

Meeting the healthcare  
needs of today with

# TECHCELLENCE

2023  
ANNUAL REPORT

Transforming  
India's healthcare  
ecosystem by expanding  
our presence with  
excellence, technology  
and commitment.

United CIIGMA Institute of Medical Sciences  
Private Limited



# UNITED CIIGMA INSTITUTE OF MEDICAL SCIENCES PRIVATE LIMITED

THIRTEENTH ANNUAL REPORT 2022-2023

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>Mr. Jasdeep Singh</b>	<b>- Non-executive Director</b>
<b>Dr. Unmesh Vidyadhar Takalkar</b>	<b>- Managing Director</b>
<b>Ms. Ekta Bahl</b>	<b>- Independent Director</b>
<b>Mr. Kewal Handa</b>	<b>- Independent Director</b>
<b>Dr. Manisha Unmesh Takalkar</b>	<b>- Non-executive Director</b>
<b>Mr. Mahadevan Narayanamoni</b>	<b>- Non-executive Director</b>
<b>Mr. Vikas Rastogi</b>	<b>- Non-executive Director</b>

**BOARD COMMITTEES**

**Audit Committee**

Ms. Ekta Bahl- Chairperson

Mr. Kewal Kundanlal Handa - Member

Mr. Mahadevan Narayanamoni- Member

**Nomination and Remuneration Committee**

Ms. Ekta Bahl - Chairperson

Mr. Kewal Kundanlal Handa – Member

Mr. Jasdeep Singh – Member

Dr. Manisha Takalkar - Member

**REGISTERED OFFICE**

Plot No. 6 & 7, Survey No.10,  
Shahanoorwadi, Dargah Road,  
Aurangabad Maharashtra, India – 431001

**CORPORATE OFFICE**

CARE Corporate Office  
1<sup>st</sup> Floor, Kohinoor Building, Opp: Park Hyatt,  
Road No. 2, Banjara Hills, Hyderabad, Telangana, India- 500043

**STATUTORY AUDITORS**

M/s. Price Waterhouse Chartered Accountants LLP  
Unit -2B, 8<sup>th</sup> Floor, Octave Block, Block E1, Parcel-4,  
Salarpuria Sattva Knowledge City,  
Raidurg, Hyderabad – 500 081 Telangana

**COST AUDITORS**

M/s. Nageswara Rao & Co  
Cost Accountants  
H.No.30-1569/2, Plot No.35, Anantanagar Colony  
Neredmet, Secunderabad.

**INTERNAL AUDITORS**

Ernst & Young LLP  
18, iLabs Centre, Madhapur,  
Hyderabad – 500 081 Telangana

**SECRETARIAL AUDITORS**

Mehta & Mehta  
Company Secretaries  
A-2, Kalyani Gurumukh Heights, Behind SSC Board Office,  
Usmanpura, Aurangabad- 431001

UNITED CIIGMA INSTITUTE OF MEDICAL SCIENCES PRIVATE LIMITED

CIN: U74120MH2011PTC213136

Registered office address: Plot No 6 & 7, Survey No 10, Shahanoorwadi,  
Dargah Road, Aurangabad, Maharashtra, India – 431005, Tel 0240-2366666, 6676666  
Email: cs.office@carehospitals.com, Website: www.ciigmagroup.org

**NOTICE**

NOTICE is hereby given that the 13<sup>th</sup> Annual General Meeting of the members of **United Ciigma Institute of Medical Sciences Private Limited (“Company”)** will be held on Tuesday, 26<sup>th</sup> September, 2023 at 11:20 A.M. through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Registered Office of the Company situated at Plot No 6 & 7, Survey No 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra, India – 431005 to transact the following business:

**ORDINARY BUSINESS(ES):**

1. To receive, consider and adopt the audited financial statements i.e., Balance Sheet, the Statement of Profit & Loss account and cash flow statement of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Auditors and Board of Directors thereon.
2. To appoint a Director in place of Dr. Manisha Unmesh Takalkar (DIN: 01091099), who retires by rotation and being eligible, offers her candidature for re-appointment.

**SPECIAL BUSINESS(ES):**

3. **To Ratify the Remuneration Payable to Cost Auditors for the FY 2022-23:**

**To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies(Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to Cost Auditors M/s. Nageswara Rao & Co., Cost Accountants having Firm Registration No: 000332, appointed by the Board of Directors on the recommendation of Audit Committee as Cost Auditor, to conduct audit of cost records of the Company for the financial year 2023-24 amounting to Rs 25,000/- (Rupees Twenty Five Thousand Only) Per Annum plus applicable taxes and out of pocket expenses at actual in connection with the aforesaid audit, be and is hereby ratified and approved.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard including but not limited to filing of requisite application/forms/ reports, etc. with the Ministry of Corporate Affairs or with such other authorities as may be required for the purpose of giving effect to this resolution.”

4. **Appointment of Dr. Unmesh Vidyadhar Takalkar (DIN: 01578381) as Managing Director of the Company.**

**To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203 and 188 read with Schedule V and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications) thereto or re-enactment thereof for the time being in force) and subject to any other

approval as may be required if any, the consent of the members of the Company be and is hereby accorded for the appointment of Dr. Unmesh Vidyadhar Takalkar (DIN: 01578381) as the Managing Director of the Company, for a period of 5 Years with effect from January 20, 2023 to January 19, 2028 with a remuneration of an amount not exceeding Rs.50,00,000/- Per Annum (Rupees Fifty Lakh Only) Per Annum w.e.f. July 01, 2023, as recommended by the Nomination and Remuneration Committee and Board and Directors as per terms & conditions as mutually agreed between the Company and the Managing Director.

**RESOLVED FURTHER THAT** in accordance with the provisions of Section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 including any statutory modifications) thereto or re-enactment thereof for the time being in force) and other applicable statutory provisions if any, Dr. Unmesh Vidyadhar Takalkar, will be paid in addition to the above, a professional fee upto a revenue share of 17% of total IP & OP revenue generated by Dr. Unmesh and his team (which shall include Dr. Umesh Kulkarni, Dr. Vinit Kahalekar & Dr. Shruti Toshniwal), subject to applicable taxes and paid net of taxes by the Company, which shall be considered for pay out calculation, provided by him and his team on their behalf from each patient by way of monthly/quarterly/Annual fee or by way of commission on the fees collected to whom consultation was provided or on whom a procedure was carried on.

**RESOLVED FURTHER THAT** any cross consultation, cross procedures and implant revenue be excluded while considering pay out calculation, any cost or payments made to Dr. Unmesh Takalkar's team by the Company are subject to deduction from the payouts referred above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary, alter or modify the remuneration as recommended by the Nomination and Remuneration Committee and may be agreed by the Board of Directors and Dr. Unmesh Vidyadhar Takalkar.

**RESOLVED FURTHER THAT** any Director of the Company, be and is hereby severally authorized to digitally sign, authenticate, and file online, all statutory form(s), return(s), application(s), other document(s) and paper(s) as required under the provisions of the Act, and the rules made there under with the Ministry of Corporate Affairs and to do all such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

#### 5. Appointment of Ms. Ekta Bahl (DIN: 01437166) as an Independent Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution


“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the Articles of Association of the company, Ms. Ekta Bahl (DIN: 01437166) who was appointed as an Additional Director in capacity of Additional Director (Independent) for a period of 5 years by the Board of Directors in its meeting held on January 20, 2023, pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and Board of Directors and whose term of office expires at this Annual General Meeting who meets the criteria for Independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 5 consecutive years, whose period of office will not be liable to retirement by rotation.”

**6. Appointment Mr. Kewal Kundanlal Handa (DIN: 00056826) as an Independent Director**

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the Articles of Association of the company, Mr. Kewal Kundanlal Handa (DIN: 00056826) who was appointed as an Additional Director in capacity of Additional Director (Independent) for a period of 5 years by the Board of Directors on March 23, 2023, pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and Board of Directors and whose term of office expires at this Annual General Meeting who meets the criteria for Independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of 5 consecutive years, whose period of office will not be liable to retirement by rotation.”

**For and on behalf of Board of Directors**

  
Jasdeep Singh  
Director & Group CEO  
DIN: 02705303  
Email: jasdeep.singh@carehospitals.com



Date: 21-08-2023  
Place: Hyderabad

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) relating to Special Business i.e., Item No. 3,4,5 and 6 to be transacted at Annual General Meeting is annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”) has vide General circular No. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, read with circulars No. 21/2021 dated 8.12.2021, General circular no. 2/2022 dated 05.05.2022 and General circular no. 10/2022 dated 28.12.2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members till 30<sup>th</sup> September, 2023. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars and relevant circulars and other applicable provisions, the AGM of the Company is being held through VC / OAVM. The proceedings of the Annual General Meeting will be deemed to be conducted at the Registered office of the Company at Plot No 6 & 7, Survey No 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra, India – 431005
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. **Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
5. Members desiring to seek any information/clarifications on the Financial Statements are requested to write to the Company at least seven (7) days before the Annual General Meeting to enable the management to keep the information ready.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes. Institutional / Corporate Shareholders are requested to send a scanned copy (PDF/JPG Format) of its certified true copy of Board or governing body Resolution/Authorization/Power of Attorney etc., alongwith the specimen signature of the authorized representative who is authorized to attend the AGM on its behalf and to vote pursuant to Section 113 of the Act. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com)
7. Members holding shares in physical/dematerialized mode, who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company along with their details and folio number at [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com)
8. Members whose email ids are already registered with the Company or with Registrar and Share transfer agent will receive the Zoom Link (for video conferencing) for attending the Annual General Meeting which is also given below; Members are requested to attend the meeting through the given link and In case any member has not received the link via email then they are requested to send a mail from their E-mail account and write to [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com).



**Zoom Link:**

**Topic: UCIMSPL- Annual General Meeting 2023**  
**Time: 11:20 A.M, India**

*Join Zoom Meeting*

<https://us02web.zoom.us/j/85464621651?pwd=d1ozRnc1NUg2NkxOK3l6UCsyRHA3Zz09>

**Meeting ID: 854 6462 1651**  
**Passcode: 368044**

*Find your local number: <https://us02web.zoom.us/u/kbkIFONUG>*

**Instructions:**

a) Type the exact link given above in the web address bar and enter

Or

b) i) open Google Chrome/Mozilla Firefox/Internet Explorer

ii) Go to [join.zoom.us](https://join.zoom.us) and type

Meeting ID: 854 6462 1651

Passcode: 368044

iii) Click **Join**

In case of any technical difficulties write to - [udaykumar.bellapu@carehospitals.com](mailto:udaykumar.bellapu@carehospitals.com); or [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com);

9. In keeping with Ministry of Corporate Affairs' Green initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars, etc. from the Company electronically by writing to [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com).
10. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to [cs.office@carehospitals.com](mailto:cs.office@carehospitals.com)
11. All shareholders attending the AGM will have the option to post their comments/queries through a dedicated chat box, which will be made available.
12. The Annual Report of the Company including the Notice convening the AGM circulated to the members of the Company will be available on the Company's website at <https://www.carehospitals.com/annual-reports>
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**Explanatory Statement  
(Under Section 102(1) of the Companies Act, 2013)**

**Item No 3:**

The Board of Directors, on the recommendation of Audit Committee, at its meeting held on August 21, 2023, approved the appointment of M/s. Nageswara Rao & Co. (Firm Registration Number- 000332), as Cost Auditor, to conduct the audit of cost records of the Company for the financial year 2023-24 at a remuneration of 25,000/- (Rupees Twenty Five Thousand Only) per annum plus applicable taxes and out of pocket expenses at actuals

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company at a general meeting. Accordingly, consent of the members is being sought for ratification of the remuneration payable to the Cost Auditor for the financial year 2023-24.

None of the Directors / Key Managerial Personnel / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Your Board recommends the resolution set forth in the item no.3 of the Notice for approval of the Members.

**Item No. 4:**

The Board, in its meeting held on 20<sup>th</sup> January, 2023, has proposed the appointment of Dr. Unmesh Vidyadhar Takalkar (DIN: 01578381) as the Managing Director of the Company, pursuant to the Share Holder's Agreement (SHA) and Share Subscription and Share Purchase Agreement (SPA) executed dated June 10, 2022 and amendments there under, read with the provisions of Section 196, 197 & 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013, Company was required to appoint a Managing Director of the Company. In this regard, the Board has taken the decision to appoint Dr. Unmesh Vidyadhar Takalkar as Managing Director of the Company subject to the approval of the shareholders for a period of five years w.e.f. 20<sup>th</sup> January, 2023. The Company has received from Dr. Unmesh Vidyadhar Takalkar (i) Consent to act as a Director & Key Managerial Personnel (KMP) in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the Rules); (ii) Intimation in Form DIR-8 in terms of the Rules to the effect that he is not disqualified under the provisions of Section 164(2) of the Act. Further, on the recommendation of the NRC, the Board at its meeting, approved the terms and conditions of Dr. Unmesh Vidyadhar Takalkar appointment, subject to approval of the Members:

**A. Salary: -**

- Rs.50,00,000/- (Rupees Fifty Lakh Only) Per Annum as fixed remuneration.

**B. Professional Fee:**

The Company agrees to pay a revenue share of 17% of total IP & OP revenue generated by Dr. Unmesh and his team (which shall include Dr. Umesh Kulkarni, Dr. Vinit Kahalekar & Dr. Shruti Toshniwal), which shall be considered for pay out calculation. Further any cross consultation, cross procedures and implant revenue shall be excluded while considering pay out calculation. Dr. Unmesh will be responsible for completely bearing the cost of his team and in case the cost for Dr. Unmesh's team is paid by UCIMS, then the same will be deducted from Dr. Unmesh's payouts. All payouts will be subject to deduction of applicable taxes.

**Minimum Remuneration:**

Notwithstanding anything herein above stated, where in any financial year, during the tenure of Dr. Unmesh Vidyadhar Takalkar as Managing Director, the Company incurs a loss or its profits are inadequate, Dr. Unmesh Vidyadhar Takalkar shall be paid the above-mentioned remuneration by way of salary, allowances and perquisites and the same shall be considered as the minimum remuneration for the purposes of provisions of the Act and the Rules made thereunder.

No Director, Key Managerial Personnel or their relatives, except Dr. Unmesh Vidyadhar Takalkar, to whom the resolution relates, is interested or concerned in the resolution.

