September 02, 2024

National Stock Exchange of India Limited,
Compliance Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051,
Maharashtra, India

BSE Limited,
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001,
Maharashtra, India

Dear Sir/Madam,

Subject : ***Notice of the 26th Annual General Meeting, Integrated Annual Report for the financial year 2023-24.***

Stock Code : ***BSE – 539787, NSE – HCG***

With reference to the captioned subject, we wish to inform that, the Twenty Sixth (26th) Annual General Meeting ("AGM") of the members of HealthCare Global Enterprises Limited ("the Company"), is scheduled to be held on Wednesday, September 25, 2024, at 12.00 noon IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in compliance with the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020 and other circulars issued thereafter in this regard, the latest being 9/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs ('MCA circulars') and circular nos. SEBI/HO/CFD/CMD1/CIR /P/2020/ 79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 ("SEBI Circulars") and other applicable provisions of the Companies Act, 2013, to transact the business as set forth in the Notice of the AGM.

Pursuant to Section 108 of the Companies Act, 2013 and Regulation 30, 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, we are enclosing herewith the following:

1. Notice of the 26th AGM (including e-voting instructions)
2. Integrated Annual Report for FY 2023-24.

The aforesaid documents are also available on the website of the Company at https://www.hcgoncology.com/annual-reports/ and are being dispatched to all eligible shareholders whose email IDs are registered with the Company/Depositories.

The schedule of events is set out below:

Events	Date	Time
Record date / Cut-off date for the purpose of e-voting	September 18, 2024	NA
Commencement of e-voting	September 22, 2024	09:00 a.m. IST
End of e-voting	September 24, 2024	05:00 p.m. IST
Annual General Meeting	September 25, 2024	12:00 noon IST
Last date for publishing results of the e-voting	September 27, 2024	NA

Kindly take the intimation on record.

Thanking you,

For **HealthCare Global Enterprises Limited**

SUNU MANUEL ABEY

Digitally signed by SUNU MANUEL ABEY
Date: 2024.09.02 18:42:32 +05'30'

Sunu Manuel
Company Secretary & Compliance Officer

Encl: a/a.

adding life to years

HealthCare Global Enterprises Limited

CIN: L15200KA1998PLC023489
Registered Office: HCG Towers, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru - 560027, Karnataka, India
Corporate Office: Unity Buildings Complex, No. 3, Tower Block, Ground Floor, Mission Road, Bengaluru – 560027, Karnataka, India, Telephone: +91-80-4660 7700,
E-mail: investors@hcgel.com, **Website:** https://www.hcgoncology.com/

NOTICE OF THE 26TH ANNUAL GENERAL MEETING

Dear Shareholders,

Notice is hereby given that the Twenty Sixth (26th) Annual General Meeting ("AGM") of the members (also refered to as shareholders) of HealthCare Global Enterprises Limited ("the Company"), will be held on Wednesday, September 25, 2024, at 12.00 noon through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.

2) To appoint a Director in place of Ms. Anjali Ajaikumar Rossi, (DIN: 08057112), who retires by rotation and being eligible, offers herself for re-appointment.

3) To appoint a Director in place of Mr. Siddharth Tapaswin Patel (DIN: 07803802), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4) To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

To ratify the payment of remuneration to the Cost Auditors for the financial year 2024-25.

"**RESOLVED THAT,** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the approval of the shareholders of the Company be and is hereby accorded for the ratification of remuneration of INR 2,00,000 (Rupees Two Lakh Only) (exclusive of taxes and re-imbursement of actual out-of-pocket expenses) payable to M/s. Rao, Murthy & Associates, Cost Accountants, (Firm Registration No. 00065) appointed as Cost Auditors, for conducting audit of cost records of the Company for the Financial Year 2024-25, as recommended by the Audit Committee and approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For **HealthCare Global Enterprises Limited**

Sunu Manuel
Company Secretary
Membership no. A19795

Date: August 08, 2024
Place: Bengaluru

NOTES:

1. Ministry of Corporate Affairs ("MCA") vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, ('MCA Circulars') and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (collectively "SEBI Circulars"), have permitted companies to conduct annual general meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 26th AGM of the Company is being convened and conducted through VC. The corporate office of the Company shall be deemed to be the venue for the AGM.

2. In compliance with the provisions of the Companies Act, 2013 ("Act"), Listing Regulations and MCA Circulars, the 26th AGM of the members will be held through video conferencing ('VC') or other audio-visual means ('OAVM'). Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith.

3. The Company has appointed M/s. KFin Technologies Limited, Registrar and Transfer Agent ('RTA' or 'KFintech') of the Company, to provide VC/OAVM facility for the AGM of the Company.

4. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800 309 4001 (toll free).

5. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, where physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. The facility for joining AGM through VC/OAVM will be available for up to 1,000 Members and members may join on first come first serve basis. However, the above restriction shall not be applicable to members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Board, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. Members can login and join 15 (fifteen) minutes prior to the scheduled time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.

7. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. The explanatory statement pursuant to Section 102(1) of the Act, which sets out details relating to Special Business at the meeting, is annexed hereto.

9. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OAVM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at, sree@sreedharancs.com or investors@hcgel.com and einward.ris@kfintech.com, pursuant to Section 113 of the Companies Act, 2013.

10. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.

11. Only *bonafide* members of the Company whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.

12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM. Members who wish to inspect, may send their request through an email at investors@hcgel.com up to the date of AGM.

13. Members holding shares in Electronic (Demat) form are advised to inform the particulars of their Bank account, change of postal address and email IDs to their respective Depository Participants only. The Company or its RTA i.e. KFin Technologies Limited, cannot act on any request received directly from the members holding shares in demat mode for changes in any Bank mandates or other particulars.

14. Members holding shares in physical form are advised to inform the particulars of their Bank account, change of postal address and email IDs to our RTA i.e. KFin Technologies Limited, (Unit: HealthCare Global Enterprises Limited), Plot 31-32, Karvy Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or the Secretarial Department of the Company.

    SEBI, vide its circular nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated March 16, 2023 has mandated Members holding shares in physical form to submit PAN, nomination, contact details, bank account details and specimen signature in specified forms. Members may access https://www.hcgoncology.com/investor-relations/ for Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agent.

As per the erstwhile requirement, in case a holder of physical securities failed to furnish PAN, nomination, contact details, bank account details and specimen signature by October 1, 2023, KFintech was obligated to freeze such folios. To mitigate unintended challenges on account of freezing of folios, SEBI vide its circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC and nomination details.

In compliance with SEBI guidelines, the Company had sent communication intimating about the submission of above details to all the Members holding shares in physical form.

15. Members holding shares in Electronic (demat) form or in physical mode are requested to quote their DPID & Client ID or Folio details respectively in all correspondences, to the RTA i.e. KFin Technologies Limited, Plot 31-32, Karvy Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or the Secretarial Department of the Company.

16. Members who have not registered their email ID with the depository participants, are requested to register their email ID with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, members may register their email id by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032, along with the duly filled in form ISR-1 along with the related proofs, available at https://www.hcgoncology.com/ for receiving all communications including annual report, notices, letters etc., in electronic mode from the Company.

17. Pursuant to Section 101 and Section 136 of the Act, read with The Companies (Management and Administration Rules), 2014 and Regulation 36 of Listing Regulations, companies can serve Annual Report and other communications through electronic mode to those Members who have registered their email ID either with the Company or with the Depository Participants.

18. In line with MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for FY 2023-24, are being sent only through electronic mode to those Members whose email IDs are available with the Company/Depository Participants/RTA.

19. Members may note that the Notice of the AGM and Annual Report for FY 2023-24 will also be available on the Company's website https://www.hcgoncology.com/annual-reports/ and website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at https://www.bseindia.com/ and https://www.nseindia.com/ respectively, and on the website of KFin Technologies Limited at https://evoting.kfintech.com.

20. Since the AGM will be held through VC/OAVM, the Route Map is not required to be annexed in this Notice.

21. Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility of remote e-voting to all the members as per applicable Regulations relating to e-voting. The complete instructions on e-voting facility provided by the Company is annexed to this Notice, explaining the process of e-voting with necessary user id and password. Members who have cast their vote by remote e-voting prior to the meeting may attend the meeting but will not be entitled to cast their vote again.

22. The Company has fixed Wednesday, September 18, 2024 as Cut-off date for determining the eligibility of Members entitled to vote at the AGM. The remote e-voting shall remain open for a period of 3 days commencing from September 22, 2024 9.00 a.m. to September 24, 2024 5.00 p.m (both days inclusive).

23. Members who are present in meeting through video conferencing facility and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

24. The Company has appointed Mr. V Sreedharan (FCS 2347; CP 833), and in his absence Mr. Pradeep B Kulkarni (FCS 7260; CP 7835), partners of M/s V Sreedharan & Associates, Practising Company Secretaries, Bengaluru as Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

25. The following documents along with other documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 hours to 18:00 hours) on all working days up to and including the date of AGM of the Company. Members who wish to seek inspection, may send their request through an email at sunumanuel@hcgel.com and/or investors@hcgel.com up to the date of AGM:

    a) Certificate relating to the Company's Employee Stock Option Scheme under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

    b) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.

26. Information required under Regulation 36 of Listing Regulations in respect of Directors seeking Appointment/Re-appointment at the AGM is furnished as annexure

to this Notice. The Directors have furnished consent/declarations for their appointment/re-appointment as required under the Act and Rules made thereunder.

27. In line with the measures of "Green Initiatives", the Act provides for sending Notice of the AGM and all other correspondences through electronic mode. Hence, Members who have not registered their mail IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Annual Report, Notices etc., in electronic mode. The Company is concerned about the environment and utilises natural resources in a sustainable way.

28. As per Regulation 40 of the Listing Regulations, as amended, read with SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, securities of listed companies can only be transferred in demat form, except in case of request for transmission or transposition of securities. 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 holding to demat form. Members can contact the Company or RTA for assistance in this regard.

29. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company or to RTA.

30. Members who are 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 and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio as per the procedure stipulated in SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022.

31. Non-Resident Indian Members are requested to inform our RTA / respective depository participants, immediately of any:

    (a) Change in their residential status on return to India for permanent settlement.

    (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

32. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to KFinTech in case the shares are held in physical form.

33. Procedure for joining the AGM through VC/OAVM:

    The Company will provide VC / OAVM facility to its Members for participating at the AGM through platform provided by M/s KFin Technologies Limited.

    a. Members will be able to attend the AGM through VC/OAVM or view the live webcast at https://emeetings.kfintech.com by using their e-voting login credentials.

       Members are requested to follow the procedure given below:

       i. Launch internet browser (chrome/firefox/safari) by typing the URL: https://emeetings.kfintech.com

       ii. Enter the login credentials (i.e., User ID and password for e-voting).

       iii. After logging in, click on "Video Conference" option.

       iv. Then click on camera icon appearing against AGM event of HealthCare Global Enterprises Limited, to attend the Meeting.

    b. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.

    c. Members will be allowed to attend the AGM through VC/OAVM on first come, first serve basis.

    d. Facility to join the meeting shall be opened fifteen minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

    e. Members who need assistance before or during the AGM, can contact KFinTech on evoting@kfintech.com or call on toll free number 1800-309-4001. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.

    f. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

    g. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

34. Shareholders who would like to express their views/ask questions during the meeting may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during Friday, September 20, 2024 to Saturday, September 21, 2024. Members shall be provided a 'queue number' before the meeting. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

35. The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be open from Friday, September 20, 2024 to Saturday, September 21, 2024.

36. All the shareholders attending the AGM will have option to post their comments / queries through a dedicated Chat box that will be available below the meeting screen.

37. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon ('vote now') on the left side of the screen to cast their votes.

38. SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request.

    In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members.

39. Members are requested to note that our Registrar and Share Transfer Agent, KFintech has a mobile app named 'KPRISM' and a website https://kprism.kfintech.com/ for the members holding shares in physical form. Members can download this android mobile application from play store and view their portfolios serviced by KFintech. In addition, Members may also visit the Investor Service Center (ISC) webpage https://kprism.kfintech.com/ and access various services such as post or track a query, upload tax exemptions forms, view the demat/remat request, check the dividend status, download the required ISR forms and check KYC status for physical folios, among others.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The following statement sets out the material facts relating to all the Special Business mentioned in the Notice of the Annual General Meeting.

ITEM NO. 2 and 3: Re-appointment of Directors retiring by rotation

Based on the terms of appointment, all the directors except the Executive Chairman and Independent Directors of the Company are subject to retirement by rotation at every AGM. Accordingly, the following directors are liable to retire by rotation at the ensuing AGM:

(a) Ms. Anjali Ajaikumar Rossi (DIN: 08057112);

(b) Mr. Siddharth Tapaswin Patel (DIN: 07803802);

Ms. Anjali Ajaikumar was appointed as Executive Director of the Company with effect from April 01, 2021, and was re-appointed on June 25, 2023. She has been appointed as Executive Director, as per the provisions of the Act and the Articles of Association of the Company and shall serve in accordance with the terms of the employment agreement executed with the Company. The terms and conditions, including the remuneration, are being governed within the overall limits of remuneration approved by the Members from time to time. The details of remuneration paid and number of meetings of the Board and its Committees attended by her during FY 2023-24 forms part of Corporate Governance Report.

Mr. Siddharth Patel was appointed as a Non-Independent Nominee Director of the Company with effect from July 28, 2020, as per the provisions of the Act and the Articles of Association of the Company. The details of number of meetings of the Board and its Committees attended by him during the FY 2023-24 forms part of Corporate Governance Report.

The abovementioned Directors, being eligible, have offered their candidature for re-appointment. The Nomination and Remuneration Committee and the Board recommend their re-appointment.

Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at the AGM are provided in the annexure. Requisite declarations have been received from the Directors seeking appointment/re-appointment.

ITEM NO. 4

The Board of Directors of the Company on August 08, 2024, on the recommendation by the Audit Committee, reappointed M/s. Rao Murthy & Associates, Cost Accountants, as the cost auditors of the Company for the financial year 2024–25, at a remuneration of INR 2,00,000 (Rupees Two Lakhs Only) and re-imbursement of out of pocket expenses, subject to ratification of the remuneration payable to the cost auditor, by the shareholders of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and Companies (Audit and Auditors) Rules, 2014 (the Rules), the remuneration of the cost auditor is required to be ratified by the shareholders subsequently in accordance to the provisions of the Act and Rule 14 of the Rules. None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

The Board of Directors recommends the resolution in relation to the ratification of the payment of remuneration to the Cost Auditor as set out in Item No. 4 for approval of the Members by way of a Ordinary Resolution.

ANNEXURE – INFORMATION TO SHAREHOLDERS

Details of Directors seeking appointment/re-appointment at the 26th Annual General Meeting to be held on September 25, 2024.

