

# **SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED**

**34<sup>th</sup> Annual Report**

**2022-2023**



**Jaipur Hospital**  
We care for life.....

**Serving Excellence from 34 Years**  
**1989-2023**

**CORPORATE INFORMATION**

**CIN: L85110RJ1989PLC005206**

Status as on 04.09.2023

**Board of Directors  
(As on 04<sup>th</sup> Sept, 2023)**

**Dr. Shailendra Kumar Sharma (DIN: 00432070)**  
(Managing Director)  
**Dr. Karan Sharma (DIN: 01484050) & Mrs.  
Maya Sharma (DIN: 00432496)**  
(Non Executive Director)  
**Mr. Subhash Chand Jain (DIN: 00432108)**  
(Independent Director)  
**Dr. Pushpendra Prasad Garg (DIN: 10304570) &  
CA Rajeev Kumar (DIN: 07847472)**  
(Additional, Non-Executive, Independent Director)

**Chief Financial Officer  
Company Secretary  
cum Compliance Officer**

**Mr. Vimal Kumar Joshi  
Mrs. Bhawana Sharma**

**Auditors**

**M/s. Gopal Sharma &  
Co., Chartered  
Accountants Jaipur**

**Listed at**

BSE Ltd.

**Bankers**

**PNB**

**Registered Office**

Jaipur Hospital  
Lal Kothi, Near S.M.S. Stadium  
Tonk Road, Jaipur-302015 (Rajasthan)  
Phone: 0141-2742557, 2742817  
Website: [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in)  
Email: [sharmaeastindia@gmail.com](mailto:sharmaeastindia@gmail.com)

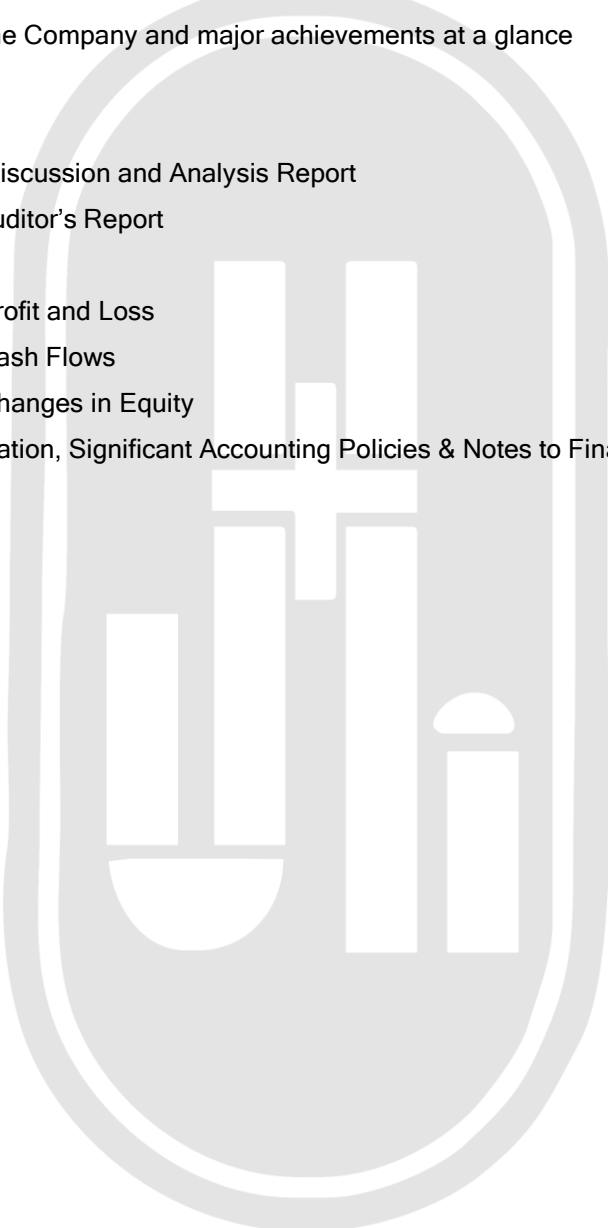
**Registrar and Transfer  
Agents**

M/s Beetal Financial & Computer Services P. Ltd  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local  
Shopping Centre, Near Dada Harshukh Das Mandir,  
New Delhi-110062

**34<sup>th</sup> Annual General Meeting**

SATURDAY THE 30TH SEPTEMBER, 2023  
THROUGH VIDEO CONFERENCING/OTHER AUDIO  
VISUAL METHOD AT 04.00 PM

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## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23

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### A Brief about the Company and major achievements at a glance:-

1. Sharma East India Hospitals and Medical Research Limited (CIN: L85110RJ1989 PLC005206) is a public limited Company registered under the provisions of Companies Act, 1956. The Company is listed at BSE Ltd. The Company is primarily engaged in providing medical & healthcare services.
  2. The Company is running a renowned multi specialty hospital in the name and style of Jaipur Hospital at Lal Kothi, Tonk Road, Jaipur since 1989. As far as the achievements of the company are concerned, the first assessment of the company was conducted by National Accreditation Board for Hospitals and Health Care Providers (NABH), NABH accreditation system is one of the methods for commitment to quality enhancement throughout whole of the health care system in India. It involves all professional and service groups to ensure that high quality in health care is achieved, while minimizing the inherent risks associated with modern health care delivery. NABH accreditation is a scarce jewel for the Company.
  3. Performance of the organization against the stated mission is achieved by the increase in number of patients.
  4. After the new approvals, now company is empanelled with various Institutions and TPAs namely, Jaipur Development Authority (JDA), Med save Health Care Limited, MD India Healthcare Services (TPA) (P) Ltd., Medicare TPA Services (I) Pvt. Ltd., Rajasthan Raja Sahakari Bhoomi Vikas Bank Limited, Rajasthan State Pollution Control Board, Central Institute of Plastics Eng. & Technology, Mecon Limited, National Textile Corporation (Delhi, Punjab, & Raj.) Ltd., Rajasthan Tours Pvt. Ltd, Central Sheep & Wool Research Institute, Central Bank of India, The Bank Officers“(Retired)Association, Rajasthan Sanskrit University, ITC Limited, Parivar Seva Sanstha, Hotel Jaipur Ashok, University of Rajasthan, Ashok Club, Airport Authority Of India, Hexacom India Limited, Dedicated Healthcare Services TPA (P) Ltd., Rashtriya Chemical & Fertilizers Limited, Rajasthan State Cooperative Marketing Federation Limited (RAJFED), Rajasthan State Mines & Minerals Limited, Tata Memorial Center Hospital (Tissue Bank), National Fertilizers Limited, Employees” State Insurance Corporation, The Smile Train, Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), Hindustan Petroleum Corporation Ltd, Housing & Urban Development Co. Ltd , Ex-Servicemen Contributory Health Scheme (ECHS), The General Manager Claim Dept. (RAJCOMP), Central Government Health Scheme, Rajasthan State Road Development & Construction Corporation Limited, Rajasthan Tourism Development Corporation Limited (RTDC), Alankit Health Care Limited, Rajasthan State Seeds Corporation Limited, Family Health Plan Ltd., Rajasthan Energy Development Agency, Raksha TPA Pvt. Ltd., Rajasthan State Ware House Corporation, UCO Bank, Rajasthan Cooperative Dairy Federation Ltd., State Bank Of India, Rastriya Ispat Nigam Limited, Paramount Health Services (P) Limited, Reserve Bank Of India, E-Meditek TPA Services Limited, Bank of India.
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**SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD.**  
**Registered office: JAIPUR HOSPITAL, LAL KOTHI, NEAR SMS STADIUM, TONK ROAD,**  
**JAIPUR - 302015 (Rajasthan)**  
**CIN: L85110RJ1989PLC005206**

**NOTICE**

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting (AGM) of the members of Sharma East India Hospitals & Medical Research Limited will be held through video conferencing/other Audio Visual Method as per the schedule below:

Date : 30<sup>th</sup> September, 2023  
Day : Saturday  
Time : 4.00 P.M.

To transact the following business:

**ORDINARY BUSINESS:**

**1. Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and the Auditors thereon.

**2. Re-appointment of Maya Sharma as a Director, liable to retire by rotation**

**To appoint a Director in place of Maya Sharma (DIN: 00432496) who retires by rotation and being eligible, offers herself for re-appointment and if thought fit, to pass a resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 149 and 152 of the Companies Act, 2013, Maya Sharma (DIN: 00432496), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation”.

Contact: 0141-2742266 / 2742619 E-mail - sharmaeastindia@gmail.com  
Fax: 0141-2742472 Website: www.jaipurhospital.co.in



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**3. Appointment of Auditors**

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

“Resolved that pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder as amended from time to time, M/s. GOPAL SHARMA & CO., Chartered Accountants, Jaipur (Firm Registration No. 002803C) be and are hereby appointed as auditors of the Company, to hold office for a period of five years from the conclusion of this Annual General Meeting, at such remuneration, as may be mutually agreed between the Audit Committee of the Company and the Auditors.”

**SPECIAL BUSINESS:**

**4. To appoint Dr. Pushpendra Prasad Garg (DIN: 10304570) as a Non-Executive and Independent Director of the company:**

**To consider and, if thought fit, to pass the following resolution, with or without modification, as an Special resolution:-**

“Resolved that in pursuance of the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Act and recommendations of Nomination & Remuneration Committee of the Company, Dr. Pushpendra Prasad Garg (DIN- 10304570), who was appointed as an Additional, Non-Executive and Independent Director of the company w.e.f. 04.09.2023 by the Board of Directors on recommendation of Nomination & Remuneration Committee of the Company, and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who hold office upto date of this Annual General Meeting but is eligible for appointment, be and is hereby appointed as a Non-Executive and Independent Director of the Company for the period of five years.”



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- 5. To appoint CA Rajeev Kumar (DIN: 07847472) as a Non-Executive and Independent Director of the company:**

**To consider and, if thought fit, to pass the following resolution, with or without modification, as an Special resolution:-**

“Resolved that in pursuance of the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Act and recommendations of Nomination & Remuneration Committee of the Company, CA Rajeev Kumar (DIN: 07847472), who was appointed as an Additional, Non-Executive and Independent Director of the company w.e.f. 04.09.2023 by the Board of Directors on recommendation of Nomination & Remuneration Committee of the Company, and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who hold office upto date of this Annual General Meeting but is eligible for appointment, be and is hereby appointed as a Non-Executive and Independent Director of the Company for the period of five years.”

**September 04, 2023**  
**Registered Office**  
**Jaipur Hospital**  
**Lal Kothi, Near S.M.S. Stadium**  
**Tonk Road, Jaipur-302015**  
**CIN: L85110RJ1989PLC005206**

**BY ORDER OF THE BOARD**

**Sd/-**  
**Bhawana Sharma**  
**(COMPANY SECRETARY)**



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NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated 08.04.2020, 13.04.2020, 15.06.2020, 25.09.2020, 31.12.2020, 13.01.2021, 05.05.2022 and 28.12.2022 (“MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circulars dated 12.05.2020, 15.01.2021, 13.05.2022 and 05.01.2023 (“SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through video conferencing/other Audio Visual Method (“VC / OAVM”) without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 34<sup>th</sup> AGM shall be the registered office of the Company.
2. The AGM 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. Since the AGM will be held through VC/ OAVM, the Route map is not annexed to this Notice.
3. Corporate Members and other non-individual shareholders authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the AGM, are requested to send scanned copy (PDF/JPG) of its Board or governing body Resolution / authority letter, together with attested specimen signature of the duly authorized signatory through email to the Company at [sharmaeastindia@gmail.com](mailto:sharmaeastindia@gmail.com).
4. A brief resume of the directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorship and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended, are provided in Details of Director seeking appointment/re-appointment at the AGM annexed hereto.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 24<sup>th</sup> September, 2023 to Saturday, 30<sup>th</sup> September, 2023 (both days inclusive) for the purpose of the AGM.

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6. Copies of the Notice of the 34<sup>th</sup> AGM along with the Annual Report for the year 01<sup>st</sup> April 2022 to 31<sup>st</sup> March, 2023, instructions for e-voting and instructions for attending AGM through VC/OAVM, is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s). Members may note that the aforesaid documents will also be available on the Company's website [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) (the authorized agency for providing voting through electronic means and AGM through VC/ OAVM). Company's website link as mentioned will also be provided in advertisement being published in Newspapers, both English and Hindi Edition. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
8. Members seeking any information with regard to Accounts may write to the Company 7 (seven) days before the date of the Annual General Meeting.
9. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/ they shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
10. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence, members are requested to update the mobile no. /email ID with their respective depository participants.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.

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12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Company's Registrar and Share Transfer Agents ("RTA") for assistance in this regard.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company in case the shares are held by them in physical form.

**14. For receiving all future correspondence (including Annual Report) from the Company electronically**

In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2022-2023 and login details for e-voting:

**Physical Holding-** Send a signed request to Registrar and Transfer Agents of the Company providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN( Self attested scanned copy of PAN Card), AADHAAR ( Self attested scanned copy of Aadhaar Card) for registering email address. Please send your bank detail with original cancelled cheque to our RTA along with letter mentioning folio no. if not registered already.)