A statement as required under Section II of Schedule V of the Act, has been annexed along with this notice.

Dr. Unmesh Vidyadhar Takalkar is not disqualified from being appointed as a Director or Managing Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be appointed and has given his consent to act as Managing Director of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA DETAILING INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE APPOINTED IN THE TERMS OF REMUNERATION OF DIRECTOR:**

<b>Particulars</b>	<b>Dr. Unmesh Vidyadhar Takalkar</b>
<b>Date of Birth</b>	03/10/1966
<b>Date of first appointment on Board</b>	07/02/2011
<b>Qualification</b>	M.S. (Gen. Surg.), M.E.D.S FUICC (Switzerland), FAIS, FIAGES, FACG, FASGE, AGAF, MSSAT (USA)
<b>Experience (years)</b>	31 years
<b>Remuneration sought to be paid</b>	Rs. 50,00,000/- Per Annum
<b>Last drawn remuneration</b>	Rs. 2,00,000/- Per month upto June 30, 2023.
<b>Shareholding in the Company</b>	1,18,73,941 Equity shares
<b>Relationship with other Directors, Managers / KMPs</b>	Dr. Manisha Takalkar- Spouse
<b>Number of meetings of the Board attended during the year</b>	13
<b>Other Directorships</b>	3 (Three)  - United CIIGMA Hospitals Healthcare Private Limited - CIIGMA Institute Of Medical Sciences Private Limited - CIIGMA Health Foundation
<b>Memberships /Chairmanships of committees of other Boards</b>	Nil

**STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B) (iv) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NOS. 5 OF THE NOTICE**

**I. GENERAL INFORMATION:**

(1) Nature of industry:

Healthcare has become one of India's largest sector, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players.

Indian healthcare delivery system is categorised into two major components public and private. The Government, i.e. public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros and tier I and tier II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe.

#### Company Information:

The Company was incorporated as a Private limited company under the name and style of United Ciigma Institute Of Medical Sciences Private Limited in the State of Maharashtra on 07/02/2011 vide Corporate Identity Number U74120MH2011PTC213136.

#### (2) Date of commencement of commercial production:

The Company has commenced commercial operations from July 2011 onwards.

#### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

#### (4) Financial performance based on given indicators:

Past financial performance:

Particulars	(Rs. in Million)		
	FY 2021-22	FY 2020-21	FY 2019-20
Net sales	1,224	962	946
Profit before tax and exceptional items	183	51	66
Profit / (Loss) after tax	125	45	49

#### (5) Investments or collaborators, if any:

The Company has not entered into any foreign collaboration, 76% of the entire paid up share capital of the Company is held by Quality Care India Limited, the holding company.

## II. INFORMATION ABOUT THE APPOINTEE:

### A) Dr. Unmesh Vidyadhar Takalkar

#### (1) Background details

Dr. Unmesh Vidyadhar Takalkar, is a specialized in Gastroenterology, Cancer, General & Endoscopic Surgeon holding enormous experience of more than 31 years. He has performed more than 40,000 General and Onco Surgeries and performed more than 50,000 Endoscopic Procedures. His educational qualification includes M.S. (Gen. Surg.), M.E.D.S FUICC (Switzerland), FAIS, FIAGES, FACG, FASGE, AGAF, MSSAT (USA). Further, he holds fellowship in following institutions.

- Fellow, American Society for Gastrointestinal Endoscopy (ASGE, USA)
- Fellow, Union of International Cancer Control (UICC, Switzerland)
- Fellow, The Society for Surgery of Alimentary Tract (SSAT, USA)
- Fellow, American Gastroenterological Association
- Member, American College of Gastroenterology
- Member, Society of American Gastrointestinal Endoscopic Surgeons (SAGES)
- Member, European Society for Gastrointestinal Endoscopy
- Member, European Digestive Surgery
- Fellow, Association of Surgeons of India (FAIS)
- Fellow, Indian Association of Gastrointestinal Endo Surgeons
- Member, Indian Society of Gastroenterology
- Member, Association of Colon & Rectal Surgeons of India
- Member, Society of Endoscopic and Laproscopic Surgeons of India
- Member, Association of Surgical Oncology, India
- Member, Indian Cancer Society
- Member, Indian Academy of Human Reproduction
- Member, National Association for Voluntary Sterilization and Family Welfare of India
- Member, Indian Red Cross Society
- Member, Aurangabad Surgical Society

He is the Founder & Director of United Ciigma Institute Of Medical Sciences Private Limited, Aurangabad since 2011 Onwards.

**Past remuneration – Rs. 2,00,000/- Per Month From January 01, 2023 to June 30, 2023.**

**(2) Recognition or awards**

- Jeevan Gaurav Puraskar for initiating the work on organ retrieval and transplant in Marathwada region
- AIIMS Fest Memorial Prize, Palnitkar Memorial Prize, Darak Prize & Shirish Patel
- Memorial Prize for I rank in MBBS
- Two Silver Jubilee Memorial Prizes for I rank in Biochemistry & Physiology
- AIIMS Fest Memorial Prize for Pharmacology and FMT
- Silver Jubilee Prize for I rank in 2nd MBBS
- Bhogaonkar Prize, Khose Prize & Silver Jubilee Prize for I rank in 3rd MBBS
- Dr. Kalpana Bardapurkar Gold Medal for Surgery
- Gopichand Nagori Prize
- Scientific Conference Fund Prize
- Pfizer Postgraduate Award and Gold Medal
- AIIMS Fest Memorial Prize for Ophthalmology and Surgery
- Topper in Surgery in MS

**(3) Job profile and his suitability**

He has been appointed as Director of the Company and is responsible for management of day to day affairs and overall operations of the Company and has substantial powers of the management under supervision and control of the Board of Directors.

Dr. Unmesh Vidyadhar Takalkar has been associated with the Company since 2011 and has contributed a great value in the growth and success of the Company with his rich expertise in the industry where the Company operates. His continued association would be of immense benefit to the Company and it is desirable to continue to avail of the services of Dr. Unmesh Vidyadhar Takalkar as the Managing Director.

**(4) Remuneration proposed**

- **Salary:** - Rs.50,00,000/- (Rupees Fifty Lakh Only) Per Annum as fixed remuneration.

- **Professional Fee:** the Company agrees to pay a revenue share of 17% of total IP & OP revenue generated by Dr. Unmesh and his team (which shall include Dr. Umesh Kulkarni, Dr. Vinit Kahalekar & Dr. Shruti Toshniwal), which shall be considered for pay out calculation. Further any cross consultation, cross procedures and implant revenue shall be excluded while considering pay out calculation. Dr. Unmesh will be responsible for completely bearing the cost of his team and in case the cost for Dr. Unmesh's team is paid by UCIMS, then the same will be deducted from Dr. Unmesh's payouts. All payouts will be subject to deduction of applicable taxes.

**(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of the Managing Director.

**(6) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any**

Except the remuneration as stated above, he has no other direct or indirect pecuniary relationship with the Company.

**III Other Information - NA**

1. Reasons of loss or inadequate profits
2. Steps taken or proposed to be taken for improvement
3. Expected Increase in Productivity and profit in measurable terms.

**IV. Disclosures- NA**

Not applicable, since the Company is unlisted entity Corporate.

Hence, your Directors are of the view that the Company would be immensely benefited by the varied experience of Dr. Unmesh Vidyadhar Takalkar and therefore recommended for approval of the resolution(s) contained therein.

The Board recommends the resolution set forth in Item No. 4 for the approval of members by way of an **Ordinary Resolution**.

**Item No. 5:**

Ms. Ekta Bahl (DIN: 01437166), was appointed as Non-Executive Additional Director (Independent) by the Board of Directors of your Company in the Board meeting held on January 20, 2023, for a period of 5 years and he holds the office till ensuing Annual General Meeting.

Based on the recommendation of the Nomination and Remuneration Committee and Board of Director of the Company, it is proposed to appoint Ms. Ekta Bahl as an Independent Non-executive Director of the Company in terms of Section 149 read with Section 152 of the Companies Act, 2013 to hold the office for a period of 5 consecutive years commencing from January 20, 2023 and who is not liable to retire by rotation.

#### **Brief Profile of Ms. Ekta Bahl**

Ms. Ekta Bahl is a Partner with Samvad Partners and is the Partner-in-Charge of the Hyderabad office of the Firm. She is a corporate commercial lawyer who has significant experience in corporate restructuring, insolvency, private equity and M&A. She has substantial industry-specific experience in the areas of healthcare and life sciences, information technology, and infrastructure (with special emphasis on road and power sectors). She has also provided legal assistance to various social sector enterprises and start-ups.

Ms. Ekta completed her law from the National Law School of India University, Bengaluru in the year 1997 Ekta acts as an expert external advisor and committee member in relation to anti-harassment issues at the workplace under the Prevention of Sexual Harassment Act, 2013. She also regularly undertakes training programmes and workshops not just in the context of Prevention of Sexual Harassment Act, 2013 but also on conflict management and the role of Human Resources in conflict management in the workplace, for both members of the Internal Complaints Committee, the Senior Management, the Human Resource teams as well as for employees.

Other than Director as mentioned above, being appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution(s).

The Board recommends the resolution set forth in Item No. 5 for the approval of members by way of an **Ordinary Resolution**.

#### **Item No. 6:**

Mr. Kewal Kundanlal Handa (DIN: 00056826), was appointed as Non-Executive Additional Director (Independent) by the Board of Directors of your Company by passing Circular resolution on March 23, 2023, for a period of 5 years and he holds the office till ensuing Annual General Meeting.

Based on the recommendation of the Nomination and Remuneration Committee and Board of Director, it is proposed to appoint Mr. Kewal Kundanlal Handa as an Independent Non-executive Director of the Company in terms of Section 149 read with Section 152 of the Companies Act, 2013 to hold the office for a period of 5 consecutive years commencing from March 23, 2023 and who is not liable to retire by rotation.

#### **Brief Profile of Mr. Kewal Kundanlal Handa**

Mr. Kewal Handa serves as Non-Executive Chairman & Part-Time Non-Official Director at Union Bank of India. He had been the Non-Executive Chairman at Union Bank of India since July 6, 2017. Mr. Kewal Handa is Chairman at Clariant Chemicals (India) Ltd., Chief Executive Officer at The Third Eye Kreative Films LLP, Committee Member at Confederation of Indian Industry, a Member at Bombay Chamber of Commerce & Industry, a Member at Institute of Company Secretaries of India, a Member at The Institute of Cost & Works Accountants of India and President at Bombay Management Association.

Mr. Handa was previously employed as Executive Director & Managing Director by Wyeth Ltd. (India), Independent Non-Executive Director by Alfa Laval (India) Ltd., Chief Executive Officer, Executive Director & MD by Pfizer India Ltd., and Chairman by Medybiz Pharma Pvt Ltd.

Mr. Handa received his graduate degree from Sydenham College.

Other than Director as mentioned above, being appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution(s).

The Board recommends the resolution set forth in Item No. 6 for the approval of members by way of an **Ordinary Resolution.**

**For and on behalf of Board of Directors**



**Jasdeep Singh**  
**Director & Group CEO**  
**DIN: 02705303**

**Email: [jasdeep.singh@carehospitals.com](mailto:jasdeep.singh@carehospitals.com)**



**Date: 21-08-2023**  
**Place: Hyderabad**



## BOARD'S REPORT

Dear Members,

On behalf of the Board of Directors, we take pleasure in presenting the 13<sup>th</sup> (Thirteenth) Annual Report of your Company along with the Audited Financial Statements and the Auditors' Report thereon, for the Financial Year ("FY") ended 31<sup>st</sup> March, 2023.

### 1. REVIEW OF OPERATIONS

During the Financial Year 2022-23, the Company achieved a turnover of INR 1,237.04 Mn. The profit before Interest, depreciation and tax (EBIDTA) is INR 361.45 Mn. and the Net profit after, depreciation, finance cost and tax is INR 72.00 Mn.

### FINANCIAL PERFORMANCE FOR THE YEAR UNDER REVIEW

(Rupees in Millions)

Particulars	As at 31 March	
	2023	2022
<b>Net Sales / Income from:</b>		
Business Operations	1,237.04	1,192.25
Other Income	19.26	11.74
<b>Total Income</b>	<b>1,256.30</b>	<b>1,203.99</b>
Less: Expenditure	894.85	791.70
<b>EBITDA</b>	<b>361.45</b>	<b>412.29</b>
Less: Depreciation	118.33	133.94
Less: Finance cost	126.12	142.93
<b>Profit before Tax</b>	<b>90.23</b>	<b>135.42</b>
Less: Current Income Tax	-	49.60
Less: Previous year adjustment of Income Tax		
Less: Deferred Tax	18.23	(16.41)
<b>Net Profit after Tax</b>	<b>72.00</b>	<b>102.23</b>
<b>Other Comprehensive Income :</b>		
(i) Items that will not be reclassified subsequently to profit or loss		
a. Remeasurement of defined benefit plan	0.38	0.31
(ii) Income Tax relating to items that will not be reclassified to profit or loss	(0.10)	(0.08)
<b>Total Comprehensive Income for the Year</b>	<b>72.28</b>	<b>102.46</b>
<b>Earnings per share (Basic &amp; Diluted))</b>		
Basic Earnings per equity share (in ₹)	1.40	2.92
Diluted Earnings per equity share (in ₹)	1.40	2.92

### 2. CHANGE IN THE NATURE OF BUSINESS:

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

### 3. DIVIDEND

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

### 4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year and the date of this report.

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

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

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

### 6. TRANSFER TO RESERVES

The details of the amount transferred to the reserves and surplus is detailed in Statement of changes in Equity for the year ended March 31, 2023 and Note No 4.11(b) of the financial statements enclosed herewith.

### 7. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

During the Financial year 2022-23, the Company has become subsidiary of Quality Care India Limited, pursuant to execution of SPA and SHA between the shareholders and investors of the Company.