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard for General Meetings (SS-2) in respect of director(s) recommended for appointment and re-appointment]

Name of the Director	Ms. Anjali Ajaikumar Rossi	Mr. Siddharth Tapaswin Patel
DIN	08057112	07803802
Date of Birth (Age)	May 07, 1986 (38 years)	June 30, 1977 (47 years)
Date of first appointment as Independent Director / Director under the Companies Act, 2013 and Listing Regulations	April 01, 2021	July 28, 2020
Relationships with other Directors inter-se & KMPs	Ms. Anjali Ajaikumar Rossi is the daughter of Dr. B. S. Ajaikumar, Executive Chairman.	None
Experience (including expertise in specific functional areas) as required for the role and being held by the Director	Corporate Governance, Business/ Management Leadership Experience, Functional and managerial Experience, Industry / Sector Knowledge, Information Technology	Corporate Governance, Corporate Finance, Investor Relations, Business/ Management Leadership Experience, Functional and managerial Experience, Industry / Sector Knowledge, Information Technology
Qualification(s)	MBA from Babson College	First Class MA and BA degrees from the University of Oxford
Terms and conditions of appointment	Ms. Anjali Ajaikumar was reappointed vide shareholders' approval dated June 25, 2023, through Postal Ballot Notice dated May 26, 2023, liable to retire by rotation. Refer the said Postal Ballot Notice for terms and conditions of appointment. There is no change in the terms and conditions of appointment since then.	Mr. Siddharth Patel is a Non-Executive Nominee Director. Refer the Corporate Governance Report dated August 08, 2024 forming part of Annual Report for FY 2024 for further details.
Remuneration last drawn as Director (including sitting fees)	Report dated August 08, 2024 forming part of Annual Report for FY 2024 for further details.	Report dated August 08, 2024 forming part of Annual Report for FY 2024 for further details.
Other Listed companies in which the Director is a Director as on August 08, 2024	None	None
Listed entities from which the Director has resigned in the past three years	None	None
Chairmanships/Memberships of the Committees of other public limited companies as on August 08, 2024	Nil	Nil
No. of meetings of the Board attended during the year	2	4
Number of shares held in the Company including shareholding as a beneficial owner as on the date of AGM Notice	1,000 Shares (0.00 % of the total paid up capital)	Nil

Notes:

1. The Directorships do not include positions in foreign companies and private companies, position as an advisory board member and position in companies under Section 8 of the Companies Act, 2013. With regard to Committees, Memberships/Chairmanships in the Audit Committee and Stakeholders' Relationship Committee/Investor Grievances Committee have only been considered.
2. Information pertaining to remuneration, terms and conditions and the number of Board Meetings attended during the financial year 2023-24, wherever applicable, have been provided in the Corporate Governance Report forming part of the Annual Report.

Profile of Directors retiring by rotation and seeking reappointment at the Annual General Meeting are as under:

Anjali Ajaikumar Rossi, Executive Director

Anjali Ajaikumar Rossi is a seasoned professional and social entrepreneur with more than 14 years of experience in the healthcare sector with a focus on transforming the healthcare system through technological advancements. As the Vice President of Quality and Strategy for HCG, she has headed quality implementation and strategic growth planning for the network of twenty HCG hospitals nationwide. In this capacity, she has managed the departments of Operational Excellence, Home Health, Nursing and Quality. Anjali Ajaikumar Rossi has built talented teams and actively empowered her staff to pursue continuous advancements in the quality of care, organizational efficiency, employee engagement and patient satisfaction. She has been a firm proponent of strategically adopting new technologies that further the mission of delivering superior care and expanding the organization's capacity to take advantage of the healthcare opportunities of tomorrow. Anjali Ajaikumar Rossi is actively involved in non-profit initiatives of the HCG Foundation, which creates cancer awareness and raises funds for cancer patients who are financially challenged. She is also involved in the International Human Development & Upliftment Academy, a US/Indian NGO dedicated to fostering rural education, empowering women and creating environmental awareness. She is a member of the Board of Trustees of Bharath Hospital, located in Mysore. Anjali Ajaikumar Rossi holds an MBA from Babson College, where she earned a degree concentration in Entrepreneurship. She has been associated in the past with Clarkston Consulting as a project leader and has also served as a consultant for the Global Tracheostomy Collaborative, an international NGO.

