthcare Services Mozambique Limited	-	0.90
	Orbit Healthcare Services Ghana Limited	-	1.23
ESOP Expenses	Dr. Agarwal's Eye Hospital Limited (Refer Note 16)	0.96	-
	Elisar Life Sciences Private Limited (Refer Note 16)	0.09	-
SARS Expenses	Dr. Agarwal's Eye Hospital Limited	0.37	-
Others Expenses	Dr. Agarwal's Eye Hospital Limited	0.34	-
<b>Others</b>			
Rental Deposit	Dr. Agarwal's Eye Institute	-	4.58
Capital Work in progress- Rent Expenses	Dr. Agarwal's Eye Institute	-	2.95
Investments	Aditya Jyot Eye Hospital Pvt Limited	6.25	26.00
Transfer of Capital Work In Progress	Dr. Agarwal's Eye Hospital Limited	-	11.96
Conversion of Preference shares	Value Growth Investment Holdings PTE Ltd	-	20.08
	Arvon Investments Pte Ltd (Issue of Compulsorily Convertible Preference Shares)	-	3.24
Loan to Subsidiary	Elisar Life Sciences Private Limited	3.05	-
Interest Income on Loan to Subsidiary	Elisar Life Sciences Private Limited	3.18	-

Notes:

- The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2023 and 31 March 2022, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.
- The Company has provided Corporate Guarantees amounting to INR 77.51 crores to Axis bank (Previously in HDFC) for the loans taken by Dr. Agarwal's Eye Hospital. Further, 1,350,000 Equity Shares held by the Company in the Dr Agarwal's Eye Hospital Limited (AEHL) has been pledged as one of the collateral securities with Axis bank (previously with HDFC), for the loans taken by AEHL. The Company has provided Corporate Guarantees amounting to INR 10.00 crores to Kotak bank for the loans taken by Dr. Aditya Jyot Eye Hospital.
- The Company has provided Corporate Guarantees amounting to INR 2.53 crores (MUR 25,400,000) to SBM Bank (Mauritius) Limited for the loans taken by Orbit Health Care Services (Mauritius) Limited, its wholly owned subsidiary.



**Dr. Agarwal's Health Care Limited**  
**Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023**

**38.3 Compensation of key management personnel**

(Amount in Rs. Crores)

Particulars	Related Party	2022-23		2021-22	
Short-term employee benefits (Refer Note (ii))	Dr. Anosh Agarwal	3.23	1.05		
	Dr. Adil Agarwal	3.25	1.12		
	Mr. B. Udhay Shankar	0.52	0.50		
Post employee benefits	Mr. Thanikainathan Arumugam	0.46	0.31		
	Dr. Anosh Agarwal	0.00	0.00		
	Dr. Adil Agarwal	0.00	0.00		
	Mr. B. Udhay Shankar	0.00	0.00		
Other perquisites	Mr. Thanikainathan Arumugam	0.00	0.00		
	Dr. Anosh Agarwal	0.43	0.46		
	Dr. Adil Agarwal	0.45	0.99		
Sitting Fees	Mr. Shiv Agrawal	0.01	0.01		
	Mr. Balakrishnan	0.01	0.01		
	Mr. Sanjay Dharambir Anand	0.02	0.01		

**Notes:**

- (i) Excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.  
(ii) Employee Benefits paid to Dr Anosh Agarwal and Dr Adil Agarwal, represents remuneration of salary and allowances but excluding perquisites.  
(iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.  
(iv) There were no balances outstanding to be paid / received as at the year end.  
(v) The above remuneration for Key management personnel does not include vehicle, communication expenses & other expenses for which the prerequisite value is determined as Nil.

**38.4 Balances outstanding as at year end**

(Amount in Rs. Crores)