**Demat Holding-** Please contact your Depository Participant (DP) and register your email address and other detail as per the process advised by DP.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

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16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

**17. Voting through electronic means: Remote e-voting and e-voting during AGM:**

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA & SEBI Circulars, the Company is pleased to provide its members, the facility of remote e-voting and e-voting during AGM in respect of the business to be transacted at the 34<sup>th</sup> AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue for voting on the date of the AGM will be provided by CDSL.
- b. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, and email id, mobile number at [sharmaeastindia@gmail.com](mailto:sharmaeastindia@gmail.com). The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- c. The Members can login and join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- d. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

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- e. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- f. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e Saturday, 23.09.2023 may obtain the login ID and password by sending a request at sharmaeastindia@gmail.com.
- g. M/s. HSPN and Associates LLP, Practicing Company Secretaries have been appointed as a scrutinizer to scrutinize the remote e-voting and e-voting process at the AGM, in a fair and transparent manner.
- h. The e-Voting procedure to be followed by the shareholders to cast their votes:

The remote e-voting period begins on Wednesday, 27.09.2023 at 09:00 A.M. and ends on Friday, 29.09.2023 at 05:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut- off date) i.e. 23.09.2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23.09.2023

i. **GENERAL INFORMATION**

- 1. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present through VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
- 2. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and votes cast during the AGM and make, not later than two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 3. The Resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution(s).

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4. The result declared along with the Scrutinizer's Report shall be placed on the Company's website- [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in) and on the website of CDSL immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

**September 04, 2023**  
**Registered Office**  
**Jaipur Hospital**  
**Lal Kothi, Near S.M.S. Stadium**  
**Tonk Road, Jaipur-302015**  
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**BY ORDER OF THE BOARD**

**Sd/-**  
**Bhawana Sharma**  
**(COMPANY SECRETARY)**



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item Nos. 4 to 5:**

The Board of Directors had appointed Dr. Pushpendra Prasad Garg (DIN- 10304570) and CA Rajeev Kumar (DIN- 07847472) as Additional, Non-Executive and Independent Directors of the Company with effect from 04.09.2023 subject to the approval of the Members. In terms of provisions of Section 161 of the Act, they shall hold office as Additional Directors up to the date of the ensuing Annual General Meeting but are eligible for appointment as Independent and Non-Executive Directors. They are well educated and have wide and varied business and professional experience.

Furthermore, it is re-iterated that the Company had, pursuant to the provisions of the Listing Agreement entered with the Bombay Stock Exchange, appointed Dr. Pushpendra Prasad Garg (DIN- 10304570) and CA Rajeev Kumar (DIN- 07847472), as Additional, Non-Executive and Independent Directors of the Company with effect from 04.09.2023 subject to the approval of the Members.

Pursuant to the provisions of Section 149(4) of the Companies Act, 2013, every listed public company is required to have at least one-third of the total number of directors as independent directors.

Dr. Pushpendra Prasad Garg (DIN - 10304570) and CA Rajeev Kumar (DIN - 07847472), have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is being placed before the Members for their approval by Ordinary Resolution.

None of the Directors of the company are in any way, concerned or interested in the resolutions proposed to be passed at Item No. 4 to 5.

A brief profile of Directors to be appointed is enclosed with this notice.

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**Brief Profile of Directors seeking Re-appointment/Appointment at the Thirty  
Fourth Annual General Meeting  
(In pursuance of Regulation 36 of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

<b>Name of Directors</b>	<b>Maya Sharma</b>	<b>Dr. Pushpendra Prasad Garg</b>	<b>CA Rajeev Kumar</b>
<b>Date of Birth</b>	25.12.1958	28.09.1952	03.03.1968
<b>Date of Appointment</b>	18.09.2015	04.09.2023	04.09.2023
<b>Expertise in Specific Functional Area</b>	General Management	Administration of Hospital Industry	Finance, Accounting, Auditing and Taxation
<b>Qualification</b>	Graduate	MBBS	FCA
<b>Shareholding</b>	1,60,800	<b>NIL</b>	<b>NIL</b>
<b>Relationship with other Directors</b>	Dr Shailendra Kumar Sharma- Spouse Dr Karan Sharma- Son	<b>NIL</b>	<b>NIL</b>
<b>List of Public Companies in which outside Directorship held on 31.03.2023</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Chairman/ Member of Committees in outside Public Companies in which he/she is a Director as on 31.03.2023</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

Contact: 0141-2742266 / 2742619 E-mail - sharmaeastindia@gmail.com  
Fax: 0141-2742472 Website: www.jaipurhospital.co.in

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

### **CDSL e-Voting System – For e-voting and Joining Virtual meetings**

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated 08.04.2020, 13.04.2020, 15.06.2020, 25.09.2020, 31.12.2020, 13.01.2021, 05.05.2022 and 28.12.2022 (“MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circulars dated 12.05.2020, 15.01.2021, 13.05.2022 and 05.01.2023 (“SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through video conferencing/other Audio Visual Method (“VC / OAVM”) without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 34<sup>th</sup> AGM shall be the registered office of the Company.

The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting and e-voting at the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.



## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been scheduled to be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 02/2021 dated January 13, 2021, MCA Circular No. 03/2022 dated May 05, 2022 and MCA Circular No. 10/2022 dated 28.12.2022.

### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 27.09.2023 at 09.00 A.M. and ends on 29.09.2023 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders resolutions. However, it has been observed that the

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"><li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-</li></ol>

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

	<p>Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member section. A new screen will open. You will have</p>

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

	to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field.</li> </ul>

(vi) After entering these details appropriately, click on “SUBMIT” tab.

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> i.e. Sharma East India Hospitals & Medical Research Ltd. on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [sharmaeastindia@gmail.com](mailto:sharmaeastindia@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

4. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email ID, mobile number at sharmaeastindia@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at sharmaeastindia@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email ID**.
2. For Demat shareholders - Please update your email ID & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**



## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

# SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23

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## BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in submitting their Thirty Fourth Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL SUMMARY / HIGHLIGHTS

	(Rs. in Lakhs)	
	<u>For the year ended on</u>	
	2022-2023	2021-2022
Revenue from Operations & Other Income	2078.98	1709.72
Profit before Interest, Depreciation & Tax	336.42	231.45
Less : Interest	118.12	70.22
<b>Operating Profit</b>	<b>218.30</b>	<b>161.23</b>
Less: Depreciation	139.02	78.01
<b>Net Profit before Tax</b>	<b>79.28</b>	<b>83.22</b>
<b>Add/(Less): Tax Expense</b>		
Current Tax	-	(12.98)
Deferred Tax	4.12	(1.32)
Adjustment of taxes of earlier years	-	(0.91)
<b>Net Profit After Tax</b>	<b>83.40</b>	<b>68.01</b>
Add: Other Comprehensive Income	15.54	-
Less: Income Tax relating to Other Comprehensive Income	1.61	-
Add: Surplus brought forward from Previous Year	543.86	475.85
<b>Surplus carried forward to Balance Sheet</b>	<b>641.19</b>	<b>543.86</b>
<b>Earnings Per Share (Basic &amp; Diluted)</b>	<b>2.96</b>	<b>2.07</b>

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## **2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

The Company's Total Income i.e. Revenue from Operations and Other Income are Rs. 2078.98 Lakhs and the profit after tax (including Other Comprehensive Income) is Rs. 97.33 Lakhs during the current year.

Further your Company has been continuously making efforts to enhance the operations and also trying to hold its grip over upcoming opportunities in Medical & Health Industry.

## **3. DIVIDEND**

Your Directors have considered it financially prudent in the long-term interests of the Company to reinvest the profits into the business to build a strong reserve base and grow the business of the Company. Further, in view of marginal funds, the Board of Directors doesn't recommended payment of dividend for the year under review.

## **4. TRANSFER TO RESERVES**

No amount has been transferred to General Reserve during the year. The company carries reserves of Rs. 641.19 Lakhs under the head "Other Equity" at the end of the financial year 2022- 23.

## **5. SIGNIFICANT MATERIAL CHANGES AFTER BALANCE SHEET DATE AFFECTING FINANCIAL POSITION**

There are no changes and commitments affecting the financial position of the company which have occurred between the date of Balance Sheet i.e. 31.03.2023 and the date of this report.

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

Details pertaining to Conservation of Energy and Technology Absorption as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are as follows:-

- (A) Conservation of Energy: The operations of the company are not energy intensive. We regularly evaluate and use new energy efficient technologies and make necessary investment in energy saving equipments to make our infrastructure more energy-efficient. The company is continuously striving to conserve the energy at its all levels.
  - (B) Technology Absorption: Your Company strives for latest technology for its processes and also strives to achieve full technology absorption.
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## **SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23**

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There were no foreign exchange earnings and outgo during the financial year.

### **7. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Risk Management of the Company is overseen by the Board of Directors at various levels and the policy of the Company on Risk Management is provided in this Annual Report in Management Discussion and Analysis Report.

### **8. CORPORATE SOCIAL RESPONSIBILITIES (CSR)**

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has not developed and implemented any Corporate Social Responsibility policy as the said provisions are not applicable to the Company.

### **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans, investments and guarantees covered under the provisions of Section 186 of Companies Act 2013 are given in the Notes forming part of Financial Statements.

### **10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business (refer Notes forming part of Financial Statements).

The details forming part of the Related Parties Transactions under Section 188(1) of the Companies Act, 2013 during the year are provided in Notes forming part of Financial Statements. Further there were no contracts or arrangements entered with the Company's Promoters, Directors, Management or their relatives which could have had a potential conflict with the interests of the company.

### **11. EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE SECRETARIAL AUDITORS IN THEIR REPORTS**

Observations of Statutory Auditors and Secretarial Auditors are self-explanatory and do not call for any further comments.

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**i. Statutory Auditors:**

During the year under review, there were no audit qualifications made by the Auditors in their Report on the Company's financial statements. The Company continues to adopt best accounting practices to ensure a regime of un-qualified financial statements.

**ii. Secretarial Auditors:**

Secretarial Audit is conducted according to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There were no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

The Secretarial Audit Report submitted by Secretarial Auditor is enclosed as a part of this report as **Annexure- A**.

**12. REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and Key Managerial Personnel of the Company is furnished in **Annexure B** to this report.

**13. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT AND REMUNERATION**

The remuneration policy of the company has been framed by the Nomination and Remuneration Committee of the Company. The Company's Policy relating to appointment of Directors, payment of remuneration, Directors' qualifications, positive attributes, independence of Directors Etc. pursuant to Section 178(3) of the Companies Act, 2013 is as follows:

The Company considers human resources as its invaluable assets. The policy of the company on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of Section 178, Section 197 and other applicable provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

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## **SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23**

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Remuneration payable to Directors of the Company are as per the limits as contained in the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

The Remuneration Policy of the Company stipulates the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive /Non-Executive) and provides the Board, information about the matters relating to the remuneration of the Directors, Key Managerial Personnel and other employees. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Directors, Key Managerial Personnel and other employees and evaluating the performance of Directors, Key Managerial Personnel and other employees in light of those goals and objectives.

The Remuneration Policy of the company stipulates that:

- a) The composition of remuneration is such that it is reasonable and sufficient to attract, retain and motivate the directors of the quality required to run the company successfully.
- b) There is proper relationship between remuneration and performance.
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objective appropriate to the working of the company and its goals.

### **14. EXTRACT OF ANNUAL RETURN**

The Annual Return of the Company referred to in Section 92(3) of the Companies Act, 2013 has been placed on the website of the Company [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in).

### **15. DETAILS OF BOARD MEETINGS CONDUCTED DURING THE YEAR**

During the Financial Year 2022-23, five meetings of the Board of Directors were held as per Section 173 of Companies Act, 2013 details of which are summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

<b>Date of Meeting</b>
30 <sup>th</sup> May, 2022
13 <sup>th</sup> August, 2022
07 <sup>th</sup> September, 2022
04 <sup>th</sup> November, 2022
10 <sup>th</sup> February, 2023

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## **16. DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement and confirms that:-

- (a) In the preparation of the annual accounts for the year ended 31st March, 2023, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) The Directors 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 of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the company that are adequate and operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

## **17. SUBSIDIARIES AND JOINT VENTURES COMPANIES**

The Company does not have any Subsidiary and Joint venture Companies.