Company has also acquired following 2(two) Companies during the financial year:

S. No.	Name and address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of share held	Applicable Section
1.	United CIIGMA Hospitals Healthcare Private Limited	U85110MH2016PTC279990	Wholly Owned Subsidiary	100%	2(87)
2	Ciigma Institute Of Medical Sciences Private Limited	U85110MH2007PTC172787	Wholly Owned Subsidiary	100%	2(87)

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

## 8. DEPOSITS

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

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

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

## 9. SHARE CAPITAL

The Authorised Share Capital as on March 31, 2023 was Rs. 52,00,00,000/- consisting of 5,20,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each. The Issued, Paid up & Subscribed Equity Share Capital as on March 31, 2023 was Rs. 51,36,67,110/- consisting of 5,13,66,711 equity shares of Rs. 10/- each.

During the year 2022-23, the following events had taken place

- Increase in Authorised Share Capital : At the Extra Ordinary General Meeting held on June 07, 2022, the Company increased its Authorized share capital from Rs.50,00,00,000/- (Rupees Fifty Crores Only) consisting of 5,00,00,000 (Five Crores Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 52,00,00,000/- (Rupees Fifty Two Crore only) divided into 5,20,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each.
- Issue and Allotment of 1,63,66,711 Equity Shares of Rs. 10/- at a price of Rs. 86.68 including a premium of Rs. 76.68/- per equity share aggregating to Rs.141,87,45,074/- for cash through private placement to “Quality Care India Limited” on July 26, 2022.

During the year under review, the Company has not issued shares with differential voting rights.

During the year under review, the company has not undertaken any of the following transactions.

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

## 10. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirms that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and of the profits of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

## 11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year in accordance with provisions of Section 161(1) of the Companies Act, 2013 Board appointed Mr. Jasdeep Singh (DIN: 02705303), Mr. Vikas Rastogi (DIN: 09622535) and Mr. Mahadevan Narayanamoni (DIN: 07128788) as additional Directors of the Company w.e.f. 26<sup>th</sup> July, 2022 and the appointee directors were regularized and appointed as Directors of the Company on subsequent approval from the members of the Company in the Extra-Ordinary General Meeting held on 26<sup>th</sup> July, 2022.

During the year, Ms. Ekta Bahl and Mr. Kewal Handa have been appointed as Independent Director of the Company on 20.01.2023 and 30.03.2023 respectively.

Mr. Mandar Suresh Abhyankar has tendered his resignation from the Board of Directors of the Company w.e.f July 9, 2022.

### **Retirement by rotation and subsequent re-appointment**

In accordance with the provisions of Section 160 of the Companies Act, 2013 Dr. Manisha Takalkar, Director is liable to retire by rotation and being eligible offers herself for appointment.

### **KEY MANAGERIAL PERSONNEL:**

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

- Appointment of Dr. Unmesh Vidyadhar Takalkar as Managing Director of the Company w.e.f. 20.01.2023
- Appointment of Mr. Sachin Sancheti as a Chief Financial Officer of the Company w.e.f 20.01.2023.

During the Current Financial year, following changes in the Key Managerial personnel have taken place:

- Resignation of Mr. Sachin Sancheti as Chief Financial Officer of the Company w.e.f 31.07.2023.
- Resignation of Mrs. Priyanka Aggarwal as Company Secretary of the Company w.e.f 03.08.2023.

## **12. NUMBER OF MEETINGS OF THE BOARD :**

### **A. Board Meetings:**

During the Financial Year 2022-23, the Board of directors of the Company duly met 13(Thirteen) times for which proper notices for meeting were given and the proceedings were properly recorded.

Details of attendances are as under:

<b>Attendance of Members at the Board Meetings held during the FY 2022-23</b>									
S. No	Date Board Meeting	Unmesh Takalkar	Manisha Takalkar	<sup>1</sup> Mandar Suresh Abhyankar	<sup>2</sup> Jasdeep Singh	<sup>3</sup> Mahadevan Narayanamoni	<sup>4</sup> Vikas Rastogi	<sup>5</sup> Ekta Bahl	<sup>6</sup> Kewal Handa
1	14/05/2022	Yes	Yes	Yes	NA	NA	NA	NA	NA
2	10/06/2022	Yes	Yes	Yes	NA	NA	NA	NA	NA
3	29/06/2022	Yes	Yes	Yes	NA	NA	NA	NA	NA
4	06/07/2022	Yes	Yes	Yes	NA	NA	NA	NA	NA
5	09/07/2022	Yes	Yes	Yes	NA	NA	NA	NA	NA
6	11/07/2022	Yes	Yes	NA	NA	NA	NA	NA	NA
7	13/07/2022	Yes	Yes	NA	NA	NA	NA	NA	NA
8	26/07/2022	Yes	Yes	NA	NA	NA	NA	NA	NA
9	27/09/2022	Yes	Yes	NA	Yes	Yes	Yes	NA	NA
10	30/09/2022	Yes	No	NA	Yes	No	Yes	NA	NA
11	06/12/2022	Yes	Yes	NA	Yes	Yes	Yes	NA	NA
12	20/01/2023	Yes	Yes	NA	Yes	Yes	Yes	Yes	NA
13	23/03/2023	Yes	Yes	NA	Yes	No	Yes	Yes	Yes

<sup>1</sup>Resigned Mandar Suresh Abhyankar w.e.f 09.07.2022

<sup>2,3 & 4</sup> Mr. Jasdeep Singh, Mr. Mahadevan Narayanamoni and Mr. Vikas Rastogi, have appointed as directors w.e.f 26.07.2022

<sup>5</sup> Ms. Ekta Bahl appointed as Independent Director of the Company w.e.f 20.01.2023

<sup>6</sup> Mr. Kewal Handa appointed as Independent Director of the Company w.e.f 30.03.2023

### **B. Number of Committee Meetings –**

#### **i. Audit Committee Meeting:**

During the year under the review, the Board has constituted the Audit Committee by passing a circular resolution with following members w.e.f. 23<sup>rd</sup> March, 2023:

- a) Ms. Ekta Bahl - Chairperson
- b) Mr. Kewal Handa - Member
- c) Mr. Mahadevan Narayanamoni - Member

The Audit Committee of the Company had met One (1) time during the year

Sr.No	Director	30-03-2023
1	Ms. Ekta Bahl	Yes
2	Mr. Kewal Handa	Yes
3	Mr. Mahadevan Narayanamoni	Yes

**ii. Nomination And Remuneration Committee(NRC):**

During the year under the review, the Board has constituted the Nomination and Remuneration Committee by passing a circular resolution with following members w.e.f. 23<sup>rd</sup> March, 2023:

- a) Ms. Ekta Bahl - Chairperson
- b) Mr. Kewal Handa - Member
- c) Mr. Jasdeep Singh - Member
- d) Dr. Manisha Unmesh Takalkar - Member

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

Sr.No	Director	30-03-2023
1	Ms. Ekta Bahl	Yes
2	Mr. Kewal Handa	Yes
3	Mr. Mahadevan Narayanamoni	Yes

**iii. Corporate Social Responsibility Committee(CSR):**

Further, as per provisions of Section 135(9) of the Companies Act, 2013, it is not mandatory to constitute a CSR Committee for the Company where the amount CSR spent does not exceed Rs.50 Lakh and the Board of Directors of the Company shall discharge the functions of the CSR Committee. Therefore, the CSR Committee of the Company stand dissolved by passing the board resolution in the meeting held on 6<sup>th</sup> December, 2022.

**iv. Meeting of Independent Directors:**

Sr.No	Director	30-03-2023
1	Ms. Ekta Bahl	Yes
2	Mr. Kewal Handa	Yes

**13. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR**

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

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

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

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

#### 15. CORPORATE SOCIAL RESPONSIBILITY :

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

#### 16. RELATED PARTY TRANSACTIONS

Transactions entered by company during the year, were in the ordinary course of business and at arm's length basis, do not fall under section 188 (1) of the Companies Act, 2013 and further, you are requested to refer Note No. 4.29 forming part of Balance Sheet for further details. There is also material related party transaction during the year details of the same are enclosed in **Annexure-I in Form AOC-2**.

#### 17. PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS MADE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements. Please refer to Notes of the Summary of significant accounting policies and other explanatory information.

#### 18. STATEMENT OF RISK MANAGEMENT

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

#### 19. EXTRACT OF ANNUAL RETURN:

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

#### 20. AUDITORS

##### 20.1. STATUTORY AUDITOR

Members at their Twelfth Annual General Meeting held on 30<sup>th</sup> September, 2022 appointed M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016), as Statutory Auditors of the Company for a period of 5 years till the conclusion of the Annual General Meeting to be held in 2027.

### **REPLY TO COMMENTS IN AUDITORS' REPORT**

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

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

### **20.2. COST RECORD AND/OR COST AUDIT:**

Pursuant to Section 148 of the Companies Act, 2013, Company has appointed M/s. Nageswara Rao & Co, Cost Accountants as the Cost auditors for the Company for conducting the cost audit for the Financial Year 2022-23. The report does not contain any qualifications, reservations or adverse remarks or disclaimer.

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

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

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

### **20.3. SECRETARIAL AUDIT**

The Board has appointed Mehta & Mehta, Practicing Company Secretaries for conducting the Secretarial Audit of the Company for the Financial year 2022-23 in accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report for the Financial Year 2022-23. However, there were certain observations made by the auditors are detailed in the Secretarial Auditor's report annexed as **Annexure III** and is a part of this report.

### **REPLY TO COMMENTS IN SECRETARIAL AUDITORS' REPORT:**

- Pursuant to the Company becoming a subsidiary of Quality Care India Limited, with effect from July 26, 2022, the Company falls within the definition of a Public Company in accordance with Section 2(71) of the Companies Act, 2013. The number of members in the Company, being a Public Company, is less than seven members during the period under review and hence attracts the provisions of Members becoming severally liable under Section 3A of the Act. However, the Company has complied with the same vide Board Resolution passed in the meeting of Board of Directors held on July 18, 2023 being a date after the end of period under review.



**Reply:** *The members please note that, pursuant to the Shareholders Agreement (SHA) and Share subscription and Share Purchase Agreement executed between the Company and the Investors dated June 10, 2022, the Company becomes a subsidiary of the Quality Care India Limited, which is a public limited Company as per the provisions of the Companies Act, 2013 ('the Act'). The Company by the virtue of the subsidiary of the Public Limited Company, became the Deemed Public Company for the purposes of the Act.*

*Further, the intent of the law was that even when a status of a public company is bestowed on a private company by virtue of this section, the basic structure of such Company shall remain the same, therefore it is neither required to increase the minimum number of members nor it is required to alter conditions included in its articles of association so as to meet requirements under section 2(68) of the Companies Act, 2013. However, majorly besides the concept of basic structure, for all other purposes under this Act, such private company will be treated as a public company, even when the status remains that such a private turned public company, remains a private company in core.*

*However, as per the provisions of Section 103(1)(a) of the Act which deals with the quorum of the General Meetings in the Public Company, requires '5(Five) members personally present if the number of members as on the date of meeting is not more than one thousand'. The Company has increased such number of the members to 7 (Seven) for complying the said provisions in the letter and spirit.*

- During the private placement of equity shares issued during the period under review, the relevant date for the purpose of valuation is not a date of thirty days prior to the date of the general meeting as per the prescribed under Form PAS-4. The relevant date as mentioned in the valuation report was July 9, 2022 being the date not being atleast thirty days prior to the date of the general meeting i.e., July 13, 2022.

**Reply:** *The members please note that, the Company had issued the Shares pursuant to the Private Placement provisions under the Companies Act, 2013 during the FY 2022-23. The term "Relevant date" has nowhere defined under the Companies Act, 2013, except the reference has been given under the Format of Form PAS-4 (i.e. Private Placement Offer Letter). The significance of the term 'Relevant date' is for determination of the price of the securities. It is worth noting that the Company is closely held corporation and the valuation of the securities are not quickly fluctuated.*

*Further, the Board of Directors in its meeting held on July 11, 2022 has approved the terms of the Private Placement (including the Form PAS-4) which was subsequently unanimously approved by the shareholders in its Extraordinary General Meeting held on July 13, 2022.*

*Furthermore, pursuant to the provisions of the Act, the Offer letter has issued to the Identified Investor and the same was duly accepted and approved thereon.*

- In accordance with the provisions under Section 149, Section 177 and Section 178 read with the rules made thereunder, there is a delay in appointment of Independent Directors and the constitution of the Audit Committee and the Nomination and Remuneration Committee thereto.

**Reply:** *Pursuant to execution of Share Holder's Agreement (SHA) and Share Subscription and Share Purchase Agreement (SPA) dated June 10, 2022 and amendments there under and*

*resolutions passed in the Board Meeting held on July 26, 2022, Company has become a subsidiary of Public Company and required to comply with the provisions of Section 2(71). Delay is due to process involved in identifying the suitable to be appointed as Independent Director. However, the Company has appointed independent directors and constituted requisite committee as detailed in point 11 & 12 above.*

**20.4. INTERNAL AUDIT:**

Internal audit function is adequately resourced commensurate with the operations of the Company. The provisions of section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 regarding appointment of internal auditor are applicable to the Company and as per the provisions the Board has appointed. Ernst & Young LLP, as Internal Auditors of the Company for conducting the internal audit for the financial year 2022-23.

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

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

**22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to Conservation of Energy Technology, Absorption, Foreign Exchange Earnings and Outgo are as follows:

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

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

**23. DETAILS OF THE SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:**

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

**24. VIGIL MECHANISM**

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

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

**25. SECRETARIAL STANDARDS:**

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

**26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has adopted a policy with the name “Policy on Prevention, Prohibition and Redressal of Sexual Harassment”. The policy is applicable for all employees of the organization, which includes corporate office, Units etc.

A Internal Committee has also been set up to redress complaints received on sexual harassment as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the information required to be disclosed under the provisions of the said Act are as follows:

Sr. No	Particulars	
(a)	number of complaints received during FY 2022-23	0
(b)	number of complaints disposed of during the FY 2022-23	0
(c)	number of cases pending for more than ninety days	0

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

During the year under review, Operational creditor (Sentinel Capital) is private firm dealing in providing advisory services for companies looking in raise capital from third party investor since the services charges are not paid by CIIGMA, sentinel filed a under Insolvency and Bankruptcy case before NCLT- Mumbai.

United CIIGMA appeared in the said case, filed appearance, and are pending for adjudication. Except above no other case is pending.