Particulars	Related Party	As at 31st March 2023		As at 31st March 2022	
<b>Assets</b>					
Trade Receivables	Orbit Healthcare Services Limited, Rwanda	0.04	0.02		
	Orbit Healthcare Services Ghana Limited	0.04	0.78		
	Orbit Healthcare Services Mozambique Limited	1.34	0.26		
	Orbit Healthcare Services SARI, Madagascar	0.05	0.26		
	Orbit Health Care services (Tanzania) Limited	0.04	2.11		
	Orbit Healthcare Services Uganda Limited	0.02	0.17		
	Orbit Healthcare Services Zambia Limited	2.02	2.74		
	Orbit Thelish Healthcare Services (Nigeria) Limited	-	0.13		
	Orbit Healthcare Services Kenya Limited	0.04	0.18		
	Orbit Health Care Services (Mauritius) Limited	0.30	0.03		
	Aditya Jyot Eye Hospital Private Limited	0.26	-		
	Other receivables	Dr. Agarwal's Eye Hospital Limited	0.44	-	
	Elisar Life Sciences Private Limited	0.09	-		
Loans	Elisar Life Sciences Private Limited	34.19	28.28		
<b>Liabilities</b>					
Trade Payable	Idea Rx Services Private Limited	-	3.35		
	Dr. Agarwal's Eye Hospital Limited	0.25	2.42		
	Elisar Life Sciences Private Limited	0.09	0.09		
Instruments equity in nature	Value Growth Investment Holdings PTE Ltd ( Issue of Compulsorily Convertible Debentures) (Refer Note 17.1 Notes)	-	20.08		
	Arvon Investments Pte Ltd (Issue of Compulsorily Convertible Preference Shares) (Refer Note 17.1 Notes)	-	14.76		

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received against the aforesaid outstanding balances. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.



39 Segment Reporting

The Company is engaged in providing eye care and related services provided from its hospitals which are located in India. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Eye care related sales and services.

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

Particulars	As at 31 March 2023	As at 31 March 2022
<b>A. Segment Revenue</b>		
India	588.68	8.93
Outside India	8.96	8.95
<b>Total Revenue</b>	<b>597.64</b>	<b>17.88</b>
<b>A. Segment Assets</b>		
India	1,383.70	685.77
Outside India	3.88	6.68
<b>Total Assets</b>	<b>1,387.58</b>	<b>692.45</b>

39.A The Company has maintained backup on daily basis of its accounting records maintained in electronic mode. The backup is maintained in servers physically located outside India.

40 Leases

The Company has taken medical equipment and buildings on leases having remaining lease terms of more than 1 year to 10 years, with the option to extend the term of leases. Refer Note 6 for carrying amount of right-to-use assets at the end of the reporting period by class of underlying asset.

A. The following is the breakup of current and non-current lease liabilities:

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Current	28.80	15.97
Non-current	254.45	140.15
<b>Total</b>	<b>283.25</b>	<b>156.12</b>

B. The contractual maturities of lease liabilities on an undiscounted basis is as follows:

Lease Obligation	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Payable - Not later than one year	52.45	31.89
Payable - Later than one year but not later than five years	196.63	120.91
Payable - Later than five years	155.98	83.88
<b>Total</b>	<b>405.06</b>	<b>236.68</b>

C. Amounts recognised in the Statement of Profit and Loss:

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest on lease liabilities	21.51	17.09
Expenses relating to short term leases	6.88	4.08
Depreciation on right-of-use assets	32.81	18.38
Profit on termination of lease	-	2.44

D. Amounts recognised in the Cash Flow Statement:

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Total cash outflow for leases	(54.57)	(28.17)

41 Earnings Per Share

Particulars	(Amount in Rs. Crores)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Earnings Per Share - Basic - Rs.	40.35	(2.15)
Earnings Per Share - Diluted - Rs.	40.20	(2.15)
Profit/(Loss) after Tax	31.59	(1.47)
Less: Dividend on Compulsorily Convertible Cumulative Preference Shares (Including Tax thereon)	-	-
Net Profit attributable to Equity Shareholders - (Basic and Diluted)	31.59	(1.47)
Weighted Average Number of Equity Shares (Face Value of Rs. 10 Each) - Basic	7,829,860	6,859,969
Weighted Average Number of Equity Shares (Face Value of Rs. 10 Each) - Diluted	7,858,944	6,859,969

Note : During the current year the Compulsorily Convertible Cumulative Preference Shares are converted into equity shares and hence no adjustments required. For the previous year, such dividend on Compulsorily Convertible Cumulative Preference Shares were not considered on account of loss made during the previous year.