## **18. DEPOSITS**

The Company has neither accepted nor renewed any deposits covered under the provisions of section 73 and Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

## **19. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

The composition of Board is in accordance with the requirements set forth by Section 149 of Companies Act, 2013. The Directors possess experience in various fields that encompass Medical and Health, Law, Banking, Accounting and Finance. The composition of Board of

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## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23

Directors consists of Directors which is a perfect combination of Executive, Independent and Non Executive Directors. The changes in the constitution of Board / KMPs during the financial year and the status of Board of Directors/ KMPs as on 31.03.2023 are as follows:

S.No	Name	Designation	Category	Date of appointment	Date of Cessation & Mode of Cessation
1.	Karan Sharma	Director	Non-Executive	01/04/2007	N.A.
2.	Shailendra Kumar Sharma	Managing Director	Executive	16/11/1989	N.A.
3.	Maya Sharma	Director	Non-Executive	18/09/2015	N.A.
4.	Madhur Krishna Khaitan	Independent Director	Non-Executive Independent	14/07/2011	29/03/2023 Resignation
5.	Subhash Chand Jain	Independent Director	Non-Executive Independent	28/04/1990	N.A.
6.	Vimal Kumar Joshi	Chief Financial Officer	N.A.	14/08/2014	N.A.
7.	Kavita Kothari	Company Secretary	N.A.	08/02/2020	25/08/2022
8.	Bhawana Sharma	Company Secretary	N.A.	07/09/2022	N.A.
<b>Changes between 31.03.2023 &amp; date of signing this report</b>					
N.B.	Dr. Pushpendra Prasad Garg	Additional Independent Director	Non-Executive Independent	04/09/2023	N.A.
N.B.	CA Rajeev Kumar	Additional Independent Director	Non-Executive Independent	04/09/2023	N.A.

None of the Directors of the Company is disqualified from being appointed as Directors.

### 20. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013.

### 21. AUDITORS:-

#### 21.1 Statutory Auditors

M/s Amit Goyal & Co., Chartered Accountants, Jaipur have resigned from the post of statutory auditors of the company with effect from 25.08.2022.



Appointment of M/s Gopal Sharma & Co., Chartered Accountants, Jaipur (Firm Registration No. 002803C) as Statutory Auditors of the Company is recommended for approval of the members of the company at the forthcoming 34<sup>th</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2023, to hold office for a period of five years from the conclusion of this Annual General Meeting, to audit the accounts of the Company, including the audit of Cash Flow Statements, at such remuneration, as may be mutually agreed between the Audit Committee of the Company and the Auditors.

## 21.2 Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with rules made there under the maintenance of cost audit records is not applicable to the company.

## 21.3 Secretarial Auditors

The Company has appointed Secretarial Auditors to conduct the secretarial audit for the Financial Year ended 31.03.2023 according to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 22. COMMITTEES OF THE BOARD

Details of the Committees of the Board of Directors of the Company as on 04.09.2023 is as under:-

### a) Audit Committee

The constitution of audit committee is in confirmation with the requirements of Section 177 of the Companies Act, 2013. As on 04.09.2023, the Audit Committee of the Company consists of 4 Directors, out of which 3 Directors are Independent (Details of the same are summarized below). The Committee is chaired by Sh. Subhash Chand Jain, an Independent Director. All the members of the audit committee are financially literate and are able to read and understand the financial statements.

S.No.	Name of Members of Committee	Nature of Directorship	Designation
1.	Subhash Chand Jain	Independent Director	Chairman
2.	Maya Sharma	Non-Executive Director	Member
3.	Dr Pushpendra Prasad Garg	Additional Independent Director	Member
4.	CA Rajeev Kumar	Additional Independent Director	Member

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23

### b) Nomination & Remuneration Committee

The constitution of Nomination & Remuneration Committee is in confirmation with the requirements of Section 178 of the Companies Act, 2013. As on 04.09.2023, the Nomination & Remuneration Committee of the Company consists of 4 Directors, out of which 3 directors are Independent (Details of the same are summarized below). The Committee is chaired by Sh. Subhash Chand Jain, an Independent Director.

S.No.	Name of Members of Committee	Nature of Directorship	Designation
1.	Subhash Chand Jain	Independent Director	Chairman
2.	Maya Sharma	Non-Executive Director	Member
3.	Dr Pushpendra Prasad Garg	Additional Independent Director	Member
4.	CA Rajeev Kumar	Additional Independent Director	Member

### c) Stakeholders Relationship Committee

The constitution of Stakeholders Relationship Committee is in confirmation with the requirements of Section 178 of the Companies Act, 2013. As on 04.09.2023, the Stakeholders Relationship Committee of the Company consists of 4 Directors (Details of the same are summarized below). The Committee is chaired by Dr. Karan Sharma, a Non-Executive Director.

S.No.	Name of Members of Committee	Nature of Directorship	Designation
1.	Karan Sharma	Non-Executive Director	Chairman
2.	Subhash Chand Jain	Independent Director	Member
3.	Dr Pushpendra Prasad Garg	Additional Independent Director	Member
4.	CA Rajeev Kumar	Additional Independent Director	Member

### d) Share Transfer Committee

The Share Transfer Committee has been constituted to oversee the matters related with transfer of shares of the company so as to avoid delay in Share Transfer Process and to expeditiously resolve the issues related with share transfers. As on 04.09.2023, the Share Transfer Committee of the Company consists of 5 Directors (Details of the same are summarized below). The Committee is chaired by Dr. Karan Sharma, a Non-Executive Director.

S.No.	Name of Members of Committee	Nature of Directorship	Designation
1.	Karan Sharma	Non-Executive Director	Chairman
2.	Subhash Chand Jain	Independent Director	Member
3.	Shailendra Kumar Sharma	Managing Director	Member
4.	Dr Pushpendra Prasad Garg	Additional Independent Director	Member
5.	CA Rajeev Kumar	Additional Independent Director	Member

### 23. VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 the Company has established a vigil mechanism for directors and employees to report genuine concerns. The Vigil Mechanism provides adequate safeguards against victimization of employees and directors who express their concerns.

The Mechanism provides direct access to the chairman of the Audit Committee. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.jaipurhospital.co.in](http://www.jaipurhospital.co.in)

### 24. SHARES

- a) **BUY BACK OF SHARES**  
During the year under review Company has not dealt with buy back proposal.
- b) **SWEAT EQUITY**  
During the year under review the Company has not issued any Sweat Equity Shares.
- c) **BONUS SHARES**  
During the year under review no Bonus Shares were issued.
- d) **EMPLOYEES STOCK OPTION PLAN**  
The Company has not provided any Stock Option Scheme to the employees during the year.
- e) **SHARE CAPITAL**  
The paid up Equity Share Capital as on March 31, 2023 was Rs. 3, 28, 38,000. During the year under review, the Company has not issued shares with differential voting rights.

### 25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 (1) (e) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Management Discussion and Analysis report is enclosed to this report.

# **SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23**

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## **26. CORPORATE GOVERNANCE REPORT**

The Company does not fulfill the criteria as specified under sub regulation (2) of regulation 15 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“The Regulations, 2015”) with respect to applicability of Corporate Governance provisions mentioned in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and paras C, D and E of Schedule V of the Regulations, 2015. Therefore the Corporate Governance Report pursuant to sub regulation (3) of regulation 34 and Schedule V of the Regulations, 2015 need not be attached to this report.

## **27. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD AND COMMITTEES**

The performance of the Board of Directors and Committees of the company are evaluated on the basis of fulfillment of short term and long term objectives of the company. Besides this, other qualitative and quantitative factors are also considered the basis of evaluation of the Board of Directors and Committees.

## **28. ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The company has adequate Internal Financial Controls with reference to the Financial Statements. Details of the same are provided in Management Discussion and Analysis Report.

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Indian Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

## **29. CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the company during the financial year.

## **30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

## **31. INDIAN ACCOUNTING STANDARDS**

The Audited Financial Statements prepared by the Company, in accordance with the Indian Accounting Standards (Ind AS), are provided in the Annual Report of the Company.

## **32. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF).**

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No amount is required to be transferred under the provisions of Section 125(2) of the Companies Act, 2013 as there was no dividend declared and paid in last years.

### **33. INSIDER TRADING PREVENTION CODE**

Pursuant to the SEBI Insider Trading Code, the company has formulated a comprehensive policy for prohibition of Insider Trading in Equity Shares to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. The Company Secretary has been designated as the Compliance Officer in this regard.

### **34. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place.

The following is a summary of Sexual Harassment Complaints received and disposed off during the financial year 2022-23:

- a. Number of Complaints pending at the beginning of the year : NIL
- b. Number of Complaints of Sexual Harassment received during the year : NIL
- c. Number of Complaints disposed off during the year : NA
- d. Number of cases pending for more than ninety days : NIL
- e. Number of workshops or awareness programme against Sexual Harassment carried out:  
Four
- f. Nature of action taken by the Company : NA
- g. Number of Complaints pending at the end of the year : NIL

### **35. DEMAT SUSPENSE/UNCLAIMED SUSPENSE ACCOUNT**

The disclosure requirements with respect to Demat Suspense/Unclaimed Suspense Account are not applicable to the Company as there are no shares in the Demat Suspense/Unclaimed Suspense Account.

### **36. COMPLIANCE OF SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### **37. DISCLOSURE PURSUANT TO CLAUSE (ix) OF SUB-RULE (5) OF RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014**

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## **SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23**

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The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and maintenance of Accounts and records thereunder are not applicable to the company.

### **38. DISCLOSURE PURSUANT TO SUB - SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013 READ WITH SUB-RULE (4) OF RULE 13 OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014**

There have been no frauds reported by Statutory Auditors under sub-section (12) of section 143 of the Companies Act, 2013.

### **39. DISCLOSURE PURSUANT TO SECTION 204 & SUB - SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013 READ WITH SUB-RULE (5) OF RULE 13 OF THE COMPANIES (AUDIT AND AUDITORS) RULES, 2014**

There has been no fraud reported by Secretarial Auditors under section 204 of the Companies Act, 2013.

### **40. LISTING ON STOCK EXCHANGE**

The Company's shares are listed at BSE Limited.

### **41. ACKNOWLEDGEMENT**

The Board expresses their grateful thanks for the assistance and co-operation extended by Punjab National Bank & other Banks, various departments of State & Central Government and other Associations.

Your Directors wish to convey their gratitude and appreciation to all employees of the Company for their valuable contribution during the year. They also wish to place on record their appreciation to the Company's Customers, Investors, Shareholders, Bankers, Suppliers, Distributors and other business associates for their cooperation and support.

Last but not the least, Directors wish to place on records their deep sense of appreciation for the devoted services of Consultant Doctors and entire Nursing & Para-medical Staff at all levels of the Company for its growth.

**BY THE ORDER OF THE BOARD**

**Jaipur**  
**September 04, 2023**

**Sd/-**  
**(Maya Sharma)**  
**DIRECTOR**  
**DIN 00432496**

**Sd/-**  
**(Shailendra Kumar Sharma)**  
**MANAGING DIRECTOR**  
**DIN 00432070**



Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members / the Board of Directors

Sharma East India Hospitals and Medical Research Ltd

(CIN: L85110RJ1989PLC005206)

Jaipur Hospital, Near SMS Stadium, Lal Kothi, Tonk Road, Jaipur, Rajasthan - 302015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the Adherence to good corporate practices by “**Sharma East India Hospitals and Medical Research Ltd.**” (CIN **L85110RJ1989PLC005206**) (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the registers, records, books, papers, minutes books, forms and returns filed and other records maintained by the Company and also to the extent of the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management, and considering the relaxations granted by the Ministry of corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic\*, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 (audit period)



# R Jat & Associates

## Practicing Company Secretary

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generally complied with the statutory provisions listed hereunder 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.

1. I have examined the books, papers, minutes books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the applicable provisions of
  - I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
  - II. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
  - 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 applicable to its businesses viz., Money Changing and Money Transfer (MTSS): (**Not applicable**)
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 to the extent applicable to the Company:-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; and amendments from time to time.
    - c. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.
    - d. 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;
    - e. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;





# R Jat & Associates

## Practicing Company Secretary

- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
- i. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period).**
- vi. The Memorandum and Articles of Association.
- vii. The prevention of Money Laundering Act, 2002 and the rules made thereunder.
- viii. The payment and settlement Act, 2007
- ix. And Various other Laws, to the extent applicable, like:-
  - a) Employees Provident Funds & Misc. Provisions Act, 1952;
  - b) Payment of Gratuity Act, 1972;
  - c) Payment of Bonus Act, 1956 and Payment of Bonus Act, 2015;
  - d) Employees State insurance Act, 1948 and Insurance (general) Regulations, 1950.
  - e) The Sexual Harassment of women at workplace (Prevention, Prohibition, Redressal) Act, 2013

As confirmed by the management, there are no other sector specific laws that are applicable specifically to the company.

I have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meeting.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.



# R Jat & Associates

## Practicing Company Secretary

During the period under review the Company has complied with the provisions of the Act, rules, regulations, Guidelines, Standards, etc. mentioned above, subject to the followings: -

- During the period under review, the company has not filed audited financial statements for the Financial Year 2021-22 along with required attachments, Annual Return for the Financial Year 2021-22 and Auditor appointment related forms with the competent authorities.
- The trading of securities of the company is suspended by the Bombay Stock Exchange. However, the proceedings of the company for revocation of suspension in trading in securities is pending before the BSE Ltd and is under process.

2. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and independent Directors and Woman Director. 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 notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other those held at shorter notice, 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 decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be, while the dissenting member's views, if any, are captured and recorded as part of the minutes.