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

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


**29. ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government authorities, Customers, Vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For and on behalf of the Board of Directors**  
**UNITED CIIGMA INSTITUTE OF MEDICAL SCIENCES PRIVATE LIMITED**



  
**Dr. Unmesh Vidyadhar Takalkar**  
**Managing Director**  
**DIN: 01578381**  
**Date: 21-08-2023**  
**Place: Aurangabad**

  
**Jasdeep Singh**  
**Director & Group CEO**  
**DIN: 02705303**  
**Date: 21-08-2023**  
**Place: Hyderabad**

**ANNEXURE-I**

**Form No. AOC-2**

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

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

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

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


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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Dr. Unmesh Vidyadhar Takalkar	Sale of Land & Building	One Time	Sale of Land and Building apportionment thereto to the Company for an amount Rs. 39,23,50,100/-	06-07-2022	NA

For and on behalf of the Board of Directors  
UNITED CIIGMA INSTITUTE OF MEDICAL SCIENCES PRIVATE LIMITED



  
Dr. Unmesh Vidyadhar Takalkar  
Managing Director  
DIN: 01578381  
Date: 21-08-2023  
Place: Aurangabad

  
Jasdeep Singh  
Director & Group CEO  
DIN: 02705303  
Date: 21-08-2023  
Place: Hyderabad

ANNEXURE-II

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company:** Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

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

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

**AIMS & OBJECTIVES**

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

2. **Composition of CSR Committee:**

Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, the CSR Committee has been dissolved w.e.f. 6<sup>th</sup> December, 2022

\*As per section 135(9) of The Companies act 2013 and rules made thereunder Where the amount to be spent by a company under Section 135 (5) does not exceed fifty lakh rupees, the requirement under Section 134(1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company As a result, the CSR committee was not needed to be formed under Section 135(1) of the Companies Act 2013, and the meeting of the CSR committee was not convened due to non-applicability and the CSR Committee has been dissolved w.e.f. 6<sup>th</sup> December, 2022.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. -<https://www.carehospitals.com/csr-policy>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).  
– **Not applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set- off for the financial year, if any (in Rs.)
1	2019-2020	-	-
2	2020-2021	-	-
3	2021-2022	13,08,630	13,08,630
<b>TOTAL</b>		<b>13,08,630</b>	<b>13,08,630</b>

6. Average net profit of the company as per section 135(5) – **Rs. 10,01,39,625/-**
7. (a) Two percent of average net profit of the company as per section 135(5) - **Rs. 20,02,792/-**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – **Nil**  
 (c) Amount required to be set off for the financial year, if any – **13,08,630/-**  
 (d) Total CSR obligation for the financial year (7a+7b-7c) – **Rs. 6,94,162/-**

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs.7,21,039	NA	NA	Nil	Nil	Nil

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

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

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

Sl. No.	Name of the Project	Item from the list of activities in schedule	Local area	Location of the project.	Amount spent for	Mode of implementation	Mode of implementation - Through implementing agency.
Nil							



	VII to the Act.	(Yes/No).	State.	District.	the project (in Rs.).	- Direct (Yes/No)	Name.	CSR registration number.	
1	International Society for Krishna Consciousness (ISKCON)	Eradicating hunger, poverty and malnutrition & Promoting education and skill development	No	Telangana	Medchal, Malkagiri	7,21,039/-	No	International Society for Krishna Consciousness (ISKCON)	CSR0000 5241
<b>Total</b>					<b>7,21,039/-</b>				

- (d) Amount spent in Administrative Overheads- Nil
- (e) Amount spent on Impact Assessment, if applicable – **Not applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) - **Rs. 7,21,039/-**
- (g) Excess amount for set off, if any -

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	20,02,792.00
(ii)	Total amount spent for the Financial Year	7,21,039.00
(iii)	Excess amount spent for the financial year	26,877.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years	26,877.00

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed/ Ongoing.
NIL								

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

**(Asset-wise details).**


- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).


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

For and on behalf of the Board of Directors

**UNITED CIIGMA INSTITUTE OF MEDICAL SCIENCES PRIVATE LIMITED**



  
**Dr. Unmesh Vidyadhar Takalkar**  
**Managing Director**  
**DIN: 01578381**  
**Date: 21-08-2023**  
**Place: Aurangabad**

  
**Jasdeep Singh**  
**Director & Group CEO**  
**DIN: 02705303**  
**Date: 21-08-2023**  
**Place: Hyderabad**

## COMPANY SECRETARIES

A-2, Kalyani Gurumukh Heights, Behind SSC Board office, Usmanpura, Aurangabad - 431 001.  
Mobile : +91 9096999385 • Email : jasveen@mehta-mehta.in • Visit us : www.mehta-mehta.com

### FORM MR-3

### SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,  
The Members,

**United Ciigma Institute of Medical Sciences Private Limited**

(CIN: U74120MH2011PTC213136)

Regd. Office: Plot No. 6 & 7, Survey  
No. 10, Shahanoorwadi, Dargah  
Road, Aurangabad, Maharashtra-  
431005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by United CIIGMA Institute of Medical Sciences Private Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(during the period under review not applicable to the company);**

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under ;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(during the period under review not applicable to the company);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**(during the period under review not applicable to the company);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(during the period under review not applicable to the company);**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the company);**
  - (d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**(during the period under review not applicable to the company);**
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**(during the period under review not applicable to the company);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

We have examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. except

- 1. Pursuant to the Company becoming a subsidiary of Quality Care India Limited, with effect from July 26, 2022, the Company falls within the definition of a Public Company in accordance with Section 2(71) of the Companies Act, 2013. The number of members in the Company, being a Public Company, is less than seven members during the period under review and hence attracts the provisions of Members becoming severally liable under Section 3A of the Act. However, the Company has complied with the same vide Board Resolution passed in the meeting of Board of Directors held on July 18, 2023 being a date after the end of period under review.**
- 2. During the private placement of equity shares issued during the period under review, the relevant date for the purpose of valuation is not a date thirty days prior to the date of the general meeting as per the prescribed under Form PAS-4. The relevant date as mentioned in the valuation report was July 9, 2022, being a date not being at least thirty days prior to the date of the general meeting i.e July 13, 2022.**
- 3. In accordance with the provisions under Section 149, Section 177 and Section 178 read with the rules made thereunder, there is a delay in appointment of Independent Directors and the constitution of the Audit Committee and the Nomination and Remuneration Committee thereto. The Company was required to comply with the above provisions by July 26, 2022 however the same were complied with on dates as specified hereafter in this Report.**

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of the Executive, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. In the Extra-Ordinary General Meeting of the Shareholders held on June 7, 2022, the Company, pursuant to Section 13 of the Companies Act, 2013, altered its object to delete the term 'concessional fees or free of charge basis' from the main objects of the Memorandum of Association of the Company.
2. In the Extra-Ordinary General Meeting of the Shareholders held on June 7, 2022, the Company, pursuant to Section 13 read with Section 61 and 64 of the Companies Act, 2013 the Memorandum and Articles of Association of the Company were altered to increase the Authorised Share Capital of the Company from Rs. 50,00,00,000/- (Rupees Fifty Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 10/- each to Rs. 52,00,00,000 (Rupees Fifty Two Crore only) divided into 5,20,00,000 (Five Crore Twenty Lakh only) Equity Shares of Rs. 10/- each.
3. The Company entered into a Shareholder's Agreement with Quality Care India Limited on June 10, 2022 to specify the conditions related to constitution of Board of Directors, Conduct of Meetings etc. subject to which Quality Care India Limited made investment in the Company. The Articles of Association of the Company were also altered accordingly to make them in line with the Shareholder's Agreement upon obtaining the approval of the Shareholders by way of Special Resolution in the Extra-Ordinary General Meeting held on July 26, 2022.
4. In the Extra-Ordinary General Meeting of the Shareholders held on July 13, 2022, the Company, pursuant to Section 42 of the Companies Act and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 issued and offered 1,63,66,711 (One Crore Sixty Three Lakh Sixty Six Thousand Seven Hundred Eleven) Equity Shares of Rs. 10 each at a premium of Rs. 76.68 each by private placement to Quality Care India Limited.
5. In the meeting of the Board of Directors held on July 26, 2022, the Company allotted 1,63,66,711 (One Crore Sixty Three Lakh Sixty Six Thousand Seven Hundred Eleven) Equity Shares of Rs. 10 each to Quality Care India Limited.
6. Pursuant to the said allotment of shares by Private Placement and transfer of Equity Shares by existing shareholders of the Company, Quality Care India

Limited holds 3,90,40,870 (Three Crore Ninety Lakh Forty Thousand Eight Hundred Seventy) Equity Shares of Rs. 10/- each constituting Seventy Six percent of the Shareholding of the Company.

7. The Shareholders in the Extra-Ordinary General Meeting held on July 26, 2022 appointed Mr. Jasdeep Singh (DIN:02705303), Mr. Vikas Rastogi (DIN:09622535), Mr. Mahadevan Narayanamoni (DIN:07128788) as Directors of the Company by passing Ordinary Resolutions.
8. Pursuant to Section 149 of the Companies Act, 2013 the Board of Directors of the Company appointed Ms. Ekta Bahl (DIN:01437166) as an Independent Director of the Company, subject to the approval of the Shareholders in the Annual General Meeting.
9. Pursuant to Section 149 of the Companies Act, 2013 the Board of Directors by consenting the resolution by circulation appointed Mr. Kewal Kundanlal Handa (DIN: 00056826) as an Independent Director of the Company, subject to approval of the Shareholders in the Annual General Meeting.
10. The Company, pursuant to Section 177 and 178 of the Companies Act, 2013 constituted the Audit Committee, Nomination and Remuneration Committee and Operating Committee (pursuant to its Articles) during the period under review.

For Mehta & Mehta,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

  
M.No.: 63912  
C.P.No.: 23911

Jasveen Gural Bindra

Partner  
ACS No: 63912  
CP No: 23911  
Place: Aurangabad, Maharashtra  
Date: August 8, 2023  
UDIN: A063912E000761972

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To,  
The Members,  
**(Name of the Company & Address)**

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.



- 7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta,**  
**Company Secretaries**  
(ICSI Unique Code: P1996MH007500)



**Partner**  
**ACS No: 63912**  
**CP No: 23911**  
**Place: Aurangabad, Maharashtra**  
**Date: August 8, 2023**  
**UDIN: A063912E000761972**

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of United Ciigma Institute of Medical Sciences Private Limited

## Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of United Ciigma Institute of Medical Sciences Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Other Information

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

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

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

We have nothing to report in this regard.



Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081

T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

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

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of United Ciigma Institute of Medical Sciences Private Limited  
Report on Audit of the Financial Statements

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

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of United Ciigma Institute of Medical Sciences Private Limited  
Report on Audit of the Financial Statements

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matter

11. The comparative financial information of the Company for the year ended March 31, 2022 and the transition date opening balance sheet as at April 1, 2021 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated September 27, 2022 and November 3, 2021 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

### Report on other legal and regulatory requirements

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of United Cigma Institute of Medical Sciences Private Limited  
Report on Audit of the Financial Statements

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.32(vii)(A) to the financial statements);  
  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.32(vii)(B) to the financial statements); and  
  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.



# Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of United Cigma Institute of Medical Sciences Private Limited  
Report on Audit of the Financial Statements

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

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



Sudharmendra N  
Partner

Membership Number: 223014  
UDIN: 23223014BGXLYD3118

Place: Hyderabad  
Date: August 21, 2023

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of United Ciigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

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

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

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

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

#### Auditor's Responsibility

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



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of United Ciigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

### Meaning of Internal Financial Controls with reference to financial statements

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

### Basis for Disclaimer of Opinion

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

### Disclaimer of Opinion

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

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



Sudharmendra N  
Partner  
Membership Number: 223014  
UDIN: 23223014BGXLYD3118

Place: Hyderabad  
Date: August 21, 2023



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Cigma Institute of Medical Sciences Private Limited on the financial statements as of and for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.
  - (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - (c) The title deeds of all the immovable properties, as disclosed in Note 4.1 to the financial statements, are held in the name of the Company.
  - (d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.
  - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
  - (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 4.32(ii) to the financial statements).



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

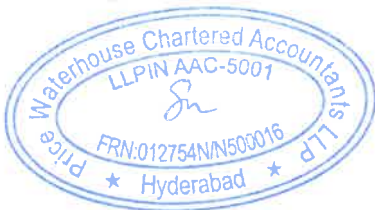
Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Ciigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

- iii. (a) The Company has made investments in two companies and granted unsecured loan to one company, not stood guarantee, nor provided security. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such investments are as per the table given below:

Description	Amount (Rs. in millions)
Aggregate amount invested/granted during the year.	
- Investment in subsidiaries	226.40
- Loans (at face value)	502.51
Balance outstanding as at March 31, 2023 in respect of the above case	
- Investment in subsidiaries	226.40
- Loans (at face value)	502.51

(Also refer Notes 4.2 and 4.3 to the financial statements)

- (b) In respect of the aforesaid investments /loans, the terms and conditions under which such investments were made/loans granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Ciigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

- (f) Following loans were granted during the year, including to related parties under Section 2(76), where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

Description	Related Party- Wholly owned subsidiary of the Company
Aggregate of loans	502.51
Percentage of loans	100%

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, Income tax and goods and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Ciigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
  - (b) The Company has made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
  - (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
  - (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
  - xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Cigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

- xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 4.36 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.




# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of United Cigma Institute of Medical Sciences Private Limited on the financial statements for the year ended March 31, 2023

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Sudharmendra N  
Partner

Membership Number: 223014  
UDIN: 23223014BGXLYD3118

Place: Hyderabad  
Date: August 21, 2023

**United Ciigma Institute of Medical Sciences Private Limited**

**Balance Sheet**

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

Particulars	Notes	As at	As at	As at
		31 March 2023	31 March 2022	31 March 2021
<b>ASSETS</b>				
<b>A. Non-current assets</b>				
(a) Property, plant and equipment	4.1	1,709.66	1,338.54	1,286.00
(b) Investments	4.2	486.26	-	-
(c) Financial assets				
(i) Other financial assets	4.3 (a)	264.78	4.89	5.43
(d) Deferred tax assets (net)	4.4	77.25	4.28	5.04
(e) Non-current tax assets (net)	4.5	47.84	22.33	17.96
(f) Other non-current assets	4.6 (a)	161.59	268.35	268.35
<b>Total non-current assets (A)</b>		<b>2,747.38</b>	<b>1,638.39</b>	<b>1,582.78</b>
<b>B. Current assets</b>				
(a) Inventories	4.7	23.02	49.79	49.07
(b) Financial assets				
(i) Trade receivables	4.8	162.35	129.16	122.26
(ii) Cash and cash equivalents	4.9 (a)	15.53	61.22	267.21
(iii) Bank balances other than (ii) above	4.9 (b)	68.26	109.56	44.08
(iv) Loans	4.10	0.13	0.46	1.49
(v) Other financial assets	4.3 (b)	43.07	55.63	44.42
(c) Other current assets	4.6 (b)	5.71	123.31	59.68
<b>Total current assets (B)</b>		<b>318.07</b>	<b>529.13</b>	<b>588.21</b>
<b>Total assets (A+B)</b>		<b>3,065.45</b>	<b>2,167.52</b>	<b>2,170.99</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<b>A. Equity</b>				
(a) Equity share capital	4.11 (a)	513.67	350.00	350.00
(b) Other equity				
(i) Reserves and surplus	4.11 (b)	1,419.75	92.39	(10.08)
<b>Total equity (A)</b>		<b>1,933.42</b>	<b>442.39</b>	<b>339.92</b>
<b>Liabilities</b>				
<b>B. Non-Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	4.12	911.95	1,266.48	1,312.85
(b) Employee benefit obligations	4.13 (a)	0.77	0.70	0.48
<b>Total non-current liabilities (B)</b>		<b>912.72</b>	<b>1,267.18</b>	<b>1,313.33</b>
<b>C. Current Liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	4.14	96.40	348.64	299.06
(ii) Trade payables				
(a) total outstanding dues of micro and small	4.15 (a)	-	-	-
(b) total outstanding dues other than (ii) (a) above	4.15 (b)	77.25	99.00	200.93
(iii) Other financial liabilities	4.16	41.70	1.86	1.74
(b) Employee benefit obligations	4.13 (b)	0.04	0.00	0.00
(c) Other current liabilities	4.17	3.92	8.45	16.01
<b>Total current liabilities (C)</b>		<b>219.31</b>	<b>457.95</b>	<b>517.74</b>
<b>Total liabilities (B+C)</b>		<b>1,132.03</b>	<b>1,725.13</b>	<b>1,831.07</b>
<b>Total equity and liabilities (A+B+C)</b>		<b>3,065.45</b>	<b>2,167.52</b>	<b>2,170.99</b>

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

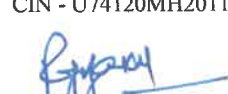
This is the Balance Sheet referred to in our report of even date.

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



**Sudharmendra N**  
Partner  
Membership No: 223014

For and on behalf of Board of Directors of  
**United Ciigma Institute of Medical Sciences Private Limited**  
CIN - U74120MH2011PTC213136



**Dr. Umesh Takalkar**  
Managing Director  
DIN - 01578381



**Jasdeep Singh**  
Director  
DIN - 02705303

Place: Hyderabad  
Date: 21 August 2023

Place: Aurangabad  
Date: 21 August 2023

Place: Hyderabad  
Date: 21 August 2023

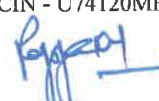
**United Ciigma Institute of Medical Sciences Private Limited****Statement of Profit and Loss**

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

Particulars	Notes	For the year ended	
		31 March 2023	31 March 2022
I Revenue from operations	4.18	1,237.04	1,192.25
II Other income	4.19	19.26	11.74
<b>III Total income (I+II)</b>		<b>1,256.30</b>	<b>1,203.99</b>
<b>IV Expenses</b>			
(i) Purchases of medical consumables and pharmacy items		272.14	273.24
(ii) Changes in inventories of medical consumables and pharmacy items	4.20	-	(0.72)
(iii) Employee benefits expense	4.21	45.98	8.53
(iv) Other expenses	4.22	576.73	510.64
<b>Total expenses (IV)</b>		<b>894.85</b>	<b>791.69</b>
<b>V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)</b>		<b>361.45</b>	<b>412.30</b>
(i) Depreciation and amortisation expense	4.24	118.33	133.94
(ii) Finance costs	4.23	126.12	142.93
<b>VI Profit before exceptional items and tax</b>		<b>117.00</b>	<b>135.43</b>
Exceptional items		26.77	-
<b>VII Profit before tax</b>		<b>90.23</b>	<b>135.43</b>
<b>VIII Income Tax expense/(credit):</b>			
(i) Current tax expense	4.25	-	49.60
(ii) Deferred tax expense/(credit)	4.25	18.23	(16.41)
<b>Total tax expense</b>		<b>18.23</b>	<b>33.19</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>72.00</b>	<b>102.24</b>
<b>X Other comprehensive income:</b>			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of post-employment benefit obligations		0.38	0.31
(ii) Income tax relating to these items		(0.10)	(0.08)
<b>Other Comprehensive income for the year, net of tax</b>		<b>0.28</b>	<b>0.23</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>72.28</b>	<b>102.47</b>
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2022 : ₹10))			
Basic earnings per equity share (in ₹)	4.26	1.57	2.92
Diluted earnings per equity share (in ₹)		1.57	2.92

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

This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**  
Firm's Registration No: 012754N/N500016  
**Sudharmendra N**  
Partner  
Membership No: 223014For and on behalf of Board of Directors of  
**United Ciigma Institute of Medical Sciences Private Limited**  
CIN - U74120MH2011PTC213136  
**Dr. Umesh Takalkar**  
Managing Director  
DIN - 01578381  
**Jasdeep Singh**  
Director  
DIN - 02705303Place: Hyderabad  
Date: 21 August 2023Place: Aurangabad  
Date: 21 August 2023Place: Hyderabad  
Date: 21 August 2023




**United Cigma Institute of Medical Sciences Private Limited**  
**Statement of Cash Flows**  
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the period ended	For the year ended
	31 March 2023	31 March 2022
<b>Cash flow from operating activities</b>		
Profit before tax	90.23	135.43
<b>Adjustments:</b>		
Depreciation and amortisation expense	118.33	133.94
Provision for doubtful trade receivables	25.53	50.66
Interest income	(17.79)	(6.11)
Inventory written off	-	-
Finance costs	123.01	142.93
<b>Change in operating assets and liabilities:</b>	<b>339.31</b>	<b>456.85</b>
(Increase)/decrease in inventories	26.77	(0.72)
(Increase) in trade receivables	(58.72)	(57.56)
Decrease in loans	0.33	1.03
(Increase)/decrease in other assets	224.36	(63.63)
(Increase) in other financial assets	(138.79)	(10.67)
(Decrease) in trade payables	(21.74)	(101.94)
Increase in provisions	0.49	0.53
Increase in other financial liabilities	39.84	0.12
(Decrease) in other liabilities	(4.53)	(7.56)
<b>Cash generated from operations</b>	<b>407.32</b>	<b>216.45</b>
Income tax (paid)/refund, net	(116.81)	(36.88)
<b>Net cash inflow from operating activities (A)</b>	<b>290.51</b>	<b>179.57</b>
<b>Cash flow from investing activities</b>		
Payments for property, plant and equipment	(489.45)	(186.48)
Interest received on fixed deposits	3.47	6.11
Interest received on income tax refund	1.58	-
Investment in subsidiaries	(486.26)	-
Movement in other bank balances, net	(54.51)	(65.46)
<b>Net cash outflow from investing activities (B)</b>	<b>(1,025.17)</b>	<b>(245.83)</b>
<b>Cash flow from financing activities</b>		
Repayments of long-term borrowings	(354.53)	(46.37)
Proceeds/(Repayments) from short term borrowings, net	(252.24)	49.58
Proceeds on issue of Equity Shares	1,418.75	-
Interest paid	(123.01)	(142.93)
<b>Net cash inflow (outflow) from financing activities (C)</b>	<b>688.97</b>	<b>(139.72)</b>
<b>Net increase/(decrease) in cash and cash equivalents(A + B + C)</b>	<b>(45.69)</b>	<b>(205.99)</b>
Cash and cash equivalents at the beginning of the year	61.22	267.21
<b>Cash and cash equivalents at the end of the year (note 1)</b>	<b>15.53</b>	<b>61.22</b>


Note 1:	For the period ended	For the year ended
	31 March 2023	31 March 2022
<b>Cash and cash equivalents as per above comprise of the following</b>		
- <b>Included in cash and cash equivalents (refer note 4.9(a))</b>		
Cash on hand	2.27	7.03
Balances with banks in current accounts	13.26	54.19
<b>Balances as per Statement of Cash Flows</b>	<b>15.53</b>	<b>61.22</b>

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

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

  
**Sudharmendra N**  
Partner  
Membership No: 223014

For and on behalf of Board of Directors of  
**United Cigma Institute of Medical Sciences Private Limited**  
CIN - U74120MH2011PTC213136

  
**Dr. Umesh Takalkar**  
Managing Director  
DIN - 01578381

  
**Jasdeep Singh**  
Director  
DIN - 02705303

Place: Hyderabad  
Date: 21 August 2023

Place: Aurangabad  
Date: 21 August 2023

Place: Hyderabad  
Date: 21 August 2023

**United Ciigma Institute of Medical Sciences Private Limited**

**Statement of Changes in Equity**

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

**A. Share capital**

Particulars	Notes	Number of shares	Amount in millions
<b>i) Equity share capital</b>			<b>350.00</b>
Balance at 1 April 2021	4.11 (a)	35,000,000	350.00
Changes in equity share capital			
Balance as at 31 March 2022	4.11 (a)	35,000,000	350.00
Changes in equity share capital		16,366,711	163.67
Balance as at 31 March 2023		51,366,711	513.67


**B. Other equity**

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance at 1 April 2021	-	(10.08)	(10.08)
Profit for the year	-	102.24	102.24
Other comprehensive income, net of tax	-	0.23	0.23
Balance at 31 March 2022	-	92.39	92.39
Profit for the year	-	72.00	72.00
Other comprehensive income, net of tax	-	0.28	0.28
Issue of equity shares at premium during the period	1,255.08	-	1,255.08
Balance at 31 March 2023	1,255.08	164.67	1,419.75

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

This is the Statement of changes in Equity referred to in our report of even date.

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


  
**Sudharmendra N**  
Partner  
Membership No: 223014.

Place: Hyderabad  
Date: 21 August 2023

For and on behalf of Board of Directors of  
**United Ciigma Institute of Medical Sciences Private Limited**  
CIN - U74120MH2011PTC213136

  
**Dr. Umesh Takalkar**  
Managing Director  
DIN - 01578381

Place: Hyderabad  
Date: 21 August 2023

  
**Jasdeep Singh**  
Director  
DIN - 02705303

Place: Hyderabad  
Date: 21 August 2023

**United Ciigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

**1. Company overview**

United Ciigma Institute of Medical Sciences Private Limited (the "Company" or "UCIMSPL") is headquartered in Aurangabad, India and was incorporated on 7th February, 2011 in accordance with the provisions of the erstwhile Companies Act, 1956. The Company is primarily engaged in providing healthcare and related services.

The Company has its registered office at Plot No. 6 & 7, Survey No. 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra - 431005, India.

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

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

**2. Basis of preparation of the financial statements**

**2.1. Statement of Compliance**

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

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

**2.2. New and amended standards adopted**

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

**New and amended standards issued but not effective**

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

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

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

**2.3. Functional and presentation currency**

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

**2.4. Basis for measurement**

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

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

**2.5. Use of estimates and judgments**

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

Below are the areas involving critical estimates or judgements are:

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

- Note 3.6 – useful lives of PPE
- Note 4.28 – measurement of defined benefit obligations: key actuarial assumptions
- Note 4.8 – expected credit loss on financial assets



**United Ciigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

**2.6. Current and non-current classification**

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

**Assets:**

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

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

All other assets are classified as non-current.

**Liabilities:**

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

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

All other liabilities are classified as non-current.

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

**2.7. Measurement of fair values**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



### 3. Significant accounting policies

#### 3.1. Financial instruments

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

##### a. Recognition and initial measurement

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

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

##### b. Classification and subsequent measurement

###### Financial assets

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

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

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

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

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

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

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

###### Financial assets: Business model assessment

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

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

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

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

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

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

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

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



**United Cigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

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

**Financial assets: Subsequent measurement and gains and losses**

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

**Financial liabilities: Classification, subsequent measurement and gains and losses**

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

**c. Derecognition**

**Financial assets**

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

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

**Financial liabilities**

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

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

**d. Offsetting**

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

**3.2. Inventories**

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

**3.3. Cash and cash equivalents**

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

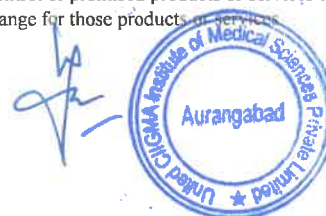
**3.4. Cash flow statement**

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

**3.5. Revenue recognition**

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

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



**United Cigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

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

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

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

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

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

**Revenue from health care services and related activities**

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

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

**Unbilled receivables and Unearned revenue**

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

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

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

**Revenue from sale of pharmacy**

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

**Interest Income**

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

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

**3.6. Property, plant and equipment**

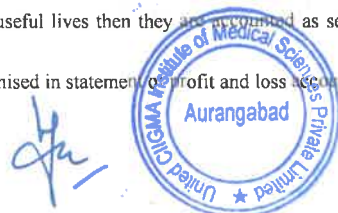
**Recognition and measurement**

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

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

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

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



**United Cignma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

**Depreciation**

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

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

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

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

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

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

**3.7. Employee benefits**

**Short-term employee benefits**

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

**Post-employment benefits**

**Defined contribution plans**

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

**Defined benefit plans**

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

The gratuity scheme is managed by third party administrators.