42 Financial Instruments

42.1 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes Equity Share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities excluding Payables towards PPE net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio :

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
Borrowings and Other Financial Liabilities	430.46	266.25
Cash and Bank Balance	(97.48)	(60.00)
<b>Net Debt (A)</b>	<b>332.98</b>	<b>206.25</b>
<b>Total Equity (B)</b>	<b>561.56</b>	<b>198.91</b>
<b>Net Debt to equity ratio (A/B)</b>	<b>0.59</b>	<b>1.04</b>

42.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2023 and 31 March 2022 is as follows:

Particulars	(Amount in Rs. Crores)	
	As at 31st March 2023	As at 31st March 2022
<b>(a) Financial Assets</b>		
<b>Measured at fair value through P&amp;L (FVTPL)</b>		
- Current Investments	33.66	-
<b>Measured at amortized cost</b>		
- Loans	1.89	21.08
- Cash and cash equivalents	76.81	43.74
- Other Bank balances	20.67	16.26
- Trade receivables	39.72	30.53
- Other financial assets	19.94	19.32
<b>Measured at cost</b>		
- Non Current Investments	153.66	147.41
	<b>346.35</b>	<b>278.34</b>
<b>(b) Financial Liabilities :</b>		
<b>Measured at amortized cost</b>		
- Borrowings	307.25	251.85
- Trade Payables	60.30	53.67
- Payables towards PPE	43.09	10.65
- Other financial liabilities	123.21	14.40
- Lease Liabilities	283.25	156.12
	<b>817.10</b>	<b>486.69</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/amortized cost

- 1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables
- 2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 3) Fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.

**Fair Value Hierarchy**

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.  
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).  
Details of financial assets and financial liabilities which were valued at fair value as of 31 March 2023 and 31 March 2022 are disclosed in Note 42.

42.3 Financial 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 Company manages financial risk relating to the operations through internal risk reports which analyze exposure by degree and magnitude of risk.

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.





**(a) Liquidity Risk Management :**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilized) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

**Liquidity and Interest Risk Tables :**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount in Rs. Crores)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
<b>31st March 2023</b>				
Interest bearing	148.45	476.45	131.95	756.85
Non-interest bearing	60.25	-	-	60.25
<b>Total</b>	<b>208.70</b>	<b>476.45</b>	<b>131.95</b>	<b>817.10</b>
<b>31st March 2022</b>				
Interest bearing	81.61	138.09	202.67	422.37
Non-interest bearing	64.32	-	-	64.32
<b>Total</b>	<b>145.93</b>	<b>138.09</b>	<b>202.67</b>	<b>486.69</b>

The following tables detail the Company's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

(Amount in Rs. Crores)

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
<b>31st March 2023</b>				
Interest bearing	99.37	-	-	99.37
Non-interest bearing	80.05	38.77	128.16	246.98
<b>Total</b>	<b>179.42</b>	<b>38.77</b>	<b>128.16</b>	<b>346.35</b>
<b>31st March 2022</b>				
Interest bearing	43.76	33.44	-	77.20
Non-interest bearing	53.71	-	147.42	201.13
<b>Total</b>	<b>97.47</b>	<b>33.44</b>	<b>147.42</b>	<b>278.33</b>

**(b) Credit Risk:**

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 encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Refer Note 25 and Note 14 for the details in respect of revenue and receivable from top customers.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in Mutual Funds.



(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(c.1) 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 exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest Rate sensitivity analysis:

A change (decrease/increase) of 100 basis points in interest rates at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Amount in Rs. Crores)			
	As at 31st March 2023		As at 31st March 2022	
	Increase by 100bps	Decrease by 100bps	Increase by 100bps	Decrease by 100bps
Impact on Profit and loss for the reporting period	3.09	(3.09)	(2.50)	2.50

Impact on total equity as at the end of the reporting period (Amount in Rs. Crores)

Particulars	(Amount in Rs. Crores)			
	As at 31st March 2023		As at 31st March 2022	
	Increase by 100bps	Decrease by 100bps	Increase by 100bps	Decrease by 100bps
Impact on total equity as at the end of the reporting period	3.09	(3.09)	(2.50)	2.50

(c.2) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Company has not entered into any derivative contracts during the year ended 31 March 2023 and there are no outstanding contracts as at 31 March 2022.