3. I further report that:

- a) The Directors have complied with the requirement as to disclosure of interests and concerns in contract and arrangement, shareholding and directorships in other companies and interests in other entities.
- b) The Company has obtained all necessary approvals under various provisions

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**614, 6<sup>th</sup> Floor, Signature Tower, Tonk Road, Jaipur-302021**

**M. No. 08875077411, Email id :csram7411@gmail.com**



## R Jat & Associates Practicing Company Secretary

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of the Act; and

- c) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and rules, regulations and Guidelines framed under these Acts against/on the Company, its directors and officers.
4. The Company has complied with the provisions of the Securities Contract (regulation) Act, 1956 and the rules made under the Act, with regard to maintenance of minimum public shareholding.
5. The Company has complied with the provisions of the FEMA, 1999 and the rules and regulations made under the Act to the extent applicable to its businesses viz., Money Changing and Money Transfer(MTSS)
6. I further report that:
  - a. The Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited.
  - b. The Company has complied with the provisions of the Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said regulations;
  - c. The company has complied with the provisions of the Securities and Exchange board of India(prohibition of Insider Trading) Regulation, 1992 and The Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations; and

Further, pursuant to the provisions of the Regulation 3 (5) and Regulation 3 (6) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the company has installed SDD software on July 24, 2023, and the same has been informed to the BSE Ltd.

- d. The Company has complied with The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement)Regulation,2015



# **R Jat & Associates**

## **Practicing Company Secretary**

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7. I further report that there are adequate Management Information System and process flow in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with the applicable law, rules, regulation and guidelines.

**For R Jat & Associates**  
**Company Secretaries**

**Sd/-**

**Ramswaroop Jat**  
**Proprietor**  
**M. No. 11297, C.P. No. 15983**

**Place: Jaipur**

**Date: September 04, 2023**

**UDIN: F011297E000937035**

**Peer Review Certificate No. 2978/2023**

**ANNEXURE – B**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors and Key Managerial Personnel of the Company is as follows:-

S. No	Name	Designation	Remuneration paid 2022-23 (Amt. in Rupees)	Remuneration paid 2021-22 (Amt. in Rupees)	Ratio/Times of Remuneration paid 2022-23 to Median Employee Remuneration	% Increase in remuneration from previous year
1	Dr. Shailendra Kumar Sharma	Managing Director	12,00,000	24,00,000	7.01	-
2	Dr. Karan Sharma	Director	-	-	-	-
3	Mrs. Maya Sharma	Director	-	-	-	-
4	Mr. Madhur Krishna Khaitan	Director	-	-	-	-
5	Mr. Subhash Chand Jain	Director	-	-	-	-
6	Mr. Vimal Kumar Joshi	Chief Financial Officer	5,30,517	4,19,755	3.10	26.39
7	Mrs. Kavita Kothari	Company Secretary	25,000	60,000	0.15	-
8	Mrs. Bhawana Sharma	Company Secretary	1,53,870	-	0.90	-

The median employee remuneration during the financial year 2022-23: Rs. 1,71,243

The median employee remuneration during the financial year 2021-22: Rs. 1,32,863

Percentage increase in the median remuneration of employees: 28.89%

The number of permanent employees on the rolls of the company as on March 31, 2023 and March 31, 2022 was 99 and 96 respectively.

The Company's variable compensation philosophy for its managerial personnel is to ensure its competency in the global markets in which it operates, for attracting and retaining the best talent.

During the Financial year ended on March 31, 2023, no employee received remuneration in excess of the highest paid director.

The remuneration paid is as per the remuneration policy of the company.

Remuneration policy of the company is based on the recommendation of the Nomination and Remuneration Committee.

Pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees in the company who were in receipt of remuneration in excess of limits specified in the said rule. Hence disclosures required under this rule are not applicable.

**BY THE ORDER OF THE BOARD**

Sd/-

(Maya Sharma)  
DIRECTOR  
DIN 00432496

Sd/-

(Shailendra Kumar Sharma)  
MANAGING DIRECTOR  
DIN 00432070

Jaipur  
September 04, 2023

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **Overview**

The Company is a Public Limited Company incorporated in India having its registered office in Jaipur, Rajasthan. The Company is listed at BSE Ltd. The Company is primarily engaged in providing medical and healthcare services. The Financial statements of the company are prepared in accordance with Ind AS.

### **Industry Structure and Developments**

The company is predominantly engaged in service activities related with the Medical & Health Sciences. The demand for sophisticated modern healthcare facilities is expanding very fast. With the ever expansive field of Medical Science and research the cult of health consciousness is spreading rapidly.

The company aims at providing wide range of medical services in the field of Health Industry. The objective is to offer best quality services to its customers at low costs and to achieve health growth and profitability. Your Company is committed to achieve its objective while ensuring high levels of ethical standards, professional integrity and regulatory compliances.

### **Opportunities & Threats**

The hospital is providing various Medical and Healthcare services. Especially, the hospital is providing the service of Replacement surgery through the use of new and advance implant. The company is first in the state of Rajasthan which performed 'Replacement Surgery'. Our specially designed state of Art operation theatre is first of its kind in Rajasthan. This theatre has total body exhaust system and 'Antistatic' flooring which makes it totally sterile. That's why the company became successful in getting reorganization from many reputed Govt. Bodies/Corporations/Banks and other private enterprises for the purpose of reimbursement of medical claims of their employees being treated at the hospital.

The threats are increasing competition in health industry and increase in power tariff under the cost, huge price discrimination and low per capital expenditure

### **Outlook, Risks & Concerns**

The company is cautiously optimistic about its prospects in the coming years. The Company aims at providing high quality services and treatments to the patients and to provide them with greater satisfaction. For last couple of years the company has taken a number of initiatives to re-structure and re-engineer the operation to enable the company to compete better in this profound competitive regime.

There are no major risks and concerns except the technology up gradation and increasing power tariff and growing competition. The company is guarding itself against these risks by laying down appropriate strategy which is to be supplemented by business plans and review mechanisms.

### **Internal Control systems and their Adequacy**

The Internal Controls are constantly upgraded based on internal audits and audit committee's recommendations as also the perceived need to automate controls due to the increasing

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## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED 2022-23

complexity of operations. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy in cost and efficiency of operations, proper recording and safeguarding of assets from unauthorized use or losses for maintaining proper accounting records and reliability of financial information. Internal Controls relating to the Financial Reporting are being closely monitored and related systems and processes are being refined based on the recommendations from the audit Committee and statutory Auditors. The Internal Audit programme focuses on operational and systems audit aiming at up gradation of controls to meet changing times and complex operating environment.

### Discussion on financial performance with respect to operational performance

(Amt. in Rs. Lakhs)

Financial Summary / Highlights	2022-23	2021-22
Total Income	2078.98	1709.72
Profit before Interest, Dep. & Tax	336.42	231.45
Finance Cost	118.12	70.22
Depreciation	139.02	78.01
Profit before Tax	79.28	83.22
Profit After Tax	83.40	68.01
Other Comprehensive Income (Net of Tax)	13.93	-
Total Comprehensive Income	97.33	68.01
Earnings per share (In Rs.)	2.96	2.07

### Material Developments in Human Resources Development/ Industrial Relations Front

The Company believes that employees are not the man power but they are resource for the Company. Employees can make the difference and it has been the company's continuous endeavor to make it one of the best places to work in. Your company's human resource philosophy is to establish and build a strong and performance driven culture with greater accountability and responsibility at all levels. To that extent the company views capability, combination of right people on the right jobs, supported by the right process, systems, structure and metrics.

Company's Human Resources (HR) systems are focused towards developing wider perspectives in employees achieving organizational excellence and enhancing their contribution to meet organizational goals. The Company recognizes the need for continuous growth and development to its employees in order to provide greater job satisfaction and also to equip them to meet growing organizational challenges. Specific Human Resources efforts were undertaken during the year to strengthen Human Resources System and practices.

We are in the services industry. As such human resources become one of the most important resources and needs to be carefully nurtured. The management team of the Company is comprised of professional and marketing personnel.

The employee relationship continues to be cordial and the company received full co-operation from employees at all levels. In our Company, measures for training, development, safety of the employees and environmental awareness received top priority of the management.

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### **Accounting Treatment**

In the preparation of Financial Statements of the company, the accounting treatment under Indian Accounting Standards (IND AS) is followed.

### **Cautionary Statement**

Statement in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, protections, estimates and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results might differ materially from those either.

**Jaipur  
September 04, 2023**

**Sd/-  
(Maya Sharma)  
DIRECTOR  
DIN 00432496**

**BY THE ORDER OF THE BOARD**

**Sd/-  
(Shailendra Kumar Sharma)  
MANAGING DIRECTOR  
DIN 00432070**





**INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
M/s. SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD.**

**Report on the audit of the financial statements**

**Opinion**

1. We have audited the accompanying financial statements of **M/s.SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LTD.** ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, profit and total comprehensive income, changes in equity of the Company 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) issued by ICAI and 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



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**Chartered Accountants**

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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 information included in the Management Discussion and Analysis, the Board 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.

### **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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and total comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This



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

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

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain



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**Chartered Accountants**

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audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and



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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.

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

11. As required by the Companies (Auditor's Report) Order, 2020, ("the order") issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Report on the matters specified under clause (i) of Section 143(3) of the Act, is attached as "Annexure B" to this report.



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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, we report that the remuneration paid by the company to its Directors is in accordance with the provisions of section 197 of the Companies Act, 2013 and the remuneration paid to any Director is not in excess of the limit laid down under the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i The company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its financial statements.
  - ii The Company has long-term contracts as at March 31, 2023 for which there were no material foreseeable losses. The Company did not have any derivative contracts.
  - iii There has been no delay in transferring amounts, 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, other than 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Notes to the financial statements);
  - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,



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whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries(Refer Notes 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 No dividend has been declared during the year under consideration by the Company.
- vi Pursuant to reporting requirement under Rule 11(g) pertinent to accounting software for maintaining books of account which has a feature of audit trail, we report that, “as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company w.e.f. 01.04.2023, reporting under this clause is not applicable for the year under review.”

***for Gopal Sharma & Co.***  
***Chartered Accountants***  
***Firm Registration No. 002803C***

***(CA Gautam Sharma)***  
***Partner***  
***Membership No. 079225***

***Jaipur***  
***30<sup>th</sup> May, 2023***



## **ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT**

Report 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 Companies Act, 2013 (Referred to in paragraph under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report the following:

(i) (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The company is not having any intangible asset. Therefore, the provisions of Clause (i) (a) (B) of paragraph 3 of the order are not applicable to the company.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) There are no immovable properties, which are not held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i) (d) of paragraph 3 of the order are not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.





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(ii) (a) In our opinion, inventories have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year. In our opinion and to the best of our information and explanations given to us by the management of the Company, the coverage and procedure of such verification by the management is appropriate.

(b) the quarterly returns or statements filed by the company with banks or financial institutions who have sanctioned working capital limits to the company in excess of five crore rupees, in aggregate, on the basis of security of current assets, are in agreement with the books of account of the Company.

(iii) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.

(iv) The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.

(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance,



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Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues, as per applicability, with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2023 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us, there are not any statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii) (b) of paragraph 3 of the order are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given to us, there is no transaction, not recorded in the books of account, surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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

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

(c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or



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person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, 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 money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x) (a) of paragraph 3 of the order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares during the year and hence the clause is not applicable.

(xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As auditor, we did not receive any whistle-blower complaint during the year.

(xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act wherever applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable



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Indian accounting standards. Identification of related parties were made and provided by the management of the company.

(xiv) (a) The company has appointed internal auditors under section 138 of the Companies Act, 2013. The company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The company has not incurred any cash loss in current financial year.

(xviii) Existing Auditors M/s. Amit Goyal & Co., Chartered Accountants, (FRN: 003778C) have resigned from the post of Statutory Auditors of the Company during the year under review due to health issues of one of its partners. There are no adverse issues/objections and/or concerns raised by the outgoing auditors.