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

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

**Compensated absences**

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





**United Cigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

**3.8. Borrowing cost**

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

**3.9. Earnings per equity share (EPES)**

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

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

**3.10. Income tax**

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

**Current tax**

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

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

**Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

**3.11. Impairment**

**a. Impairment of financial instruments**

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

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

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

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

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

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



**United Ciigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

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

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

For trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115, the Company The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

**Measurement of expected credit losses**

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

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

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

**Write-off**

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

**b. Impairment of non-financial assets**

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

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

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

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

**3.12. Investments in subsidiaries**

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

**3.13. Provisions and contingent liabilities**

**General**

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

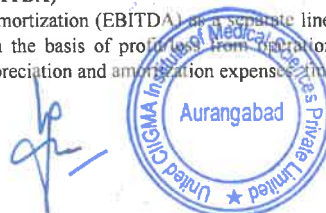
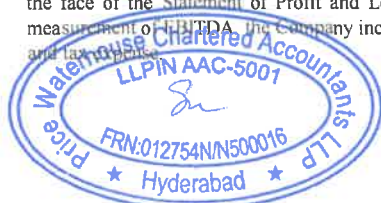
If the effect of the time value of the money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

**Contingent liabilities**

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

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

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



**United Cigma Institute of Medical Sciences Private Limited**  
**Summary of the significant accounting policies and other explanatory information**  
(All amounts are in ₹ millions, unless otherwise stated)

**3.15. Business combination**

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

The consideration transferred for the acquisition comprises the

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

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

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

**3.16. First-time adoption**

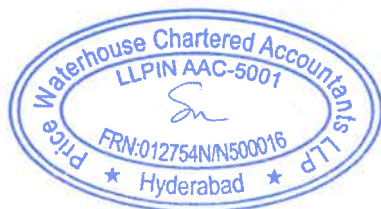
The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2021 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous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

**Deemed cost of property, plant and equipment**

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

**Fair value of financial assets or financial liabilities**

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



**United CiiGma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**4.1 Property, plant and equipment**

Particulars	Freehold land (Refer note 1)	Buildings	Plant and machinery	Furniture and fixtures	Computer equipment	Research & Development *	Total
<b>Gross carrying amount</b>							
Deemed cost as at 1 April 2021	-	617.00	483.00	177.00	9.00	-	1,286.00
Additions	-	58.22	39.89	61.42	26.95	-	186.48
Disposals/written off	-	-	-	-	-	-	-
<b>Closing gross carrying amount as at 31 March 2022</b>	-	675.22	522.89	238.42	35.95	-	1,472.48
Additions	415.93	2.81	59.37	9.82	1.52	-	489.45
<b>Closing gross carrying amount as at 31 March 2023</b>	415.93	678.03	582.26	248.24	37.47	-	1,961.93
<b>Accumulated Depreciation</b>							
Depreciation charge during the year	-	11.90	58.38	29.76	33.90	-	133.94
<b>Closing accumulated depreciation as at 31 March 2022</b>	-	11.90	58.38	29.76	33.90	-	133.94
Depreciation charge during the period	-	13.18	85.96	40.21	(21.02)	-	118.33
<b>Closing accumulated depreciation as at 31 March 2023</b>	-	25.08	144.34	69.97	12.88	-	252.27
<b>Net carrying amount as at 31 March 2022</b>	-	663.32	464.51	208.66	2.05	-	1,338.54
<b>Net carrying amount as at 31 March 2023</b>	415.93	652.95	437.92	178.27	24.59	-	1,709.66

Note 1: The title deeds of all the immovable properties are held in the name of the Company.

\* An amount of 67 has been derecognised on 1 April 2021 as it does not meet the asset recognition criteria.



*[Handwritten signature]*



4.2 Investments

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Non-current</b>			
<b>Investment in equity instruments (fully paid up)</b>			
<b>Unquoted</b>			
<b>Investment in subsidiaries - at cost</b>			
- Investment in CIIGMA Institute of Medical Sciences Pvt Ltd	67.50	-	-
- Investment in United CIIGMA Hospitals Healthcare Pvt Ltd*	418.76	-	-
<b>Total</b>	<b>486.26</b>	<b>-</b>	<b>-</b>

\* includes deemed equity contribution of 259.86 (net of deferred tax of 91.30)

4.3 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>(a) Non current</b>			
<b>Unsecured, considered good</b>			
Security deposits	4.89	4.89	5.43
Fixed deposits with banks with more than 12 months maturity	95.80	-	-
Interest free loan to subsidiary**	164.09	-	-
<b>Total</b>	<b>264.78</b>	<b>4.89</b>	<b>5.43</b>
<b>(b) Current</b>			
<b>Unsecured, considered good</b>			
Advance to related party	32.89	55.63	44.42
Unbilled receivables	10.18	-	-
<b>Total</b>	<b>43.07</b>	<b>55.63</b>	<b>44.42</b>

\*\*

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Face value of interest free loan to subsidiary	502.51	-	-
Deemed equity contribution	(351.16)	-	-
Interest income***	12.74	-	-
Interest free loan to subsidiary	164.09	-	-

\*\*\* Interest income is calculated by applying the effective interest rate of 12.75%. There are no repayment terms but the management has considered 10 years as tenure to repay based on the business plans.

4.4 Deferred tax assets/(liabilities), net

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

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2022	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	Recognised in investment in subsidiary	As at 31 March 2023
Property, plant and equipment ("PPE")	(108.46)	7.37	-	-	(101.09)
Expected credit loss	79.04	(70.21)	-	-	8.83
Provision for employee benefits	0.21	0.10	(0.10)	-	0.21
Investment in subsidiary by loan given to holding company	-	-	-	91.30	91.30
On interest interest on loan given to holding company	-	(3.31)	-	-	(3.31)
MAT credit	33.49	-	-	-	33.49
Loss from business	-	47.82	-	-	47.82
<b>Total</b>	<b>4.28</b>	<b>(18.23)</b>	<b>(0.10)</b>	<b>91.30</b>	<b>77.25</b>

(ii) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	Recognised in investment in subsidiary	As at 31 March 2022
Property, plant and equipment ("PPE")	(109.98)	1.52	-	-	(108.46)
MAT credit	50.59	(17.10)	-	-	33.49
Provision for bad and doubtful trade receivables	64.29	14.75	-	-	79.04
Provision for employee benefits	0.14	0.15	(0.08)	-	0.21
<b>Total</b>	<b>5.04</b>	<b>(0.68)</b>	<b>(0.08)</b>	<b>-</b>	<b>4.28</b>

Note:

The Company has recognised deferred tax asset on current year business loss. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the Company.

4.5 Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Advance income tax (net of provision for taxation)	47.84	22.33	17.96
<b>Total</b>	<b>47.84</b>	<b>22.33</b>	<b>17.96</b>



Handwritten signature or initials.



4.6 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>(a) Non-current</b>			
<b>Unsecured, considered good</b>			
Statutory dues paid under protest	-	-	-
Capital advances	161.59	268.35	268.35
<b>Total</b>	<b>161.59</b>	<b>268.35</b>	<b>268.35</b>
<b>(b) Current</b>			
<b>Unsecured, considered good</b>			
Prepaid expenses	3.39	1.12	1.53
Advances to vendors	1.36	121.35	9.29
Others	0.96	0.84	48.86
<b>Total</b>	<b>5.71</b>	<b>123.31</b>	<b>59.68</b>

4.7 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Medical consumables and pharmacy items	23.02	49.79	49.07
<b>Total</b>	<b>23.02</b>	<b>49.79</b>	<b>49.07</b>

4.8 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Trade receivables from contract with customers – billed	187.88	400.59	343.03
Trade receivables from contract with customers – unbilled	10.18	-	-
<b>Total</b>	<b>198.06</b>	<b>400.59</b>	<b>343.03</b>
Less: Expected credit loss*	(25.53)	(271.43)	(220.77)
<b>Total trade receivables and unbilled revenue</b>	<b>172.53</b>	<b>129.16</b>	<b>122.26</b>
Trade receivables	162.35	129.16	122.26
Unbilled revenue recognised in other financial assets	10.18	-	-

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

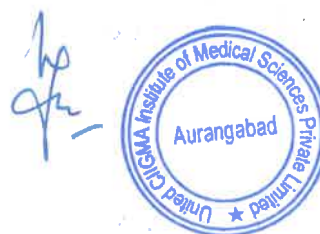
	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Opening balance at beginning of the year	271.43	220.77	-
Provision made during the year (refer note 4.22)	25.53	50.66	220.77
Bad debts written off during the year	(271.43)	-	-
<b>Closing balance at end of the year</b>	<b>25.53</b>	<b>271.43</b>	<b>220.77</b>

Ageing of trade receivables and unbilled as at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	10.18	1.91	105.38	55.06	-	-	-	172.53
-which have significant increase in credit risk	0.28	0.11	9.95	15.19	-	-	-	25.53
-Expected credit loss	(0.28)	(0.11)	(9.95)	(15.19)	-	-	-	(25.53)
<b>Total</b>	<b>10.18</b>	<b>1.91</b>	<b>105.38</b>	<b>55.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>172.53</b>

Ageing of trade receivables and unbilled as at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	-	1.87	91.30	35.99	-	-	-	129.16
-which have significant increase in credit risk	-	0.18	9.06	9.54	31.61	96.63	124.41	271.43
-Expected credit loss	-	(0.18)	(9.06)	(9.54)	(31.61)	(96.63)	(124.41)	(271.43)
<b>Total</b>	<b>-</b>	<b>1.87</b>	<b>91.30</b>	<b>35.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129.16</b>



Ageing of trade receivables and unbilled as at 1 April 2021

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	-	1.46	89.59	31.21	-	-	-	122.26
-which have significant increase in credit risk	-	0.14	8.86	8.30	72.76	78.74	51.97	220.77
-Expected credit loss	-	(0.14)	(8.86)	(8.30)	(72.76)	(78.74)	(51.97)	(220.77)
<b>Total</b>	-	<b>1.46</b>	<b>89.59</b>	<b>31.21</b>	-	-	-	<b>122.26</b>

4.9 Cash and bank balances

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>a) Cash and cash equivalents</b>			
Balances with banks			
-in current accounts	13.26	54.19	261.07
Cash on hand	2.27	7.03	6.14
	<b>15.53</b>	<b>61.22</b>	<b>267.21</b>
<b>b) Other bank balances</b>			
Deposits with maturity of more than 3 months but less than 12 months	68.26	109.56	44.08
	<b>68.26</b>	<b>109.56</b>	<b>44.08</b>
<b>Total</b>	<b>83.79</b>	<b>170.78</b>	<b>311.29</b>

4.10 Loans

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Current</b>			
<b>Unsecured, considered good</b>			
Advances to employees	0.13	0.46	1.49
<b>Total</b>	<b>0.13</b>	<b>0.46</b>	<b>1.49</b>



Handwritten signature or initials.



**United Cignma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**4.11 (a) Equity share capital**

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Authorised Share capital</b>						
52,000,000 Equity shares (31 March 2022: 50,000,000; 31 March 2021: 50,000,000) of Rs. 10/- each with voting rights		520.00		500.00		500.00
<b>Total authorised share capital</b>		<b>520.00</b>		<b>500.00</b>		<b>500.00</b>
<b>Issued, subscribed and fully paid up shares</b>						
51,366,711 Equity Shares (31 March 2022: 35,000,000; 31 March 2021: 35,000,000) of Rs. 10/- Each		513.67		350.00		350.00
<b>Total issued, subscribed and fully paid-up shares</b>		<b>513.67</b>		<b>350.00</b>		<b>350.00</b>

**Notes:**

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

**Equity Shares**

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	35,000,000	350.00	35,000,000	350.00	35,000,000	350.00
Issued during the year	16,366,711	163.67				
<b>Balance at the end of the year</b>	<b>51,366,711</b>	<b>513.67</b>	<b>35,000,000</b>	<b>350.00</b>	<b>35,000,000</b>	<b>350.00</b>

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

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

**(iii) Equity shares held by the Holding Company**

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Quality Care India Limited	39,040,870	390.41	-	-	-	-

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

Particulars	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Dr. U V Takalkar	11,873,941	23.12%	26,590,100	75.97%	26,590,100	75.97%
Dr. M U Takalkar	-	-	6,200,000	17.71%	6,200,000	17.71%
Dr. U V Takalkar (HUF)	-	-	1,850,000	5.29%	1,850,000	5.29%
Quality Care India Limited	39,040,870	76.00%	-	-	-	-

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the Balance Sheet date.

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





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

Promoter/Promoter Group Name	31 March 2023		31 March 2022		% Change during the year *
	Number of Shares	% holding	Number of Shares	% holding	
Dr. M U Takalkar	92,000	0.18%	6,200,000	17.71%	-17.53%
Shweta Takalkar	119,900	0.23%	119,900	0.34%	-0.11%
U V Takalkar (HUF)	-	0.00%	1,850,000	5.29%	-5.29%
Quality Care India Limited	39,040,870	76.00%	-	-	76.00%
<b>Total</b>	<b>39,252,770</b>		<b>8,169,900</b>		

\* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.11 (b) Other equity

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance at 1 April 2021	-	(10.08)	(10.08)
Profit for the year	-	102.24	102.24
Other comprehensive income, net of tax	-	0.23	0.23
Stock option compensation for the year	-	-	-
Balance at 31 March 2022	-	92.39	92.39
Profit for the year	-	72.00	72.00
Other comprehensive income, net of tax	-	0.28	0.28
Opening Reserves adjustment	-	-	-
Issue of equity shares at premium during the period	1,255.08	-	1,255.08
Balance at 31 March 2023	<b>1,255.08</b>	<b>164.67</b>	<b>1,419.75</b>

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").