Siddharth Patel, Non-Executive Non-Independent Director

Siddharth is a Partner at CVC and joined in 2010. Siddharth was based in the London office for seven years in the global TMT team and, as of 2017, is based in Singapore where his responsibilities include the CVC India office. Prior to joining CVC, he was with Apax Partners where he spent nine years in the technology and telecommunications team leading or co-leading transactions across the sector. Prior to Apax, he worked at Monitor Company. Siddharth's previous investment experience in healthcare includes TriZetto, a leading provider of healthcare software and services. Siddharth holds First Class MA and BA degrees from the University of Oxford.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ARE AS UNDER:-

Remote e-voting: 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, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and Regulation 44 of the Listing Regulations, read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Members are provided with the facility to cast their vote electronically, through any of the modes listed below, on all resolutions set forth in this Notice, by way of remote e-voting:

MODES OF E-VOTING	THROUGH DEPOSITORIES		THROUGH DEPOSITORY PARTICIPANTS
	NSDL	CDSL	
Individual shareholders holding securities in demat mode	1. Members already registered for IDeAS facility may follow the below steps: a) Visit the following URL: https://eservices.nsdl.com b) On the home page, click on the "Beneficial Owner" icon under the 'IDeAS' section. c) On the new screen, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" under e-voting services. d) Click on Company name or e-voting service provider name i.e. KFintech and you will be re-directed to KFintech website for casting your vote. 2. Members who have not registered for IDeAS facility may follow the below steps: a) To register for this facility, visit the URL: https://eservices.nsdl.com b) On the home page, select "Register Online for IDeAS" c) On completion of the registration formality, follow the steps provided above. 3. Members may alternatively vote through the e-voting website of NSDL in the manner specified below: a) Visit the URL: https://www.evoting.nsdl.com/ b) Click on the "Login" icon available under the Shareholder/Member. c) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password / OTP, as applicable, and the verification code shown on the screen.	1. Members already registered for Easi/ Easiest facility may follow the below steps: a) Visit the following URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com b) Click on the "Login" icon and opt for "New System Myeasi" (only applicable when using the URL: www.cdslindia.com) c) On the new screen, enter User ID and Password. Without any further authentication, the e-voting page will be made available. d) Click on Company name or e-voting service provider name i.e. KFintech to cast your vote. 2. Members who have not registered for Easi/Easiest facility may follow the below steps: a) To register for this facility, visit the URL: https://web.cdslindia.com/myeasi/ Registration/ EasiRegistration b) On completion of the registration formality, follow the steps provided above. b) On completion of the registration formality, follow the steps provided above. 3. Members may alternatively vote through the e-voting website of CDSL in the manner specified below a) Visit the URL: www.cdslindia.com b) Enter the demat account number and PAN	Members may alternatively log-in using the credentials of the demat account through their Depository Participants registered with NSDL/ CDSL for the e-voting facility. On clicking the e-voting icon, members will be re-directed to the NSDL/ CDSL site, as applicable, on successful authentication. Members may then click on Company name on or e-voting service provider name i.e. KFintech and will be redirected to KFintech website casting their vote.

MODES OF E-VOTING	THROUGH DEPOSITORIES		THROUGH DEPOSITORY PARTICIPANTS
	NSDL	CDSL	
	d) Post successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-voting page. e) Click on company name or e-Voting service provider name i.e. KFintech and you will be redirected to KFintech website for casting your vote. Members can also download NSDL Mobile App “NSDL Speede” facility. 4. For any technical assistance, Members may contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free number: 18001020990 or 1800224430.	b) Enter the demat account number and PAN c) Enter OTP received on mobile number & email registered with the demat account for authentication. d) Post successful authentication, the member will receive links for the respective e-voting service provider i.e. KFintech where the e-voting is in progress. 4. For any technical assistance, Members may contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at toll free number:1800225533.	
Non-individual shareholders holding securities in demat mode and Shareholders holding securities in physical mode	1. In case a Shareholder receives an email from KFintech [for Shareholders whose email IDs are registered with the Company/Depository Participants(s)], please follow the below instructions: a) Visit the following URL: https://evoting.kfintech.com b) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote. c) After entering these details appropriately, click on “LOGIN”. d) You will now reach password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on your first login. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. e) You need to login again with the new credentials. f) On successful login, the system will prompt you to select the “EVENT”. 2. For obtaining the User ID and Password for e-voting, Shareholders may refer the instructions below: a) If the mobile number of the Shareholder is registered against Folio No./DP ID Client ID, the Shareholder may send SMS: MYEPWD E-Voting Event Number+ Folio No. or DP ID Client ID to 9212993399 Example for NSDL - MYEPWD IN12345612345678 Example for CDSL - MYEPWD 1402345612345678 Example for Physical - MYEPWD XXXX1234567890 b) If e-mail address or mobile number of the Shareholder is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.kfintech.com, the Shareholder may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password. c) Shareholder may call KFintech toll free number 1800-3094-001 for any assistance. d) Shareholder may send an e-mail request to einward.ris@kfintech.com. However, KFintech shall endeavor to send User ID and Password to those new Shareholder whose e-mail IDs are available.		

GENERAL INSTRUCTIONS ON E-VOTING

1) Members who are unable to retrieve User ID/Password are advised to use "Forgot User ID"/"Forgot Password" options available on the websites of Depositories/ Depository Participants.

2) The remote e-voting period commences at 9 a.m. IST on Sunday, September 22, 2024 and ends at 5 p.m. IST on Tuesday, September 24, 2024. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, September 18, 2024, may cast their votes electronically as per the process detailed in this Notice. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

3) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., Wednesday, September 18, 2024.

4) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date of Wednesday, September 18, 2024, under "FOR/AGAINST" for each item of the notice separately or alternatively, you may partially enter any number "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the Cut-off date. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

5) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

6) You may then cast your vote by selecting an appropriate option and click on "Submit".

7) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the resolution(s).

8) In case of any query and/or grievance, in respect of voting by electronic means through KFintech, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com or may contact Mr. Nageswara Rao, Manager (Unit: HealthCare Global Enterprises Limited) of KFin Technologies Limited, Selenium Building, Plot 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032, Rangareddy, Telangana, India or at einward.ris@kfintech.com/ evoting@kfintech.com or call KFintech's toll free No. 1-800-3094-001 for any further clarifications.

9) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

10) The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting will be announced by the Chairman or any Director of the Company duly authorized, on or before Friday, September 27, 2024 and will also be displayed on the website of the Company (https://www.hcgoncology.com/investor-relations/), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agent.

VOTING AT AGM

1) Only those members/shareholders, who will be present in the AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.

2) Members who have voted through remote e-voting will still be eligible to attend the AGM.

3) Members attending the AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

4) Voting at AGM will be available at the end of the AGM and shall be kept open for 15 minutes. Members viewing the AGM, shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC

1) Members will be able to attend the AGM through VC/ OAVM at https://emeetings.kfintech.com provided by KFin by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for AGM will be available in members login, where the EVENT and the name of the Company can be selected.

2) Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.

3) Further, members registered as speakers will be required to allow camera during AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.

4) Members may join the meeting using headphones for better sound clarity.

5) While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

6) Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/ and clicking on the tab 'Speaker Registration' during the period starting from September 20, 2024 9.00 a.m. up to September 21, 2024 5.00 p.m. Only those members who have registered themselves as a speaker will 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. Only questions of the members holding shares as on the cut-off date will be considered.

7) A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/.

8) Members who need technical assistance before or during the AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

HealthCare Global Enterprises Limited

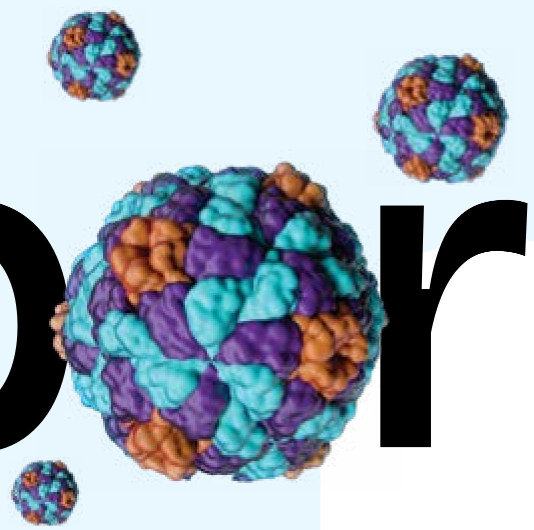
Delivering clinical excellence Enhancing the care continuum

Annual Report **2023-24**

We are pleased to present our sixth Integrated Annual Report adopting the IIRC framework. The report aims to provide stakeholders with a comprehensive understanding of our financial and non-financial disclosures, including information on leadership, culture and strategy. It also highlights how the Company creates value for its stakeholders and the importance of responsible business practices in achieving its goals. We also aim to highlight our progress which attest to our ability to provide best-in-class patient care adopting cutting-edge technologies and globally acclaimed practices.

In this report, we aim to provide a comprehensive and balanced overview of HealthCare Global Enterprises Limited's (HCG) key issues, their associated impacts, and performance for the fiscal year ended March 31, 2024. This report is intended for a diverse audience, including investors, non-governmental organisations, environmental, social and governance services, as well as patients and suppliers.

About the report



Reporting Framework

The report has been produced with reference to the International Framework as developed by IIRC (www.integratedreporting.org) and should be read in conjunction with the financial statements included herein and the notes thereto. The financial and statutory data presented is in accordance with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws. The report is divided into six capitals with adoption of an integrated reporting framework as laid out by the International Integrated Reporting Council (IIRC), followed by Board report and financial statements.

Reporting Scope, Boundaries and Period

The Integrated Report largely focuses on information from business operations of HCG's oncology and consolidated operations, as available and applicable, aptly disclosed through six capitals as defined by IIRC. All the six capitals cover information on a comprehensive basis, unless otherwise stated. The Integrated Report considers the primary reporting period as April 01, 2023 to March 31, 2024. However, some of the sections of the report represent facts and figures of previous years, including that of our subsidiaries, to provide as much comprehensive overview as possible for consumption of those who are part of journey of HCG, such as our patients, employees, investors and all other stakeholders.

Assurance

To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Integrated Report. The statutory auditors BSR & Co. LLP have provided assurance on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this report.

Stakeholder Feedback

We welcome and appreciate any constructive input and feedback from stakeholders with regard to the content of this report.