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(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

(xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in subsidiary company. Therefore, the company is not required to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

***for Gopal Sharma & Co.***  
***Chartered Accountants***  
***Firm Registration No. 002803C***

***(CA Gautam Sharma)***  
***Partner***  
***Membership No. 079225***

***Jaipur***  
***30<sup>th</sup> May, 2023***



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

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

We have audited the internal financial controls with reference to Ind AS Financial Statements (hereinafter referred to as "Financial Statements", for the sake of brevity) of M/s. Sharma East India Hospitals And Medical Research Ltd. ("the Company"), as of 31 March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

#### **Management's Responsibility for Internal Financial Controls with reference to Ind AS Financial Statements**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Financial Statements 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 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 Companies Act 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

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.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

### **Meaning of Internal Financial Controls with reference to Ind AS Financial Statements**

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) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial





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Statements over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

*for Gopal Sharma & Co.  
Chartered Accountants  
Firm Registration No. 002803C*

*(CA Gautam Sharma)  
Partner  
Membership No. 079225*

*Jaipur  
30<sup>th</sup> May, 2023*

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD JAIPUR, RAJASTHAN CIN: L85110RJ1989PLC005206			
BALANCE SHEET AS AT 31ST MARCH, 2023			
Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	1	90,963,668	68,458,316
(b) Capital Work-in-Progress		-	-
<b>(c) Financial Assets</b>			
(i) Investments	2	20,476,878	18,922,709
(ii) Others	3	3,907,992	3,395,764
(d) Other Non Current Assets	4	3,533,750	1,578,750
<b>Total Non- Current Assets</b>		<b>118,882,288</b>	<b>92,355,539</b>
<b>(2) Current Assets</b>			
(a) Inventories	5	5,193,671	4,585,752
<b>(b) Financial Assets</b>			
(i) Trade Receivables	6	42,855,858	33,889,401
(ii) Cash and Cash Equivalents	7	6,859,781	2,723,239
(iii) Other Balances with Banks	7	-	-
(iv) Others	8	853,323	846,284
(c) Other Current Assets	9	62,459,116	56,189,029
<b>Total Current Assets</b>		<b>118,221,749</b>	<b>98,233,705</b>
<b>Total Assets</b>		<b>237,104,037</b>	<b>190,589,244</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity Share Capital	10	41,574,750	41,574,750
(b) Other Equity	11	64,118,820	54,386,124
<b>Total Equity</b>		<b>105,693,570</b>	<b>95,960,874</b>
<b>(2) LIABILITIES</b>			
<b>(A) Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	12	16,297,218	13,298,924
(ii) Other Financial Liabilities		-	-
(b) Deferred Tax Liabilities (Net)	13	2,332,062	2,582,841
(c) Other Non Current Liabilities		-	-
<b>Total Non - current liabilities</b>		<b>18,629,280</b>	<b>15,881,765</b>
<b>(B) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	14	66,701,847	30,222,777
(ii) Trade Payables	15		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		37,999,696	36,388,632
(iii) Other Financial Liabilities	16	2,704,205	2,556,553
(b) Other Current Liabilities	17	5,375,439	8,280,412
(c) Provisions	18	-	1,298,231
<b>Total Current liabilities</b>		<b>112,781,187</b>	<b>78,746,605</b>
<b>Total Equity and Liabilities</b>		<b>237,104,037</b>	<b>190,589,244</b>
General Information and Significant Accounting Policies I & II			
Notes forming an integral part of Financial Statements 1-72			
As per our report of even date attached			
FOR GOPAL SHARMA & CO. CHARTERED ACCOUNTANTS FRN: 002803C		FOR AND ON BEHALF OF SHARMA EAST INDIA HOSPITALS AND MEDICAL RESEARCH LIMITED	
GAUTAM SHARMA PARTNER M.NO:079225 UDIN: 23079225BGYYV6730		(SHAILENDRA KUMAR SHARMA) MANAGING DIRECTOR DIN: 00432070	(MAYA SHARMA) DIRECTOR DIN: 00432496
		(YIMAL KUMAR JOSHI) CHIEF FINANCIAL OFFICER	
JAIPUR 30.05.2023		(BHAWANA SHARMA) COMPANY SECRETARY MRN: A61665	

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
CIN: L85110RJ1989PLC005206

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2023

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Revenue:</b>			
Revenue From Operations	19	207,257,611	170,380,766
Other Income	20	640,591	591,575
<b>Total Income</b>		<b>207,898,202</b>	<b>170,972,341</b>
<b>Expenses:</b>			
Cost of Materials consumed and sold	21	41,215,297	34,312,973
Purchases of Stock-in-trade	22	5,150,824	469,102
Change in Inventories of Stock-in-trade	23	(615,283)	(158,019)
Employee Benefits Expenses	24	21,262,746	18,839,830
Finance Costs	25	11,812,366	7,021,953
Depreciation and Amortization Expenses	1	13,902,097	7,801,505
Other Expenses	26	22,859,776	26,600,508
Share of Consultants	27	31,605,468	28,064,672
Accommodation, Surgery and Other Expenses	28	52,777,163	39,697,821
<b>Total Expenses</b>		<b>199,970,454</b>	<b>162,650,345</b>
<b>Profit Before Tax</b>		<b>7,927,748</b>	<b>8,321,996</b>
<b>Tax Expense:</b>			
Current Tax		-	1,298,231
Adjustments of Taxes of Earlier Years		-	91,073
Deferred Tax		(412,413)	131,424
<b>Profit for the year</b>		<b>8,340,161</b>	<b>6,801,268</b>
<b>Other Comprehensive Income:-</b>			
Items that will not be reclassified to profit or loss			
Changes in fair value of investments in equity shares carried at fair value through OCI		1,554,169	-
Income tax relating to items that will not be reclassified to profit or loss		(161,634)	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>1,392,535</b>	<b>-</b>
<b>Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>9,732,696</b>	<b>6,801,268</b>
<b>Earnings Per Equity Share</b>			
<b>Basic &amp; Diluted</b>	29	<b>2.96</b>	<b>2.07</b>

General Information and Significant Accounting Policies

I & II

Notes forming an integral part of Financial Statements

1-72

As per our report of even date attached

FOR GOPAL SHARMA & CO.  
CHARTERED ACCOUNTANTS  
FRN: 002803C

FOR AND ON BEHALF OF SHARMA EAST INDIA  
HOSPITALS AND MEDICAL RESEARCH LIMITED

GAUTAM SHARMA  
PARTNER  
M.NO:079225  
UDIN: 23079225BGYYVI6730

(SHAIENDRA KUMAR SHARMA)  
MANAGING DIRECTOR  
DIN: 00432070

(MAYA SHARMA)  
DIRECTOR  
DIN: 00432496

(VIMAL KUMAR JOSHI)  
CHIEF FINANCIAL OFFICER

(BHAWANA SHARMA)  
COMPANY SECRETARY  
MRN: A61665

JAIPUR  
30.05.2023

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(Amount in ₹ )

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	7,927,748	8,321,996
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	13,902,097	7,801,505
(Gain)/Loss on disposal of property, plant and equipment	-	-
Interest income	(96,921)	(59,215)
Finance costs	11,812,366	7,021,953
Incremental Interest	-	-
Movements in provisions	(1,298,231)	(6,697)
Other adjustments to reconcile profit or loss	-	-
Operating Profit before working capital changes	32,247,059	23,079,542
Working Capital Changes:		
Increase/(Decrease) in non current liabilities	-	(3,400,000)
(Increase)/Decrease in trade and other receivables and prepayments	(8,973,496)	(7,094,165)
(Increase)/Decrease in other assets & liabilities	(2,467,228)	9,362,874
(Increase)/Decrease in other current assets	(6,270,087)	(10,414,990)
(Increase)/Decrease in inventories	(607,919)	1,042,640
Increase/(Decrease) in other current financial liabilities	147,652	(2,097,736)
Increase/(Decrease) in other current liabilities	(2,904,973)	5,653,886
Increase/(Decrease) in trade and other payables	1,611,064	5,555,573
Cash Generated from Operations	12,782,072	21,687,624
Income tax paid	-	(1,389,304)
<b>Net Cash from Operating Activities (A)</b>	<b>12,782,072</b>	<b>20,298,320</b>
<b>B. Cash Flow from Investing Activities</b>		
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and equipment (including Capital Work in Progress)	(36,407,449)	(21,172,595)
Interest received	96,921	59,215
<b>Net Cash used in Investing Activities(B)</b>	<b>(36,310,528)</b>	<b>(21,113,380)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from / (Repayment of) Short Term Borrowings	36,479,070	(13,169,228)
Proceeds from / (Repayment of) Long Term Borrowings	2,998,294	2,394,173
Interest Paid	(11,812,366)	(7,021,953)
<b>Net cash used in Financing Activities (C)</b>	<b>27,664,998</b>	<b>(17,797,008)</b>
<b>Net increase/(Decrease) in cash and cash equivalents(A+B+C)</b>	<b>4,136,542</b>	<b>(18,612,068)</b>
Cash and cash equivalents at the beginning of the year	2,723,239	21,335,307
Cash and cash equivalents at the end of the year	6,859,781	2,723,239
Cash and Cash Equivalent includes:- (Refer Note No. 7)		
Cash in hand	1,306,090	1,379,292
Balance with Banks in current accounts	5,553,691	1,343,947
<b>Total</b>	<b>6,859,781</b>	<b>2,723,239</b>

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

General Information and Significant Accounting Policies I & II  
 Notes forming an integral part of Financial Statements 1-72  
 As per our report of even date attached

FOR GOPAL SHARMA & CO.  
 CHARTERED ACCOUNTANTS  
 FRN: 002803C

FOR AND ON BEHALF OF SHARMA EAST INDIA  
 HOSPITALS AND MEDICAL RESEARCH LIMITED

GAUTAM SHARMA  
 PARTNER  
 M.NO:079225  
 UDIN: 23079225BGYYVI6730

(SHAILENDRA KUMAR SHARMA)  
 MANAGING DIRECTOR  
 DIN: 00432070

(MAYA SHARMA)  
 DIRECTOR  
 DIN: 00432496

(VIMAL KUMAR JOSHI)  
 CHIEF FINANCIAL OFFICER

JAIPUR  
 30.05.2023

(BHAWANA SHARMA)  
 COMPANY SECRETARY  
 MRN: A61665

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
CIN: L85110RJ1989PLC005206

Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital (Refer Note No. 10)  
For the year ended 31st March 2023

(Amount in ₹)

Balance as at 31st March, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 31.03.2022	Changes in equity share capital during the year	Balance as at 31st March 2023
41,574,750	-	41,574,750	-	41,574,750

For the year ended 31st March 2022

(Amount in ₹)

Balance as at 31st March, 2021	Changes in equity share capital due to prior period errors	Restated balance as at 31.03.2021	Changes in equity share capital during the year	Balance as at 31st March 2022
41,574,750	-	41,574,750	-	41,574,750

B. Other Equity (Refer Note No. 11)

For the year ended 31st March 2023

(Amount in ₹)

Particulars	Reserve and surplus	Items of Other Comprehensive Income	Total
	Retained Earnings	Equity Instruments Through OCI	
Balance at the beginning of the reporting period	40,059,067	14,327,057	54,386,124
Profit for the period	8,340,161	-	8,340,161
Other comprehensive income	-	1,392,535	1,392,535
Balance at the end of the reporting period	48,399,228	15,719,592	64,118,820

For the year ended 31st March 2022

(Amount in ₹)

Particulars	Reserve and surplus	Items of Other Comprehensive Income	Total
	Retained Earnings	Equity Instruments Through OCI	
Balance at the beginning of the reporting period	33,257,799	14,327,057	47,584,856
Profit for the period	6,801,268	-	6,801,268
Other comprehensive income	-	-	-
Balance at the end of the reporting period	40,059,067	14,327,057	54,386,124

General Information & Significant Accounting Policies I & II

Notes forming an integral part of Financial Statements 1-72

As per our report of even date attached

FOR GOPAL SHARMA & CO.  
CHARTERED ACCOUNTANTS  
FRN: 002803C

FOR AND ON BEHALF OF SHARMA EAST INDIA  
HOSPITALS AND MEDICAL RESEARCH LIMITED

GAUTAM SHARMA  
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M.NO:079225  
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JAIPUR  
30.05.2023

(VIMAL KUMAR JOSHI)  
CHIEF FINANCIAL OFFICER

(BHAWANA SHARMA)  
COMPANY SECRETARY  
MRN: A61665

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
CIN: L85110RJ1989PLC005206

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

1. NON CURRENT ASSETS - Property, Plant and Equipment  
As At 31st March 2023

Particulars	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK	
	Balance as at	Addition	Dispoals/ Discard	Balance as at	Balance as at	For the year	On Dispoals/ Discard	Balance as at	Balance as at	Balance as at
	April 1, 2022			March 31, 2023	April 1, 2022			March 31, 2023	March 31, 2023	March 31, 2022
Land										
Freehold	19,838,890	79,090	-	19,917,980	-	-	-	-	19,917,980	19,838,890
Buildings										
Freehold	12,249,431	4,923,909	-	17,173,340	2,897,910	480,799	-	3,378,709	13,794,631	9,351,521
Plant and Equipment:										
Freehold	60,997,674	19,268,586	-	80,266,260	26,728,323	9,689,664	-	36,417,987	43,848,273	34,269,351
Leasehold Oxygen Plant	2,650,151	-	-	2,650,151	1,368,603	-	-	1,368,603	1,281,548	1,281,548
Furniture and Fixtures	6,280,772	307,881	-	6,588,653	3,484,604	777,971	-	4,262,575	2,326,078	2,796,168
Vehicles	1,249,393	11,716,783	-	12,966,176	980,702	2,505,336	-	3,486,038	9,480,138	268,691
Computers	1,339,512	111,200	-	1,450,712	687,365	448,327	-	1,135,692	315,020	652,147
TOTAL	104,605,823	36,407,449	-	141,013,272	36,147,507	13,902,097	-	50,049,604	90,963,668	68,458,316
Previous Year	83,433,228	21,172,595	-	104,605,823	28,346,002	7,801,505	-	36,147,507	68,458,316	55,087,226

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
CIN: L85110RJ1989PLC005206

Notes to Financial Statements for the year ended 31st March, 2023

**2. NON CURRENT FINANCIAL ASSETS - INVESTMENTS**

Particulars	As at 31st March 2023	As at 31st March 2022
Investments in Equity Instruments (Quoted)		
2,90,900 ( P.Y. 2,90,900 ) Equity Shares of ₹ 10/-each of Ganpati Plastfab Limited*	19,473,878	17,919,709
Total	19,473,878	17,919,709
Investments in Equity Instruments (Unquoted)		
2,000 ( P.Y. 2,000 ) Equity Shares of ₹ 100/-each of Sharma Nursing Home and Bone Hospital Private Limited	200,000	200,000
4,000 ( P.Y. 4,000 ) Equity Shares of ₹ 100/-each of Sharma Hospitals Private Limited	400,000	400,000
4,000 ( P.Y. 4,000) Equity Shares of ₹ 100/-each of Gaurav Sharma Enterprises Private Limited	400,000	400,000
Total	1,000,000	1,000,000
Investments in Government Securities		
National Savings Certificates	3,000	3,000
Total	3,000	3,000
	20,476,878	18,922,709
Aggregate amount of Market Value of Quoted Investments	19,473,878	17,919,709
Aggregate amount of Unquoted Investments	1,000,000	1,000,000

Investment has been valued as per accounting policy.