*[Handwritten signature]*

United Ciigma Institute of Medical Sciences Private Limited

Notes to the financial statements

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

4.12 Long-term borrowings

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Non-current	Current	Non-current	Current	Non-current	Current
<b>Secured - at amortised cost</b>						
<b>Term loans from banks</b>						
- IndusInd Bank- Term Loan - 1*	463.18	45.09	508.28	40.22	548.49	28.03
- IndusInd Bank- Term Loan - 2*	-	-	153.12	52.50	205.62	4.38
- IndusInd Bank- Term Loan - 3*	234.60	27.56	262.16	22.97	285.13	15.09
- IndusInd Bank- Term Loan - 4*	-	-	105.00	-	-	-
- The South Indian Bank Ltd.**	214.17	23.75	237.92	21.90	259.82	15.84
<b>Term loans from banks (A)</b>	<b>911.95</b>	<b>96.40</b>	<b>1,266.48</b>	<b>137.59</b>	<b>1,299.06</b>	<b>63.34</b>
<b>Term loans from financial institutions</b>						
- Siemens Financial Services- 078	-	-	-	1.60	1.60	17.75
- Siemens Financial Services- 391	-	-	-	12.19	12.19	0.41
- Siemens Financial Services- 636	-	-	-	-	-	17.67
<b>Term loans from financial institutions (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.79</b>	<b>13.79</b>	<b>35.83</b>
<b>Total (A+B)</b>	<b>911.95</b>	<b>96.40</b>	<b>1,266.48</b>	<b>151.38</b>	<b>1,312.85</b>	<b>99.17</b>

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	1,417.86	1,412.02
Repayments of long-term borrowings	(409.51)	5.84
Closing balance at end of the year	<b>1,008.35</b>	<b>1,417.86</b>

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	-	-
Interest expenses	123.01	142.93
Interest paid	(123.01)	(142.93)
Closing balance at end of the year	-	-

Note on Borrowings

\* Secured by first & pari passu charge on immovable & movable Property, plant and equipment all present and future asset and also on all the current assets of the Company. The loan is repayable in 6 to 12 years carries an interest rate of 31 March 2023: 9.09% p.a. for loan 1 (7.32% p.a. for loan 1 (7.32% p.a. for loan 2 (9.25% p.a. for loan 2 (9.25% p.a. for loan 3 (7.32% p.a. for loan 3 (7.32% p.a. for loan 4 (8.41% p.a. for loan 4 (8.41% p.a. for loan 2022) payable at monthly intervals.

\*\* Secured by first & pari passu charge on immovable & movable Property, plant and equipment all present and future asset and also on all the current assets of the Company. The loan is repayable in 12 years carries an interest rate of 31 March 2023: 8.98% & 31 March 2022: 8.74% p.a. payable at monthly intervals.



*[Handwritten signature]*



4.13 Employee benefit obligations

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>(a) Non-current</b>			
Provision for employee benefits			
Gratuity	0.77	0.70	0.48
<b>Total</b>	<b>0.77</b>	<b>0.70</b>	<b>0.48</b>
<b>(b) Current</b>			
Provision for employee benefits			
Gratuity	0.04	0.00	0.00
<b>Total</b>	<b>0.04</b>	<b>0.00</b>	<b>0.00</b>

4.14 Short-term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Secured - at amortised cost</b>			
Current maturities of term loans from banks (refer note 4.12)	96.40	137.59	63.34
Current maturities of term loans from financial institutions (refer note 4.12)	-	13.79	35.83
Cash Credit balances	-	197.26	199.89
<b>Total</b>	<b>96.40</b>	<b>348.64</b>	<b>299.06</b>

4.15 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Trade payable : Micro and small enterprises;			
Subtotal (a)	-	-	-
(b) Trade payable : others	77.25	99.00	200.93
<b>Subtotal (b)</b>	<b>77.25</b>	<b>99.00</b>	<b>200.93</b>
<b>Total</b>	<b>77.25</b>	<b>99.00</b>	<b>200.93</b>

Ageing of trade payables as on 31 March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	7.03	49.55	20.67	-	-	-	77.25
<b>Total</b>	<b>7.03</b>	<b>49.55</b>	<b>20.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77.25</b>

Ageing of trade payables as on 31 March 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	8.90	63.46	26.64	-	-	-	99.00
<b>Total</b>	<b>8.90</b>	<b>63.46</b>	<b>26.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99.00</b>

Ageing of trade payables as on 1 April 2021:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	18.57	128.64	53.72	-	-	-	200.93
<b>Total</b>	<b>18.57</b>	<b>128.64</b>	<b>53.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200.93</b>

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

4.16 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Capital creditors	40.35	-	-
Employee benefit payables	1.28	0.49	0.89
Retention money and deposits	-	1.37	0.85
Other payables	0.07	-	-
<b>Total</b>	<b>41.70</b>	<b>1.86</b>	<b>1.74</b>

4.17 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
<b>Current</b>			
Statutory dues payable	3.92	8.45	16.01
<b>Total</b>	<b>3.92</b>	<b>8.45</b>	<b>16.01</b>



*[Handwritten signature]*



**United Ciigma Institute of Medical Sciences Private Limited****Notes to the financial statements**

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

**4.18 Revenue from operations**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from healthcare services	1,093.29	1,011.77
Revenue from outpatient pharmacy	143.75	180.48
<b>Total</b>	<b>1,237.04</b>	<b>1,192.25</b>

**4.19 Other income**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>(a) Interest income</b>		
on financial assets (bank deposits) measured at amortised cost	3.47	6.11
on income tax refund	1.58	-
on financial assets carried at amortised cost (on loan given to subsidiary)	12.74	-
<b>(b) Other non-operating income</b>		
Miscellaneous income	1.47	5.63
<b>Total</b>	<b>19.26</b>	<b>11.74</b>

**4.20 Changes in inventories of medical consumables and pharmacy items**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	49.79	49.07
Inventory at the end of the year	23.02	49.79
Inventory written off	26.77	-
<b>Total</b>	<b>-</b>	<b>(0.72)</b>

**4.21 Employee benefits expense**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	43.25	7.64
Contribution to provident and other funds	1.87	0.36
Gratuity and compensated absences	0.48	0.53
Staff welfare expenses	0.38	-
<b>Total</b>	<b>45.98</b>	<b>8.53</b>



**United Ciigma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**4.22 Other expenses**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	26.15	23.25
Repairs and Maintenance		
- Buildings	0.50	0.15
- Plant and machinery and others	26.96	21.87
Hospital maintenance	141.84	132.45
Insurance	5.88	5.91
Water charges	0.62	0.16
Rates and taxes, excluding taxes on income	1.12	2.85
Travelling and conveyance	0.91	0.91
Communication expense	3.35	3.16
Marketing and business promotion expense	5.28	1.21
Expected credit loss	25.53	50.66
Printing and stationery	4.99	4.62
Payments to the auditor (note a)	0.60	0.60
Legal and professional charges	46.13	13.60
Catering charges, net	5.03	4.82
Contribution towards Corporate social responsibility (note b)	0.72	2.50
Professional charges to doctors	278.41	239.96
Bank charges	1.24	1.52
Miscellaneous expenditure	1.47	0.44
<b>Total</b>	<b>576.73</b>	<b>510.64</b>

**Note (a): Details of payments to auditors**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For statutory audit	0.60	0.60
	<b>0.60</b>	<b>0.60</b>

**Note (b): Details of Corporate social responsibility**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Contribution to ISKCON towards - Eradicating Hunger, poverty and malnutrition &amp; Promoting Education and Skill development</b>	0.72	-
<b>Contribution to Aastha Foundation - Improving gender equality, setting up homes and hostels for reducing inequalities faced by socially and economically backward groups</b>	-	2.50
<b>Total</b>	<b>0.72</b>	<b>2.50</b>

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

Balance as at 1 April 2022	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2023
NIL	NIL	0.72	0.72	NIL

**4.23 Finance costs**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on borrowings	123.01	142.93
Others	3.11	-
<b>Total</b>	<b>126.12</b>	<b>142.93</b>

**4.24 Depreciation and amortisation expense**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation and amortisation on plant and equipment	118.33	133.94
<b>Total</b>	<b>118.33</b>	<b>133.94</b>



4.25 Income tax expense/ (credit)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	-	49.60
Deferred tax expense/(credit)	18.23	(16.41)
	<b>18.23</b>	<b>33.19</b>

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	90.23	135.43
Tax at the Indian tax rate 26% (31 March 2022: 29.12%)	23.46	39.44
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Impact of change in tax rate	(3.13)	-
Other adjustments	(2.10)	(6.25)
Tax expense	<b>18.23</b>	<b>33.19</b>

4.26 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year	72.00	102.24
Number of equity shares outstanding at the beginning of the year	35,000,000	35,000,000
Add: Equity shares issued during the year	16,366,711	-
Total number of equity shares outstanding at the end of the year	<b>51,366,711</b>	<b>35,000,000</b>
Weighted average number of equity shares considered in computation of Basic EPES	45,911,141	35,000,000
Weighted average number of equity shares considered in computation of Dilutive EPES	<b>45,911,141</b>	<b>35,000,000</b>
Basic Earnings per equity share in ₹ (absolute number)	1.57	2.92
Diluted Earnings per equity share in ₹ (absolute number)	1.57	2.92



**United Ciigma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**4.27 Segment Information**

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

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

**4.28 Employee benefits**

**Defined benefit plan**

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

**A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts**

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Defined benefit obligations	0.81	0.70	0.48
Fair value of plan assets	-	-	-
<b>Net defined benefit liability</b>	<b>0.81</b>	<b>0.70</b>	<b>0.48</b>
<b>Total employee benefit liability</b>	<b>0.81</b>	<b>0.70</b>	<b>0.48</b>
Non-current	0.77	0.70	0.48
Current	0.04	0.00	-

**B Reconciliation of net defined benefit obligation**

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

**i) Reconciliation of present value of defined benefit obligation**

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation at the beginning of the year	0.70	0.48
Benefit payments from plan assets	-	-
Benefit payments from employer	-	-
Current service cost	0.43	0.50
Interest expense	0.06	0.03
Actuarial (gains)/losses recognised in other comprehensive income		
- changes in Demographic assumptions	-	-
- changes in financial assumptions	(0.03)	-
- experience adjustments	(0.35)	(0.31)
<b>Defined benefit obligation as at the balance sheet date</b>	<b>0.81</b>	<b>0.70</b>

**ii) Reconciliation to fair value of plan assets**

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at beginning of the year	-	-
Contributions paid	-	-
Employer Direct Benefit Payments	-	-
Interest income	-	-
Benefits paid	-	-
Return on plan assets	-	-
Remeasurement - return on assets (excluding interest income)	-	-
<b>Plan assets at end of the year</b>	<b>-</b>	<b>-</b>



United Cigma Institute of Medical Sciences Private Limited  
**Notes to the standalone financial statements**  
 (All amounts in ₹ millions, except share data and where otherwise stated)

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Current service cost	0.43	0.50
Interest on net defined liability/ (asset)	0.06	0.03
<b>Net cost, included in 'employee benefits'</b>	<b>0.49</b>	<b>0.53</b>

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

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Actuarial (gain) / loss on defined benefit obligation	(0.38)	(0.31)
Actual return on plan assets less interest on plan assets	-	-
<b>Closing amount recognised in OCI outside Statement of Profit and Loss</b>	<b>(0.38)</b>	<b>(0.31)</b>

**D Plan assets**

No Plan assets are maintained by the Company.

**E Other disclosures**

**i) Actuarial assumptions**

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

Principal actuarial assumptions	As at	As at
	31 March 2023	31 March 2022
Attrition rate	5.00%	5.00%
Discount rate	7.52%	7.10%
Salary escalation rate	5.00%	5.00%
Retirement age	58 years	58 years

**Maturity profile of defined benefit obligation**

Particulars	As at	As at
	31 March 2023	31 March 2022
1st following year	0.04	0.00
Year 2 to 5	0.26	0.51
Year 6 to 10	0.47	1.92

**Notes:**

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

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

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Discount rate (+ 1% movement)	-7.80%	-8.92%
Discount rate (- 1% movement)	8.99%	9.63%
Salary escalation (+ 1% movement)	8.78%	8.88%
Salary escalation (- 1% movement)	-7.76%	-8.26%

c) The expected contribution for the Company during the next year is equivalent to current provision.

**F Defined contribution plan**

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

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Amount recognised in the Statement of Profit and Loss towards Provident fund & ESI Contributions	1.87	0.36





4.29 Related party disclosures

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

List of Parties

Key Managerial Personnel

Key Managerial Personnel	Relation
Mr. Jasdeep Singh	Director
Mr. Vikas Rastogi	Director
Dr. Unmesh Takalkar	Managing Director
Dr. Manisha Takalkar	Director

Holding Company/Subsidiaries/Associates

Holding Company/Subsidiaries/Associates	Relation
TPG Capital, L.P.	Ultimate Holding Company
Quality Care India Limited	Subsidiary of Ultimate Holding Company
Ciigma Institute of Medical Sciences Private Limited	Subsidiary
United Ciigma Hospitals Healthcare Private Limited	Subsidiary

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

Transaction details	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Transactions during the year</b>		
<b>i) Dr. Unmesh Takalkar</b>		
a) Professional Fees	39.60	30.00
b) Managerial Remuneration	2.40	-
c) Purchase of Hospital Plot	415.93	-
<b>ii) Dr. Manisha Takalkar</b>		
a) Purchase of Shares- United Ciigma Hospitals Healthcare Private Limited	47.60	-
b) Professional Fees	-	0.75
<b>iii) Ciigma Institute of Medical Sciences Private Limited</b>		
a) Income from Lab testing services	2.35	-
b) Other Advances given	2.10	-
<b>iv) United Ciigma Hospitals Healthcare Private Limited</b>		
a) Loan given	472.09	-
b) Other Advances given	11.20	-

(c) Balances receivable/payable

Transaction details	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 1 April 2021
Balances outstanding from/ to the related parties			
<b>i) Receivable</b>			
a) Ciigma Institute of Medical Sciences Private Limited	32.89	-	-
b) United Ciigma Hospitals Healthcare Private Limited	514.35	-	-
<b>ii) Payable</b>			
Dr. Unmesh Takalkar	1.88	-	-



**United Ciigma Institute of Medical Sciences Private Limited****Notes to the financial statements**

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

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

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

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	1 April 2021
Borrowings	1,008.35	1,615.12	1,611.91
Less: Cash and cash equivalents and other bank balances	(83.79)	(170.78)	(311.29)
<b>Net debt</b>	<b>924.56</b>	<b>1,444.34</b>	<b>1,300.62</b>
<b>Total equity</b>	<b>1,933.42</b>	<b>442.39</b>	<b>339.92</b>
<b>Capital and net debt</b>	<b>2,857.98</b>	<b>1,886.73</b>	<b>1,640.54</b>
<b>Gearing ratio (%)</b>	<b>32.35%</b>	<b>76.55%</b>	<b>79.28%</b>

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

**ii) Categories of financial instruments**

Financial assets	As at	As at	As at
	31 March 2023	31 March 2022	1 April 2021
<b>Measured at amortised cost</b>			
Other financial assets - non-current	264.78	4.89	5.43
Trade receivables- current	162.35	129.16	122.26
Cash and cash equivalents	15.53	61.22	267.21
Bank balances other than above	68.26	109.56	44.08
Loans receivables - current	0.13	0.46	1.49
Other financial assets- current	43.07	55.63	44.42
<b>Total</b>	<b>554.12</b>	<b>360.92</b>	<b>484.89</b>