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

Particulars	Currency	As at 31st March 2023		As at 31st March 2022	
		Amount in Foreign Currency	(Amount in Rs. Crores)	Amount in Foreign Currency	(Amount in Rs. Crores)
		Trade Receivables	USD	473,498.00	3.88
Other Current Liabilities	USD	-	-	-	0.01

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Particulars	(Amount in Rs. Crores)			
	For the Year Ended 31st March 2023		For the Year Ended 31st March 2022	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	0.19	(0.19)	0.33	(0.33)

Impact on total equity as at the end of the reporting period (Amount in Rs. Crores)

Particulars	(Amount in Rs. Crores)			
	For the Year Ended 31st March 2023		For the Year Ended 31st March 2022	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	0.19	(0.19)	0.33	(0.33)

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

42.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

42.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

42.6 Fair Value Measurement

Financial Assets and Financial Liabilities that are not measured at fair value

Financial Assets / Financial Liabilities	Fair Value as at (Amount in Rs. Crores)		Fair Value Hierarchy	Value Technique and Key Inputs
	As at 31st March 2023	As at 31st March 2022		
	Investment in Subsidiaries - Dr. Agarwal's Eye Hospital Limited	308.68		

The management assessed that financial assets and financial liabilities that are not measured at fair value in the financial statements approximate the fair values (except as stated above) and accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets / liabilities.



43 Share-based payments  
43.1 Stock Awards

Under the Company's stock awards program, the employees and doctors of the Company and its subsidiaries are granted shares and other stock awards of the Company, in accordance with the terms and conditions as specified in the plan. The plan is assessed, managed and administered by the company, whose shares and share based benefits have been granted to the employees and doctors of the Company and its subsidiaries. The company currently operates an employee stock option ("ESOP") and a share appreciation rights ("SAR"). The Company has accounted for the amount of expense under Ind AS 102 considering the valuations carried out in respect of the same and has made the related disclosures required under INDAS 102. The amounts recovered from the subsidiaries in respect of the cost towards such stock awards given to its employees and doctors are accounted for under Note 16.

43.2 ESOP

The stock awards granted generally vest over a four service period. The annual stock awards are granted effective of the 28th November 2022; this effective date is the "award date" used for stock plan administration purposes and shown in the awards agreement. The maximum number of shares in a stock award is, not exceeding 2% of the Paid Up Capital of the Company, as on August 12, 2022, comprising 1,58,522 Options to or for the benefit of the employees of the Company and its subsidiaries.

The following reconciles the share options at the beginning and at the end of the year:

Particulars	Number of options 31 March 2023	Amount in Rs.
		Weighted average price of option 31 March 2023
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	66,008	1,594
Less: Options lapsed/forfeited during the year	-	-
Less: Options exercised during the year	-	-
Less: Options Transferred during the year	-	-
<b>Options outstanding as at the year end *</b>	<b>66,008</b>	<b>1,594</b>

\* included 37,832 options granted to employees of the subsidiaries

The fair value of each award was estimated on the date of grant using the following assumptions:

Particulars	Amount in Rs.
	2022-23
Option price at the grant date	1,593.06
Option life	4 years
Exercise price	2,548

43.3 SAR

The share appreciation rights (SAR) gives consultant doctors of the Company and its subsidiaries the opportunity to receive a cash bonus equal to the appreciation in the value of the units which shall, for each Unit, be the difference between Fair Market Value of the equity shares as at Payment Event Trigger(PET)\* of Dr. Agarwal's Health Care Limited (the company) and Rs. 2,548/- (exercise price) as stated under the Plan.

\*PET is defined as either 1 of the 3 below:

- On the occurrence of an Initial Public Offer (IPO) by the Company
- Entry of any new investor in the Company acquiring more than 30% shareholding or change of shareholding by more than 30% of the paid up capital in any manner.
- Any other event that the Board may decide at its own discretion.

However, the payment timing shall not exceed 4 (four) years from the date of grant. If PET occurred only after 4 (four) years from the date of grant, then the 100% of the payment will be made at the end of the fourth year.

Particulars	Number of options 31 March 2023	Amount in Rs.
		Weighted average price of option 31 March 2023
SARs outstanding as at the beginning of the year	-	-
Add: SARs granted during the year	53,420	2,827
Less: SARs lapsed/forfeited during the year	-	-
Less: SARs exercised during the year	-	-
Less: SARs Transferred during the year	-	-
<b>Options outstanding as at the year end*</b>	<b>53,420</b>	<b>2,827</b>

\* Included 21,860 options granted to employees of the subsidiaries

The fair value of each award was estimated on the date of year end using the following assumptions:

Particulars	Amount in Rs.
	2022-23
Share Appreciation Right price at the grant date	2,827
Option life	4
Exercise price	2,548

43.4 Total expense accounted for by the Company on account of the above are given below:

Particulars	Rs. In Crores
	For the year ended 31 March 2023
ESOP cost accounted by the Company (Refer Note 29)	0.78
SAR cost accounted by the Company (Refer Note 32)	0.74
<b>Total</b>	<b>1.52</b>