\*This investment is listed on Regional Stock Exchange.

**3. NON-CURRENT FINANCIAL ASSETS - OTHERS**

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	1,881,095	1,455,595
Bank deposits with more than 12 months maturity	2,026,897	1,940,169
	3,907,992	3,395,764

**4. NON CURRENT ASSETS - OTHER NON CURRENT ASSETS**

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Revenue Expenditure	33,750	78,750
Advance against Capital Expenditure	3,500,000	1,500,000
	3,533,750	1,578,750

**5. CURRENT ASSETS - INVENTORIES**

Particulars	As at 31st March 2023	As at 31st March 2022
Inventories (In - Patient Pharmacy)	932,275	316,992
Consumables, Stores and Spares	4,261,396	4,268,760
	5,193,671	4,585,752

Note- Inventories have been valued as per accounting Policy.

**6. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES**

(Refer Note No. 51 on Trade Receivables ageing schedule)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivables considered good - Unsecured	42,855,858	33,889,401
Receivables from related parties	-	-
	42,855,858	33,889,401
Less: Provision for doubtful receivables	-	-
	42,855,858	33,889,401

**7. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS**

Particulars	As at 31st March 2023	As at 31st March 2022
Balances With Banks	5,553,691	1,343,947
Cash in Hand	1,306,090	1,379,292
	6,859,781	2,723,239
Other Balances with Bank	-	-
	-	-
	6,859,781	2,723,239

**8. CURRENT FINANCIAL ASSETS- OTHERS**

Particulars	As at 31st March 2023	As at 31st March 2022
Miscellaneous Receivable	850,733	843,694
Advance to Employees	2,590	2,590
	853,323	846,284

Note: Advance given to employees are measured at amortised cost.

**9. CURRENT ASSETS- OTHER CURRENT ASSETS**

Particulars	As at 31st March 2023	As at 31st March 2022
Advance To Suppliers	35,337,836	33,855,143
Accrued Income	365,000	656,464
Advance Tax (including Tax deducted at source receivable)	17,884,942	13,505,830
Prepaid Expenses	1,162,307	562,407
Statutory Receivables	109,031	9,185
Other Receivables	7,600,000	7,600,000
	62,459,116	56,189,029



Notes to Financial Statements for the year ended 31st March, 2023

10. EQUITY SHARE CAPITAL

Particulars	As at 31st March 2023	As at 31st March 2022
<b>EQUITY SHARE CAPITAL</b>		
(a) Authorised Share Capital 70,00,000 (Previous year 70,00,000 ) Equity Shares of Rs.10/- each	70,000,000	70,000,000
	70,000,000	70,000,000
(b) Issued Share Capital 51,49,000 (Previous year 51,49,000) Equity Shares of Rs. 10/- each	51,490,000	51,490,000
	51,490,000	51,490,000
(c ) Subscribed and Paid-up Share Capital 32,83,800 (Previous year 32,83,800) Equity Shares of Rs. 10/- each fully paid up	32,838,000	32,838,000
	32,838,000	32,838,000
(d) Forfeited Share Capital Forfeited Shares (Amount originally paid up)	8,736,750	8,736,750
	8,736,750	8,736,750
<b>Total Equity Share Capital</b>	<b>41,574,750</b>	<b>41,574,750</b>

10.1 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

10.2 Terms/ Rights attached to Equity Shares

The Company has one class of issued shares i.e., Ordinary Shares having par value of Rs.10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

10.3 Details of Equity Shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
Sharma Hospitals Private Limited	670,400	20.42	670,400	20.42
Shailendra Kumar Sharma	412,200	12.55	412,200	12.55
Ganpati Plastfab Limited	290,900	8.86	290,900	8.86
Sharma Nursing Home and Bone Hospital Private Limited	183,900	5.60	183,900	5.60

10.4 Shares allotted as fully paid up bonus shares/ pursuant to a Contract

No Shares have been issued as fully paid bonus shares/ pursuant to a contract in the five immediately preceding years.

Refer Note No. 52 for Shareholding of Promoters

## Notes to Financial Statements for the year ended 31st March, 2023

## 11. OTHER EQUITY

Particulars	As at 31st March 2023	As at 31st March 2022
Retained Earnings	48,399,228	40,059,067
Fair Value through other Comprehensive Income Reserve (FVTOCI)	15,719,592	14,327,057
	<b>64,118,820</b>	<b>54,386,124</b>

## 11.1 Retained Earnings

Particulars	As at 31st March 2023	As at 31st March 2022
Balances at the beginning of the year	40,059,067	33,257,799
Add: Profit for the year	8,340,161	6,801,268
Balance at the end of the year	<b>48,399,228</b>	<b>40,059,067</b>

## 11.2 FVTOCI Reserve

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	14,327,057	14,327,057
Add/(Less): Change in Fair Value	1,554,169	-
Add/(Less): Deferred Tax	(161,634)	-
Add/(Less): Transferred to retained earnings	-	-
Balance at the end of the year	<b>15,719,592</b>	<b>14,327,057</b>

## 12. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March 2023	As at 31st March 2022
Loans from Banks -SECURED		
Term Loans from Bank	16,297,218	10,447,143
Overdraft Facility from Bank	-	2,851,781
	<b>16,297,218</b>	<b>13,298,924</b>

12.1 Term Loans comprises of Certain Equipment Loans and Vehicle Loan from Banks. The same are secured against respective Medical Equipments and Vehicle

## 13. NON CURRENT LIABILITIES- DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Tax Liabilities/(Asset):		
Depreciation on Fixed Assets	278,165	690,578
Fair Valuation of equity Instruments	1,807,795	1,646,161
Financial Lease Adjustments	246,102	246,102
	<b>2,332,062</b>	<b>2,582,841</b>

## Notes to Financial Statements for the year ended 31st March, 2023

## 14. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March 2023	As at 31st March 2022
Loans Repayable on demand From Banks:		
Overdraft Facility	63,447,636	27,732,262
Current Maturities of Long Term Debts	3,254,211	2,490,515
	<b>66,701,847</b>	<b>30,222,777</b>

14.1 Loan Repayable on demand consist of overdraft facility from Punjab National Bank secured by Equitable Mortgage of Land and Building of the Company situated at Jaipur Hospital, Near SMS Stadium, Lal Kothi, Tonk Road, Jaipur. The overdraft facility is also secured by the guarantee of Managing Director, Dr. Shailendra Kumar Sharma and Director, Smt. Maya Sharma. Further, the borrowing is repayable on demand.

## 15. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	As at 31st March 2023	As at 31st March 2022
<u>Total outstanding dues of creditors other than micro enterprises and small enterprises:</u>		
Sundry Creditors for Goods (Refer Note Below)	18,855,944	12,774,782
Liabilities for Expenses (Refer Note Below)	19,143,752	23,613,850
	<b>37,999,696</b>	<b>36,388,632</b>

15.1 Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the confirmations received in response to intimation in this regard sent by the Company to the suppliers. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 or otherwise has either been paid or payable or accrued and remaining unpaid as at March 31, 2023

15.2 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company.

15.3 The disclosure relating to Micro and Small Enterprises are as under:

i. The Principal amount remaining unpaid to supplier as at the end of accounting year.	-
ii. The interest due thereon remaining unpaid to supplier as at the end of accounting year.	-
iii. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year.	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-
v. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-
	<u>-</u>

Refer Note No. 53 on Trade Payables ageing schedule

## 16. CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March 2023	As at 31st March 2022
Staff Security deposit	253,218	257,748
Other Payables	2,450,987	2,298,805
	<b>2,704,205</b>	<b>2,556,553</b>

## 17. CURRENT LIABILITIES- OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory dues	2,068,552	1,530,813
Advances from Patients	3,306,887	6,749,599
	<b>5,375,439</b>	<b>8,280,412</b>

## 18. CURRENT LIABILITIES- PROVISIONS

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Taxation	-	1,298,231
	<b>-</b>	<b>1,298,231</b>

## Notes to Financial Statements for the year ended 31st March, 2023

## 19. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Revenue from operating activities*	207,257,611	170,380,766
	<b>207,257,611</b>	<b>170,380,766</b>

\* includes revenue from patients, in-patient pharmacy and other operating revenues

## 20. OTHER INCOME

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest Income:		
On Banks Deposits	96,921	59,215
Other Interest Income	543,670	532,360
	<b>640,591</b>	<b>591,575</b>

## Notes to Financial Statements for the year ended 31st March, 2023

## 21. COST OF MATERIALS CONSUMED AND SOLD

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Drugs and Medical Consumables*	40,934,519	33,720,227
Others*	280,778	592,746
	41,215,297	34,312,973

\* % of Consumption: 100% Indigenous

## 22. PURCHASES OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Purchases - In Patient Pharmacy	5,150,824	469,102
	5,150,824	469,102

## 23. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening Stock - In patient Pharmacy	316,992	158,973
Closing Stock - In patient Pharmacy	932,275	316,992
	(615,283)	(158,019)

## 24. EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salaries, Wages & Bonus	18,290,986	16,284,392
Contribution to Provident and Other Funds	1,589,531	1,337,192
Staff Welfare Expenses	135,276	112,950
Gratuity	94,739	15,084
Security expenses	1,128,620	1,019,879
Uniform Expenses	23,594	70,333
	<b>21,262,746</b>	<b>18,839,830</b>

## 25. FINANCE COSTS

(Amount in ₹)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest Expenses:		
Paid to Banks	11,100,378	6,295,598
Paid to Others	83,801	59,776
Bank & Other Charges	628,187	666,579
	<b>11,812,366</b>	<b>7,021,953</b>

## Notes to Financial Statements for the year ended 31st March, 2023

## 26. OTHER EXPENSES

(Amount in ₹)

Particulars	(Amount in ₹)	
	Year ended 31st March 2023	Year ended 31st March 2022
<b>(A) OPERATING EXPENSES</b>		
Patients' Food Expenses	130,669	24,135
Consultancy charges	60,000	91,450
Electricity & Water Charges	2,021,252	3,493,409
Repairs to Plant and Machinery	3,061,400	6,045,627
General Utility Items	643,065	751,785
Expenditure incurred for patients' care	3,435,386	3,092,394
Pathological Consumable Items	2,141,056	2,470,780
Pathological Expenses	1,754,128	1,066,046
Washing and Laundry	101,669	90,217
X- Ray Film Consumed	330,258	319,729
<b>Total (A)</b>	<b>13,678,883</b>	<b>17,445,572</b>
<b>(B) GENERAL EXPENSES</b>		
D.G.Set Oil, Petrol & Diesel	291,002	335,710
Rent	120,000	720,000
Rates and Taxes	49,969	176,484
Insurance Charges	116,438	134,373
Repairs to others	1,266,315	1,434,322
Repairs to building	943,130	3,101,718
Advertisement & Publicity Expenses	372,960	103,726
Audit Fees	212,400	212,400
Legal and Professional fees	2,201,729	1,910,414
Membership Fees	390,490	173,798
Miscellaneous Expenses	109,319	114,388
Printing & Stationary	474,424	413,243
Telephone, Postage & Telegram	201,043	186,964
Travel Cost	2,431,674	137,396
<b>Total (B)</b>	<b>9,180,893</b>	<b>9,154,936</b>
<b>Total Operating &amp; General Expenses (A) + (B)</b>	<b>22,859,776</b>	<b>26,600,508</b>

## 27. Share of Consultant Doctors

(Amount in ₹)

Particulars	(Amount in ₹)	
	Year ended 31st March 2023	Year ended 31st March 2022
Share of Consultant Doctors	31,605,468	28,064,672
	31,605,468	28,064,672