Financial liabilities	As at	As at	As at
	31 March 2023	31 March 2022	1 April 2021
<b>Measured at amortised cost</b>			
Trade payables	77.25	99.00	200.93
Other financial liabilities- current	41.70	1.86	1.74
<b>Total</b>	<b>118.95</b>	<b>100.86</b>	<b>202.67</b>

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



**United Cigma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**iii) Financial risk management**

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

**a) Risk management framework**

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

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

**b) Credit Risk**

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

**Financial assets that are neither past due nor impaired**

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

**Financial assets that are past due but not impaired**

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

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

**c) Liquidity risk**

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



*[Handwritten signature]*



**United Ciigma Institute of Medical Sciences Private Limited****Notes to the financial statements**

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

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

Particulars	Less than	More than	Total
	1 year	1 year	
Borrowings	911.95	96.4	1,008.35
Trade payables	77.25	-	77.25
Lease liabilities	-	-	-
Other financial liabilities	41.70	-	41.70
<b>Total</b>	<b>1,030.90</b>	<b>96.40</b>	<b>118.95</b>

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

Particulars	Less than	More than	Total
	1 year	1 year	
Borrowings	348.64	1266.48	1,615.12
Trade payables	99.00	-	99.00
Lease liabilities	-	-	-
Other financial liabilities	1.86	-	1.86
<b>Total</b>	<b>449.50</b>	<b>1,266.48</b>	<b>100.86</b>

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

Particulars	Less than	More than	Total
	1 year	1 year	
Borrowings	299.06	1312.85	1,611.91
Trade payables	200.93	-	200.93
Lease liabilities	-	-	-
Other financial liabilities	1.74	-	1.74
<b>Total</b>	<b>501.73</b>	<b>1,312.85</b>	<b>202.67</b>

**d) Market risk**

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

**e) Interest rate risk exposure**

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

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

Particulars	As at	As at	As at
	31 March 2023	31 March 2022	1 April 2021
<b>Fixed rate instruments</b>			
Financial assets			
Fixed deposits	164.06	109.56	44.08
Other financial assets	164.09	-	-
<b>Variable rate instruments</b>			
Financial liabilities			
Borrowings	1,008.35	1,615.12	1,611.91

**4.31 Fair value measurement****i) Financial assets measured at amortised cost**

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



**United Ciigma Institute of Medical Sciences Private Limited**

**Notes to the financial statements**

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

**4.32 Additional regulatory information required by Schedule III**

**(i) Details of benami property held**

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

**(ii) Borrowing secured against current assets**

The company has borrowings from banks and financial institutions on the basis of security of current assets. The revised quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.

**(iii) Wilful defaulter**

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

**(iv) Relationship with struck off companies**

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

**(v) Compliance with number of layers of companies**

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

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

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

**(vii) Utilisation of borrowed funds and share premium**

(A) The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

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

**(viii) Undisclosed income**

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

**(ix) Details of crypto currency or virtual currency**

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

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

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**4.33 Other regulatory information**

**(i) Title deeds of immovable properties not held in name of the company**

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

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

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

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

The Company has not obtained borrowings from banks and financial institutions during the year.

**4.34** Post the acquisition of the Company by Quality Care India Limited on 26 July 2022, the management has determined, based on their physical verification of inventory representing medical consumables and pharmacy items, as not fit for consumption. Hence, the management has charged off the inventory amounting to 26.77 to the Statement of Profit and Loss as an exceptional item.



*[Handwritten signature]*



**United Ciiigma Institute of Medical Sciences Private Limited**  
**Notes to the financial statements**  
**(All amounts in ₹ millions, except share data and where otherwise stated)**

**4.35 Reconciliation between previous GAAP and Ind AS**

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

**First time Ind AS adoption reconciliations**

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

Particulars	As at 31 March 2022			As at 1 April 2021			
	Previous GAAP	Effect of Ind AS adoption	As per Ind AS balance sheet	Previous GAAP	Effect of Ind AS adoption	Other adjustments*	As per Ind AS balance sheet
<b>Non-current assets</b>							
(i) Property, plant and equipment	1,605.73	(267.19)	1,338.54	1,553.20	(200.20)	(67.00)	1,286.00
(iv) Investments	177.91	(177.91)	-	44.08	(44.08)	-	-
<b>Financial assets</b>							
(i) Other financial assets	-	4.89	4.89	-	5.43	-	5.43
Deferred tax assets (net)	-	4.28	4.28	-	5.04	-	5.04
Non-current tax assets (net)	-	22.33	22.33	-	17.96	-	17.96
Other non-current assets	-	268.35	268.35	-	268.35	-	268.35
<b>Total non-current assets</b>	<b>1,783.64</b>	<b>(145.25)</b>	<b>1,638.39</b>	<b>1,597.28</b>	<b>52.50</b>	<b>(67.00)</b>	<b>1,582.78</b>
<b>Current assets</b>							
Inventories	49.78	0.01	49.79	49.07	-	-	49.07
<b>Financial assets</b>							
(ii) Trade receivables	401.35	(272.19)	129.16	365.52	(243.26)	-	122.26
(iii) Cash and cash equivalents & Bank Balances	61.23	109.55	170.78	267.21	44.08	-	311.29
(iv) Loans	-	0.46	0.46	-	1.49	-	1.49
(v) Other financial assets	211.14	(155.51)	55.63	156.11	(111.69)	-	44.42
Other current assets	0.52	122.79	123.31	1.08	58.60	-	59.68
<b>Total current assets</b>	<b>724.02</b>	<b>(194.89)</b>	<b>529.13</b>	<b>838.99</b>	<b>(250.78)</b>	<b>-</b>	<b>588.21</b>
<b>Total assets</b>	<b>2,507.66</b>	<b>(340.14)</b>	<b>2,167.52</b>	<b>2,436.27</b>	<b>(198.28)</b>	<b>(67.00)</b>	<b>2,170.99</b>
<b>Equity</b>							
Equity share capital	350.00	-	350.00	350.00	-	-	350.00
Other equity	375.22	(282.83)	92.39	248.13	(258.21)	-	(10.08)
<b>Total equity</b>	<b>725.22</b>	<b>(282.83)</b>	<b>442.39</b>	<b>598.13</b>	<b>(258.21)</b>	<b>-</b>	<b>339.92</b>
<b>Borrowings</b>	<b>1,417.86</b>	<b>(151.38)</b>	<b>1,266.48</b>	<b>1,412.02</b>	<b>(99.17)</b>	<b>-</b>	<b>1,312.85</b>
Employee benefit obligations	-	0.70	0.70	-	0.48	-	0.48
Deferred tax liabilities (net)	86.21	(86.21)	-	76.86	(57.35)	(19.51)	-
<b>Total non-current liabilities</b>	<b>1,504.07</b>	<b>(236.89)</b>	<b>1,267.18</b>	<b>1,488.88</b>	<b>(156.04)</b>	<b>(19.51)</b>	<b>1,313.33</b>
<b>Financial liabilities</b>							
(i) Borrowings	197.26	151.38	348.64	199.89	99.17	-	299.06
(ii) Trade payables	47.76	51.24	99.00	89.40	111.53	-	200.93
(iii) Other financial liabilities	-	1.86	1.86	-	1.74	-	1.74
Employee benefit obligations	-	0.00	0.00	-	0.00	-	0.00
Other current liabilities	33.35	(24.90)	8.45	59.97	(43.96)	-	16.01
<b>Total current liabilities</b>	<b>278.37</b>	<b>179.58</b>	<b>457.95</b>	<b>349.26</b>	<b>168.48</b>	<b>-</b>	<b>517.74</b>
<b>Total liabilities</b>	<b>1,782.44</b>	<b>(57.31)</b>	<b>1,725.13</b>	<b>1,838.14</b>	<b>12.44</b>	<b>(19.51)</b>	<b>1,831.07</b>
<b>Total equity and liabilities</b>	<b>2,507.66</b>	<b>(340.14)</b>	<b>2,167.52</b>	<b>2,436.27</b>	<b>(245.77)</b>	<b>(19.51)</b>	<b>2,170.99</b>

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

Particulars	31-Mar-22	01-Apr-21
Total equity as per previous GAAP	725.22	598.13
<b>Adjustments</b>		
Gratuity expense	0.71	0.48
Preoperative Expenses Written Off	0.69	1.27
Expected credit losses	271.43	220.77
Deferred Tax Expenses	(57.00)	(31.31)
Other adjustment*	67.00	67.00
<b>Total adjustments</b>	<b>282.83</b>	<b>258.21</b>
<b>Total equity as per Ind AS</b>	<b>442.39</b>	<b>339.92</b>

\* derecognition of assets not meeting recognition criteria and related impact on deferred tax.



**United Cligma Institute of Medical Sciences Private Limited**  
**Notes to the financial statements**  
**(All amounts in ₹ millions, except share data and where otherwise stated)**

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

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations	1,224.15	31.90	1,192.25
Other income	11.73	(0.01)	11.74
<b>Total income</b>	<b>1,235.88</b>	<b>31.89</b>	<b>1,203.99</b>
<b>Expenses</b>			
Purchases of medical consumables and pharmacy items	271.74	(1.50)	273.24
Changes in inventories of medical consumables and pharmacy items		0.72	(0.72)
Employee benefits expense	132.31	123.78	8.53
Other expenses	357.48	(153.16)	510.64
Finance costs	154.37	11.44	142.93
Depreciation and amortisation expense	133.94	-	133.94
<b>Profit before tax</b>	<b>186.04</b>	<b>50.61</b>	<b>135.43</b>
Current tax expense	49.60	-	49.60
Deferred tax expense	9.35	25.76	(16.41)
<b>Profit after tax</b>	<b>127.09</b>	<b>24.85</b>	<b>102.24</b>

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

Particulars	31-Mar-22
Profit as per GAAP	127.09
Adjustments:	
Gratuity expense	0.23
Other adjustments	(0.58)
Expected credit losses	50.66
Deferred Tax Expenses	(25.69)
OCI & tax there on	0.23
<b>Total adjustments</b>	<b>24.85</b>
Profit after tax as per Ind AS	102.24



**United Cigma Institute of Medical Sciences Private Limited**  
**Notes to the financial statements**  
**(All amounts in ₹ millions, except share data and where otherwise stated)**

**4.36 Financial ratios**

S.No.	Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022		Variance %	Reason if variance is more than 25%
		Amount	Ratio	Amount	Ratio		
<b>1</b>	<b>Current ratio</b>						
	Numerator - Current assets	318.07	1.45	529.13	1.16	25.00%	The change in ratio is mainly on account of bad debts written during the period.
	Denominator - Current liabilities	219.31		457.95			
<b>2</b>	<b>Debt-equity ratio</b>						
	Numerator - Total debt	1,008.35	0.52	1,615.12	3.65	-85.75%	The change in ratio is mainly on account of issue of equity shares at premium.
	Denominator - Total shareholders equity	1,933.42		442.39			
<b>3</b>	<b>Debt service coverage ratio</b>						
	Numerator - PAT + Depreciation and amortisations + Interest + Loss on property, plant and equipment + Provision for doubtful balances	341.98	0.64	429.77	3.13	-79.55%	The change in ratio is mainly on account of repayment of IndusInd loan 2 & 4 during the year. Refer note 4.12.
	Denominator - Interest & lease payments + principal repayments	532.52		137.09			
<b>4</b>	<b>Return on equity ratio (in %)</b>						
	Numerator - Profit after tax	72.00	6.06	102.24	26.14	-76.82%	The change in ratio is mainly on account of issue of equity shares at premium.
	Denominator - Average shareholders equity	1,187.91		391.16			
<b>5</b>	<b>Inventory turnover ratio (in times)</b>						
	Numerator - Cost of goods sold	272.14	7.48	272.52	5.51	35.75%	The change in ratio is mainly on account of inventory written off during the year.
	Denominator - Average Inventory	36.41		49.43			
<b>6</b>	<b>Trade receivables turnover ratio (in times)</b>						
	Numerator - Net credit sales	568.37	3.90	538.63	4.28	-8.88%	None
	Denominator - Average trade receivables	145.76		125.71			
<b>7</b>	<b>Trade payables turnover ratio (in times)</b>						
	Numerator - Net credit purchases	814.03	9.24	722.85	4.82	91.70%	The change in ratio is mainly on account of decrease in trade payable payment days.
	Denominator - Average trade payables	88.13		149.97			
<b>8</b>	<b>Net capital turnover ratio (in times)</b>						
	Numerator - Revenue from operations	1,237.04	14.56	1,192.25	16.83	-13.49%	None
	Denominator - Average working capital	84.97		70.83			
<b>9</b>	<b>Net profit ratio (in %)</b>						
	Numerator - Profit for the year	72.00	5.82	102.24	8.58	-32.17%	The change in ratio is mainly on account of inventory and PPE written off during the period.
	Denominator - Revenue from operations	1,237.04		1,192.25			
<b>10</b>	<b>Return on capital employed (in %)</b>						
	Numerator - Profit before tax and finance costs	243.12	8.26	278.36	13.53	-38.95%	The change in ratio is mainly on account of issue of equity shares at premium.
	Denominator - Capital employed= Tangible networth + Total debt + Deferred tax liability	2,941.77		2,057.51			
<b>11</b>	<b>Return on investment (in %)</b>						
	Numerator - Earnings before interest and taxes	243.12	9.29	278.36	12.83	-27.59%	The change in ratio is mainly on account of investment in subsidiaries during the year.
	Denominator - Average total assets	2,616.49		2,169.26			

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


  
**Sudharmendra N**  
Partner  
Membership No: 223014

Place: Hyderabad  
Date: 21 August 2023

For and on behalf of Board of Directors of  
**United Cigma Institute of Medical Sciences Private Limited**  
CIN - U74120MH2011PTC213136

  
**Dr. Animesh Takalkar**  
Managing Director  
DIN - 01578381

Place: Aurangabad  
Date: 21 August 2023

  
**Jasdeep Singh**  
Director  
DIN - 02705303

Place: Hyderabad  
Date: 21 August 2023





[WWW.CAREHOSPITALS.COM](http://WWW.CAREHOSPITALS.COM)