Email: investors@hcgoncology.com

Mail: HealthCare Global Enterprises Ltd., (Corporate Office) #3 Tower Block, Unity Buildings Complex, Mission Road, Bangalore 560027

Website: https://www.hcgoncology.com

Forward-looking statements

This report contains forward-looking statements based upon current expectations and assumptions regarding anticipated developments and other factors. They are not historical facts, nor are they guarantees of future performance since they are subject to numerous assumptions, risks, and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and various factors could cause actual performance to differ materially from that expressed or implied by these forward-looking statements.

Our Capitals

Financial CAPITAL

Manufactured CAPITAL

Intellectual CAPITAL

Human CAPITAL

Social and Relationship CAPITAL

Natural CAPITAL

Glimpse of what's inside

At HCG, our focus on clinical excellence has enabled us to make patient-centric care easily accessible for a large number of patients, living up to our motto of

'Adding life to years',

we remain focused on expanding the care continuum by adopting a technology-oriented and outcome-based approach.

While we are primarily concerned about making quality cancer care easily available to millions of people, we are also enhancing the services offered by our cancer care centres to set new benchmarks of cancer care delivery. Our ability to offer accurate diagnostic support and make world class medical facilities available for patients have earned us the trust of our valued patrons. Realising the need to adopt a multidisciplinary approach, we strive towards delivering exceptional clinical outcomes to ensure effective disease management.

Consequently, we are delving deeper into the areas of medical research and academics to broaden the scope of our services and make a difference to lives. Over the years, we have carved a niche as a leading player in the field of oncology. It has also given us the leverage to expand into other areas including fertility and reproductive medicine, precision diagnostics and multispecialty hospitals with tertiary care facilities. It is the strength of these core capacities that drive HCG forward, empowering us to enhance the care continuum and introduce innovative ways to ensure better medical outcomes.

Setting new benchmarks in healthcare excellence

HCG – HealthCare Global Enterprises, headquartered in Bangalore, is one of India's premier specialty cancer care hospitals, offering state-of-the-art diagnostic and treatment facilities for improving patient outcomes.

Leading the fight against cancer, our mission is to revolutionise the future of healthcare in India by offering a comprehensive range of core clinical services in cancer care, including tertiary care, state-of-the-art treatment facilities and cutting-edge technology. Our multidisciplinary approach enables us to harness the expertise of specialists to deliver timely and exceptional outcomes. Going beyond oncology, we have extended our services to fertility and reproductive medicine as well as precision diagnostics, to cover a broader spectrum of healthcare needs.

For over two decades, HCG has been a beacon of hope for millions, earning a reputation as one of India's most trusted healthcare brands. As one of India's largest specialty cancer care hospitals, HCG remains committed to simplify diagnostic and treatment processes for patients as well as caregivers. Staying at the forefront of the battle against cancer, we aim to redefine the future of healthcare in India. To deliver world-class services, we plan to be a one-stop destination for core clinical services focusing on tertiary care, best-in-class treatment facilities and use of high-end technology.

30+
Years of excellence in Oncology

VISION

Adding life to years by redefining healthcare through global innovation.

MISSION

To be an acclaimed healthcare institution in pursuit of medical excellence through value-based medicine

VALUES

Quality
Enabling patients to achieve better lives.

Innovation
Innovative ways to ensure better medical outcomes.

Leadership
We strive to be the best at what we do, both as a company and as individuals.

Integrity
We are honest, forthright and are responsible corporate citizens.

Collaboration
Limitless possibilities of collaborative energy and teamwork.

Our specialised branches

HCG - the cancer care specialist

As the largest oncology-focused hospital in India, we offer comprehensive cancer care facilities, from diagnosis to treatment and post-care services. Our centres are equipped with technologically advanced medical facilities and are staffed with experienced medical professionals, earning us a reputation for delivering specialised cancer care.

21[1]
Comprehensive cancer care centres

400+
Total number of oncologists

8.5L+
Cancer patients treated in last 5 years

[1] Includes Kenya and Bhavnagar

Milann - the reproductive medicine specialist

Milann, the reproductive medicine division of HCG, is renowned for its expertise in Assisted Reproduction Technology (ART), Reproductive Endocrinology, Ovarian Biology, Reproductive Immunology and Genetics. It is also a trusted name for IVF treatment. Our team of fertility specialists and embryologists continue to offer specialised services to patients from all over the country.

8
Total centres

4,446
Couples registered during FY 2024

1,635
Successful IVF cycles in FY 2024

Triesta - Clinical Laboratory

Triesta Sciences provides cutting-edge facilities for conducting cancer diagnostic services, combining laboratory services, research and development and clinical research to enhance cancer diagnosis and prognosis. As the largest network of CAP and NABL accredited oncology diagnostic laboratories in the country, Triesta Sciences offers a comprehensive array of diagnostic tests, ranging from routine to highly specialised tests, for hospitals and medical institutions.

1
Reference laboratory

10
Diagnostic labs

6
Network labs

HCG - Multispecialty Hospital

Our multispecialty hospitals deliver tertiary care for cardiac, bone and joint, brain and spine, neurological, nephrological and digestive care. Additionally, we offer advanced critical care facilities for managing complex medical conditions.