## 28. Accomodation, Surgery and Other Expenses

(Amount in ₹)

Particulars	(Amount in ₹)	
	Year ended 31st March 2023	Year ended 31st March 2022
Accomodation & Other Expenses	26,263,881	22,531,492
Surgery Expenses	26,513,282	17,166,329
	52,777,163	39,697,821

Notes to Financial Statements for the year ended 31st March, 2023

29. EARNINGS PER EQUITY SHARE

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Basic and Diluted Earnings Per Share (in ₹)	2.96	2.07

Profit attributable to equity shareholders (used as numerator)		(Amount in ₹)
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Profit/(Loss) as per Statement of Profit & Loss	9,732,696	6,801,268

Weighted Average number of Equity shares for calculating basic and diluted EPS (used as denominator)

Particulars	No. of Shares	
	Year ended 31st March 2023	Year ended 31st March 2022
Opening Balance of Issued Equity Shares	3,283,800	3,283,800
Effect of Shares Issued during the year	-	-
Weighted Average number of Equity shares for calculating basic and diluted EPS	3,283,800	3,283,800



Other Disclosures

30. Disclosure as per Ind AS 2 'Inventories'

Amount of inventories recognised as expense during the year is as under:

(Amount in ₹)

Particulars	2022-23	2021-22
Drugs and Medical Consumables	40,934,519	33,720,227
Inventories (In patient pharmacy)	4,535,541	311,083
Other Inventories	280,778.00	592,746

31. Disclosure as per Ind AS 12 'Income Tax'

Income Tax Expense

i) Income Tax recognised in statement of profit & loss

(Amount in ₹)

Particulars	31.03.2023	31.03.2022
Tax Expense		
Current Tax	-	1,298,231
Adjustment for earlier years	-	91,073
Total Current Tax Expenses	-	1,389,304
Deferred tax	(412,413)	131,424
Total Deferred Tax Expenses	(412,413)	131,424
Total Income Tax Expenses	(412,413)	1,520,728

ii) Income tax recognised in other comprehensive income

(Amount in ₹)

Particulars	31.03.2023			31.03.2022		
	Before tax	Tax expense/ Benefit	Net of tax	Before tax	Tax expense/ Benefit	Net of tax
Net gain/loss on fair value of equity instruments	1,554,169	(161,634)	1,392,535	-	-	-

32. Disclosure as per Ind AS 17 'Leases'

The Company has taken on lease an Oxygen Plant in earlier years, the said lease has already been crystallised and the leasehold oxygen plant has been shown as an asset in the Note "Property, Plant and Equipment".

33. Disclosure as per Ind AS 19 'Employee Benefits'

A) Defined contribution plans

During the year, company has recognised the following amounts in the statement of profit and loss (Amount in ₹)

Particulars	2022-23	2021-22
Benefits(Contributed to)		
Contribution to Provident and Other Funds	1,589,531	1,337,192
Total	1,589,531	1,337,192

B) Defined Benefit Plan

(Amount in ₹)

Particulars	2022-23	2021-22
Gratuity (Administered by LIC )	94,739	15,084
Total	94,739	15,084

34. Disclosure as per Ind AS 24 'Related Party Disclosures'

(A) Names of Related Party and Related Party Relationship

Key Management Personnel('KMP')	a.) Dr. Shailendra Kumar Sharma, Managing Director
	b.) Mrs. Bhawana Sharma, Company Secretary (appointed w.e.f. 07.09.22) and Mrs. Kavita Kothari, Company Secretary (resigned w.e.f. 25.08.22)
	c.) Mr.Vimal Kumar Joshi, Chief Financial Officer
Additional Related Parties as per the Companies Act, 2013	a.) Mrs. Maya Sharma (Relative of KMP)
	b.) Dr. Karan Sharma (Relative of KMP)
	c.) Dr. Radhika Nikhil Sathe (Relative of KMP)
	d.) Mr. Pradeep Kumar Sharma (Relative of KMP)
Enterprises owned or significantly influenced by key management personnel ('KMP') or their relatives	a.) Sharma Hospitals Private Limited
	b.) Sharma Nursing Home and Bone Hospital Private Limited
	c.) Jaipur Heart Hospital Private Limited
	d.) S G Healthcare
	e.) Gaurav Sharma Enterprises Private Limited

(B) Transactions With Related Party

(Amount in ₹ )

Transaction Details	2022-23	2021-22
<b>Remuneration Paid to KMP:</b>		
Dr. Shailendra Kumar Sharma, Managing Director	1,200,000	2,400,000
Mrs. Kavita Kothari, Company Secretary (resigned w.e.f. 25.08.22)	25,000	60,000
Mrs. Bhawana Sharma, Company Secretary (appointed w.e.f. 07.09.22)	153,870	-
Mr.Vimal Kumar Joshi, Chief Financial Officer	530,517	419,755
<b>Professional Fees paid as doctor/Remuneration Paid:</b>		
Dr. Shailendra Kumar Sharma	4,360,675	2,587,403
Dr.Pradeep Kumar Sharma	600,000	600,000
Dr.Karan Sharma	4,800,000	3,900,000
Dr. Radhika Nikhil Sathe	900,000	900,000
<b>Professional Receipts:</b>		
S G Healthcare	5,305,386	-

Terms and conditions:

All the transactions are made in the ordinary course of business on normal commercial terms and conditions and at arms' length price .

35. Disclosure as per Ind AS 37 'Provisions, contingent liabilities and contingent assets'

Contingent liabilities are usually not provided unless it is probable that future outcome may be materially detrimental to the company. The company is contingently liable for fine, interest, penalty etc, if any, imposed by the competent authority for defaults in compliances of the certain provisions of the Income Tax Act and other applicable laws. The same will be determined and accounted for at the time of final assessment.

36. There are no contingent liabilities of the Company as on 31st March, 2023.

### 37. Disclosure as per Ind AS 107 'Financial instrument disclosure'

#### A) Capital Management

For the purpose of Company's Capital Management , Capital includes issued equity share capital and borrowings excluding working capital loans from various financial institutions. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants.

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The details of Borrowings, Equity and Debt to Equity Ratio can be referred from Notes to Financial Statements.

#### B) Financial Risk Management

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board. The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade & other receivables, cash and short term deposits.

The Company is exposed to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Interest Rate Risk

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables	Ageing analysis, Credit Ratings	Credit limits, Escrow Cover, letters of credit and diversification of bank deposits. Prefer nationalized bank for deposit.
	Financial assets measured at Amortised cost and cash & cash equivalents	Credit Ratings	
Liquidity risk	Borrowing and other liabilities	Rolling cash flows forecast	Availability of committed credit lines and borrowing facilities
Interest rate risk	Long-term and short-term Borrowings at variable rates	Sensitivity analysis, Cash Flow Analysis	Different kinds of loan arrangements with varied terms.

**i) Credit risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Majority of the company's transactions are earned in cash and cash equivalents. The trade receivables comprise mainly of receivables from insurance companies, corporate customers and Government Undertakings. To manage this, the Company periodically assesses the financial reliability of customers, taking into account financial conditions, current economic trends and analysis of historical bad debts and ageing of accounts receivables. Individual risks are set accordingly. For Ageing of Trade Receivables, please refer Note No. 51 to the Financial Statements "Ageing of Trade Receivables".

**ii) Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**iii) Interest Rate Risk**

The Company is exposed to interest rate risk arising mainly from long term and short term borrowings with floating interest rates.

The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

C) The contractual maturities of financial liabilities based on contractual cash flows are elaborated in the Notes to Financial Statements on Borrowings, Trade Payables and other Financial Liabilities.

D) Financing Arrangements:

The Company had access to the undrawn borrowing facilities during the year since the Company has availed an overdraft facility from Punjab National Bank of Rs. 1250.00 Lakhs (refer Notes to the Financial Statements on Borrowings)

E) The category of Financial Instruments may be referred from the Notes to the Financial Statements on Financial Assets and Financial Liabilities. Investment in Equity Instruments of Ganpati Plastfab Limited are categorised on the basis of Fair Value Through Other Comprehensive Income (FVTOCI), investments in equity instruments of other corporates are stated on Fair Value Through Profit & Loss (FVTPL) and all other financial assets and liabilities are stated on Amortised Cost.

**38. Disclosure as per Ind AS 113 'Fair Value Measurement'**

**Fair Value Hierarchy:**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standards. An explanation of each level follows underneath the table.

As at 31st March 2023

(Amount in ₹)

Financial Instruments measured at Fair Value - recurring fair value measurement	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Equity Instruments	-	-	20,476,878	20,476,878
Total	-	-	20,476,878	20,476,878

As at 31st March 2022

(Amount in ₹)

Financial Instruments measured at Fair Value - recurring fair value measurement	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Equity Instruments	-	-	18,922,709	18,922,709
Total	-	-	18,922,709	18,922,709



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

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investments in quoted equity instruments. Quoted equity instruments are valued using quoted prices on recognised stock exchange.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair value of financial assets and liabilities measured at amortised cost:

1) The Fair Values of Loans and Borrowings are calculated based on cash flows discounted at current discount rate. Fair Values confer with their respective amortised costs.

2) The carrying amounts of trade and other receivables, trade Payables, cash and cash equivalents and other financial assets and liabilities are considered at their fair value due to short term nature.

39. No Government Grants/Aids were received during the year.

40. There were no transactions in Foreign Currency during the year. There was no Unhedged Foreign Currency exposure of the Company as on the reporting date.

41. No Borrowing Costs are capitalized during the year.

42. Balances of Patient Debtors, Trade Payables, all financial assets & liabilities and other debit/credit balances are analyzed but subject to confirmation and adjustments necessary upon reconciliation thereof. The effect of the adjustment arising from reconciliation and settlement of old outstanding dues and possible loss that may arise on account of non-recovery or partial recovery of such dues is presently not ascertainable.

43. Audit Fees: (Amount in ₹)

Particulars	31.03.2023	31.03.2022
Statutory Audit Fees (paid to auditors on account of audit for the year under review)	212,400	212,400

44. There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

45. The Company has applied to BSE Ltd. for revocation of suspension of trading of its equity shares on the platform of Bombay Stock Exchange. The same is pending for in-principle approval of the Stock Exchange.

46. Proceedings under Insolvency and Bankruptcy Code, 2016:

During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other Courts.

47. The Company does not hold any Capital Work in Progress (CWIP) as on the reporting date and hence, disclosure enunciated in Schedule III pertinent to CWIP is not required.

48. CORPORATE SOCIAL RESPONSIBILITIES (CSR):

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has not developed and implemented any Corporate Social Responsibility policy as the said provisions are not applicable to the Company.

49. In the opinion of the management all the financial assets and financial liabilities have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities are provided for.

50. The Statement of Cash Flows annexed to these financial statements has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
Notes to Financial Statements for the year ended 31st March, 2023

51 AGEING OF TRADE RECEIVABLES

(Amount in Rs.)

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 Months- 1Year	1-2 Years	2-3 Years	More than 3 years	
(i) Unbilled	- (-)	- (-)	- (-)	- (-)	- (-)	- -
(ii) Undisputed Trade Receivables- Considered Good	- (-)	42,855,858 (33,889,401)	- (-)	- (-)	- (-)	42,855,858 (33,889,401)
(iii) Undisputed Trade Receivables - which have significant increase in credit risk	- (-)	- (-)	- (-)	- (-)	- (-)	- -
(iv) Undisputed Trade Receivables - credit impaired	- (-)	- (-)	- (-)	- (-)	- (-)	- -
(v) Disputed Trade Receivables- Considered Good	- (-)	- (-)	- (-)	- (-)	- (-)	- -
(vi) Disputed Trade Receivables - which have significant increase in credit risk	- (-)	- (-)	- (-)	- (-)	- (-)	- -
(vii) Disputed Trade Receivables- credit impaired	- (-)	- (-)	- (-)	- (-)	- (-)	- -
<b>Total</b>	- (-)	42,855,858 (33,889,401)	- (-)	- (-)	- (-)	42,855,858 (33,889,401)

Figures in brackets are of the previous year

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

52 Shareholding of Promoters and percentage of change during the year :

Sr. No.	Shares held by promoters as at March 31, 2023			% Change during the year*
	Promoter Name	No. of Shares	%of total shares	
1	Shailendra Kumar Sharma	412,200	12.55	-
2	Pradeep Sharma	23,200	0.70	-
3	Rajesh Sharma	40,000	1.21	-
4	Jayshree Sharma	58,000	1.77	-
5	Brijmohan Sharma	62,000	1.89	-
6	Maya Sharma	160,800	4.90	-
7	Sharma Nursing Home & Bone Hospital Private Limited	183,900	5.60	-
8	Kshitij Enterprises (P) Limited	150,700	4.59	-
9	Sharma Hospitals Private Limited	670,400	20.42	-
	<b>Total</b>	<b>1,761,200</b>	<b>53.63</b>	<b>-</b>