## 44 (A) Ratios

The following are the analytical ratios for the year ended 31st March 2023 and 31st March 2022

Particulars	Numerator	Denominator	As at 31st March 2023	As at 31st March 2022	variance	Note
Current ratio	Current assets	Current liabilities	0.94	1.06	-11%	
Debt Equity	Total Debt*	Shareholder's Equity	1.05	2.05	-49%	Refer Note 1
Debt coverage ratio	Earnings available for debt service	Debt Service	1.54	1.64	-6%	
Return on equity %	Net Profits after taxes	Average Shareholder's Equity	8%	-1%	1218%	Refer Note 1 and Note 2
Trade receivables turnover ratio	Revenue	Average Trade Receivable	16.77	13.13	28%	Refer Note 2
Trade payables turnover ratio	Purchases	Average Trade Payables	2.58	1.84	40%	Refer Note 3
Net Capital Turnover ratio	Revenue	Working Capital	(47.51)	54.93	-186%	Refer Note 4
Net profit ratio	Net Profit	Revenue	5%	0%	2104%	Refer Note 2
Return on capital employed	Earning before interest and taxes	Capital Employed	0.14	0.11	28%	Refer Note 1
Return on investment	Income generated from investment	Time weighted average investment	NA	NA	-	
Inventory Turnover ratio	Cost of Goods sold	Average Inventory	7.76	6.12	27%	Refer Note 3

\*Total debt includes long term and short term borrowings and lease liabilities.

## Notes:

- The ratios for the period ended 31 March 2023 is not comparable with the period ended 31 March 2022 as there were fresh equity issue and conversion that contributed to this change.
- This is primarily on account of increase in revenue and higher collections from customers compared to the previous period.
- This is primarily on account of increase in purchases which is in line with the increase in revenue and business operations.
- This is primarily due to accounting of deferred considerations payable (current portion) in accordance with Ind AS 103 in relation to acquisitions made during the current year, which increased the current liabilities as on 31 March 2023.

## 44 (B) Undisclosed Income

The Company does not have any transaction which are 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.

## 44 (C) Transactions with companies whose name is struck-off

The Company reviewed the status of all its customers and vendors, as at 31st March 2023, in MCA portal, and observed that a Company does not have any transaction or outstanding with struck off companies under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956.

## 44 (D) Other disclosures

- The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- The Company neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Company.
- During the financial year, the Company has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.
- The Company has not granted any loans or advance in the nature of loans to promoters, directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except for the below :
  - The Company had granted loan of Rs. 3.05 crores during the current year and has an outstanding loan receivable (inclusive of interest accrued) of Rs. 31.42 crores as on 31 March 2023. The schedule of repayment of principal is stipulated as to be repaid over a period of 5 years, though specific instalments for each period has not been specified. However, the payment of interest has not been stipulated.
- The Company does not have any intangible assets under development as at 31 March 2023 and 31 March 2022, and hence disclosure under Schedule III is not applicable.
- No proceedings have been initiated during the year or are pending against the group as at 31 March 2023 and 31 March 2022 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.
- The company has been sanctioned working capital limits in excess of INR 5 crores, in aggregate, at any point of time during the year, for a period of 60 days, from banks on the basis of security of current assets but were not required to submit the quarterly returns or statements. Hence, reporting on the quarterly returns or statements filed by the company with such banks is not applicable.
- The Company has not been declared as a wilful defaulter by any bank or financial Institution or other lender.
- The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31 March 2023 and 31 March 2022.



Dr. Agarwal's Health Care Limited

Notes forming part of the Standalone Financial Statements for the Year Ended 31st March 2023

- (x) As at 31 March 2023 and 31 March 2022, the Company has subsidiaries and complies with clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (xiii) The Company neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year.
- (xiv) The Company does not have any investment properties as at 31 March 2023 and 31 March 2022 as defined in Ind AS 40.



45 Approval of Financial Statements

The Board of Directors of the Company has reviewed the realizable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 10 August 2023.

For and on behalf of the Board of Directors

  
Dr. Anil Agarwal  
Wholetime Director  
DIN: 01074272

  
Dr. Anosh Agarwal  
Wholetime Director  
DIN: 02636035

  
Mr. B. Udhay Shankar  
Chief Financial Officer

  
Mr. Thanikainathan Arumugam  
Company Secretary

Place : Chennai  
Date : 10th August 2023