Sr. No.	Shares held by promoters as at March 31, 2022			% Change during the year*
	Promoter Name	No. of Shares	%of total shares	
1	Shailendra Kumar Sharma	412,200	12.55	-
2	Pradeep Sharma	23,200	0.70	-
3	Rajesh Sharma	40,000	1.21	-
4	Jayshree Sharma	58,000	1.77	-
5	Brijmohan Sharma	62,000	1.89	-
6	Maya Sharma	160,800	4.90	-
7	Sharma Nursing Home & Bone	183,900	5.60	-
8	Kshitij Enterprises (P) Limited	150,700	4.59	-
9	Sharma Hospitals Private	670,400	20.42	-
	<b>Total</b>	<b>1,761,200</b>	<b>53.63</b>	<b>-</b>

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

53 AGEING OF TRADE PAYABLES

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	
<b>Undisputed trade payables</b>							
Total outstanding dues of micro and small enterprises	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total outstanding dues of creditors other than micro and small enterprises	- (-)	- (-)	37,999,696 (36,388,632)	- (-)	- (-)	- (-)	37,999,696 (36,388,632)
<b>Disputed trade payables</b>							
Total outstanding dues of micro and small enterprises	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total outstanding dues of creditors other than micro and small enterprises	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Total</b>	- (-)	- (-)	37,999,696 (36,388,632)	- (-)	- (-)	- (-)	37,999,696 (36,388,632)

Figures in brackets are of the previous year

54 SIGNIFICANT ACCOUNTING RATIOS

Particulars	Numerator	Denominator	Ratio as at March 31, 2023	Ratio as at March 31, 2022	% Variance	Explanation
Current Ratio (times)	Current Assets	Current Liabilities	1.05	1.25	-15.97	Increase in Current Liabilities during the year under review without a corresponding increase in current assets
Debt-Equity Ratio (times)	Short Term Debt and Long Term Debt	Shareholder's Funds	0.79	0.45	73.15	Increase in Working Capital Debt without corresponding increase in Equity
Debt Service Coverage Ratio (times)	Earnings before Interest, Tax and Depreciation (Comprehensive Income is not included)	Interest and Principal of Term Loans	7.10	4.89	45.35	Increase in EBITDA without corresponding increase in Term Loans
Return on Equity Ratio (%)	Net Profit after tax (Comprehensive Income is not included)	Average Shareholders' equity	8.27	7.35	12.57	Increase in Net Profits
Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	2.11	1.68	25.46	Increase in Cost of materials consumed and sold without a corresponding increase in inventories
Trade Receivables Turnover Ratio	Net Sales (Major Sales being Credit Sales)	Average Trade Receivables	1.35	1.40	-3.81	Variation in Trade Receivables in the last three years

Trade Payables Turnover Ratio	Purchases (Major purchases being credit purchases)	Average Trade Payables	2.93	0.87	238.67	Purchases includes Drugs and Medical consumables. Trade payables turnover ratio has improved with timely payments made during the current year.
Net Capital Turnover Ratio (Times)	Revenue from operations	Working Capital	38.09	8.74	335.71	Net capital turnover ratio improved due to increased revenue from operations
Net profit ratio (%)	Net Profit after tax (Comprehensive Income is not included)	Revenue from operations	4.02	3.99	3.23	Net profit ratio increased because of increase in net profits
Return on Capital employed (%)	Earning before Interest and Taxes	Total Assets Less Current Liabilities	15.88	13.72	15.74	Return on capital employed increased due to increase in profits before interest and taxes
Return on Investment (%)	Earning before taxes	Equity	7.50	8.67	-13.51	Return on investment has decreased due to decrease in Earnings before taxes

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
CIN: L85110RJ1989PLC005206  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

ADDITIONAL REGULATORY DISCLOSURES REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013:

**55 Title Deeds**

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Note "Property, Plant and Equipment" to the Financial Statements, are held in the name of the Company.

**56 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.

**57 Borrowing secured against current assets**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of Current Assets filed by the Company with banks are in agreement with the books of accounts.

**58 Wilful defaulter**

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

**59 Relationship with struck off companies**

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

**60 Compliance with number of layers of companies**

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

**61 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.

**62** Disclosure pertinent to the matter that whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 is not required since the Company does not hold any investment property as on the reporting date.



SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED  
CIN: L85110RJ1989PLC005206  
JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD  
JAIPUR, RAJASTHAN  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**63 Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

**64 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.

**65 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.

**66 Valuation of plant property and equipment**

The Company has not revalued its property, plant and equipment during the current or previous year.

**67 Registration of charges or satisfaction with Registrar of Companies**

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

**68 Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the Company from banks have been applied for the purposes for which such borrowings were taken.

**69** The Company has not granted any loans or advances in the nature of loans to promoters, directors and related parties during the year.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

70 Figures of current and previous year have been presented in INR (Indian Rupees), being functional currency for presentation of Financial Statements.

71 **Compliance with Schedule III to the Companies Act, 2013 and reclassification consequent to amendments to Schedule III** - The Ministry of Corporate Affairs has amended Schedule III to the Companies Act, 2013 on 24.03.2021 to increase the transparency and provide additional disclosures to users of Financial Statements. These amendments are effective from 01.04.2021. The Company has complied with the said amendments and these Financial Statements have been prepared by incorporating the captioned amendments. Consequent to above, the Company has changed the classification or presentation of certain line items of the Balance Sheet and Profit & Loss account as well as notes thereof. Such reclassification is self explanatory and has no material impact on the Financial Statements.

72 Previous year figures have been restated, regrouped and rearranged, wherever considered necessary, to confirm to this year's classification. However these changes have no material impact on the Financial Statements.

As per our report of even date attached  
FOR GOPAL SHARMA & CO.  
CHARTERED ACCOUNTANTS  
FRN: 002803C

FOR AND ON BEHALF OF SHARMA EAST INDIA  
HOSPITALS AND MEDICAL RESEARCH LIMITED

GAUTAM SHARMA  
PARTNER  
M.NO:079225  
UDIN: 23079225BGYYVI6730

(SHAILENDRA KUMAR SHARMA) (MAYA SHARMA)  
MANAGING DIRECTOR DIRECTOR  
DIN: 00432070 DIN: 00432496

(VIMAL KUMAR JOSHI)  
CHIEF FINANCIAL OFFICER

JAIPUR  
30.05.2023

(BHAWANA SHARMA)  
COMPANY SECRETARY  
MRN: A61665

**SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED**  
**JAIPUR HOSPITAL, NEAR SMS STADIUM, LAL KOTHI, TONK ROAD**  
**JAIPUR-302015, RAJASTHAN**  
**CIN: L85110RJ1989PLC005206**  
**EMAIL ID- sharmaeastindia@gmail.com**  
**CONTACT: 0141-2742266, 2742557**  
**WEBSITE: www.jaipurhospital.co.in**

### **General Information and Significant Accounting Policies**

#### **I General Information**

##### **A Background**

SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED ("The Company") is a public limited company incorporated in India in 1989 having its registered office at Jaipur, Rajasthan. The company is listed at BSE Limited. The Company is primarily engaged in the business of providing medical and healthcare services and real estate services and is running a multi-specialty hospital in the name and style of Jaipur Hospital at Lal Kothi, Jaipur, Rajasthan. The financial statements for the year ended March 31, 2023 are approved for issue by Company's board of directors on May 30, 2023.

##### **B Statement of Compliance**

These financial statements are prepared on accrual basis of accounting under historical cost convention and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956, guidelines of Securities and Exchange Board of India (SEBI).

The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013. Accounting policies have been consistently applied in the preparation of financial statements and for the presented figures, unless otherwise stated.

##### **C Basis of preparation and presentation**

The Company follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis. The financial statements have been prepared on the historical cost basis except for certain financial assets measured at fair value. The accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles.

##### **D Functional and Presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

### E Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

### II Significant accounting policies

**The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.**

#### A Property Plant & Equipment

##### A.1 Initial recognition and measurement

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

Property, Plant and Equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

##### A.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

### A.3. Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### A.4. Depreciation/amortization

Depreciation is recognized in profit or loss on a written-down value basis over the estimated useful lives of each part of an item of Property, Plant and Equipment.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful lives as prescribed by Schedule II of Companies Act, 2013 which is as under:

Property, Plant and Equipments	Useful Lives
Freehold Buildings	60 years
Furniture and Fittings	10 years
Plant and equipment	13 years
Vehicles	8 years
Computers	3 years

The useful lives of Property, Plant and Equipments are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

## B Leases

### B.1 As Lessee

**B.1.1** Leases where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as property, plant and equipment and the related liability is recognized as Financial Liability. At inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

**B.1.2** An operating lease is a lease other than a finance lease. Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

## C Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of the borrowing costs in respect of General Borrowing used for the purpose of obtaining a qualifying asset is computed based on the weighted average cost of such borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Borrowing Costs consists of (a) interest expense calculated using effective interest method as described in Ind AS 109-'Financial Instruments' (b) finance charges in respect of finance lease recognized in accordance with Ind AS 17 'Leases' (c) other cost that an entity incurs in connection with the borrowing of funds.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

### **D Inventories**

Inventories of drugs and medical consumables are valued at lower of cost or net realizable value. Cost includes the cost of purchase including expenditure directly attributable to the purchase. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business.

Inventory of land under development is also valued at lower of cost or net realizable value.

### **E Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at bank and cash on hand and short-term deposits with an original maturity of within a year, which are subject to insignificant risk of change in value.

### **F Financial instruments**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### **F.1 Financial Assets**

##### **F.1.1 Initial recognition and measurement**

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs are attributable to the acquisition or issue of the financial asset, otherwise charged to Statement of Profit & Loss.

##### **F.1.2 Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).

##### **a) Trade Receivables**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses wherever applicable. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

##### **b) Investment in Equity Instruments:**

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the profit and loss.

##### **F.1.3 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

### **F.2 Financial liabilities**

#### **F.2.1 Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **F.2.2 Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts shall be approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **F.2.3 Derecognition**

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

### **G Impairment of Non-Financial Assets**

The Company, in accordance with the Indian Accounting Standard (Ind AS) 36 "Impairment of Assets" , has adopted the practice of assessing at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, then the company provides for the loss for impairment of Assets after estimating the recoverable amount of the assets.

### **H Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation (legal or constructive), as a result of a past event and it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or estimate of the amount cannot be measured reliably.

No contingent asset is recognized in the financial statements but the same are disclosed by way of notes to accounts only when its recognition is virtually certain.

### **I Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable and when it is probable that future economic benefits will flow to the entity.

#### **Income from healthcare activities**

Income is accounted for on accrual basis. Revenue is recognized upon rendering of services.

#### **Other Income**

a) Dividend income is recognized when the right to receive the income is established.

b) Interest income is recognised, when no significant uncertainty as to measurability or collectibility exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rates.

### **J Income Taxes**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

#### **J.1 Current Tax**

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws.

## SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED

### **J.2 Deferred Tax**

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

### **K Employee Benefits**

#### **K.1 Short Term Employee Benefits**

Short-term employee benefits are recognised in the year during which the services have been rendered.

#### **K.2 Post-Employment benefits**

Employee benefits that are payable after the completion of employment are Post-Employment Benefits (other than termination benefits). These are of two types:

##### **K.2.1 Defined contribution plans**

###### **Provident Fund**

All employees of the company are entitled to receive benefits under the provident fund which is defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a pre determined rate of the employees' basic salary and certain allowances as applicable. These contributions are made to the fund administered and managed by the Government of India. The Company's contribution to the scheme is expensed off in the Statement of profit and loss. The company has no further obligations under the plan beyond its monthly contributions.

##### **K.2.2 Defined benefit plans**

###### **Gratuity**

Gratuity is a post employment defined benefit plan. The company makes annual contributions to gratuity fund administered by the trustee (LIC) for amount notified by the fund. The gratuity plans provide for lumpsum payment to vested employees on retirement, death or termination of employment of an amount based on respective employees last drawn salary and tenure of employment.

### **L Earnings Per Share (EPS)**

Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **M Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.



**SHARMA EAST INDIA HOSPITALS & MEDICAL RESEARCH LIMITED**

**N Exceptional Items**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

**O Offsetting instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**P Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

**Q Key accounting judgement, estimates and assumptions**

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period. Instance being, Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

As per our report of even date attached

**FOR GOPAL SHARMA & CO.  
CHARTERED ACCOUNTANTS  
FRN: 002803C**

**FOR AND ON BEHALF OF SHARMA EAST INDIA  
HOSPITALS AND MEDICAL RESEARCH LIMITED**

**GAUTAM SHARMA  
PARTNER  
M.NO:079225  
UDIN: 23079225BGYYVI6730**

**(SHAIENDRA KUMAR SHARMA) (MAYA SHARMA)  
MANAGING DIRECTOR DIRECTOR  
DIN: 00432070 DIN: 00432496**

**JAIPUR  
30.05.2023**

**(VIMAL KUMAR JOSHI) (BHAWANA SHARMA)  
CHIEF FINANCIAL OFFICER COMPANY SECRETAR'  
MRN: A61665**