4[2]
Multispecialty hospitals

398
Total beds

92
Intensive care unit (ICU)

[2] Includes Bhavnagar

Expanding the care continuum

HCG's Differentiated Focused Factory Approach

HCG offers a vertically integrated one-stop solution for its patients, which has been recognized by Harvard Business School as the Focused Factory Approach for cancer care

Built to Suit Cancer Care Facilities

Offers end-to-end cancer care services; all specialties and sub-specialties for adult and child cancer

Large Case Volume and Complexity

Largest volume of cancer cases handled across diverse geographies, socio-economic status and complexity

Hub and Spoke Operations

Unique hub and spoke model offering specialized and advanced care through its central hub and support services at spokes

Standardized Protocols

Controlled quality of care through standardized protocols, centralized systems and systematic training

Own Pharmacies across Centers

Own pharmacy, create a formulary based on patient needs; ability to offer distributor / retailer price to customers

Pioneer of Technology & Research

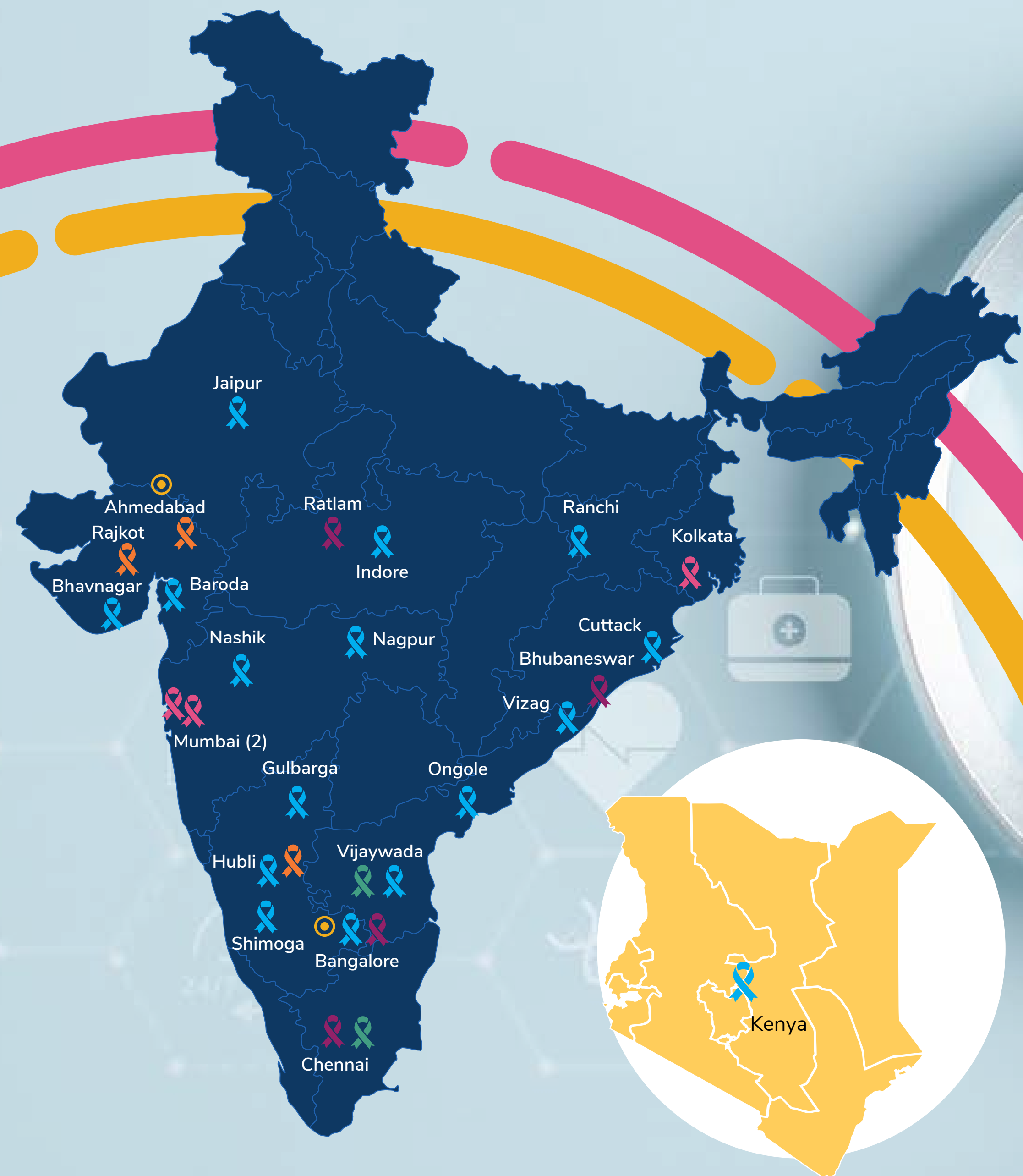
Leading technology adoption and equipment availability; advanced research and clinical trials through Triesta

Cancer poses unique challenges and requires a nuanced treatment approach

Cancer is a Multi-modal Chronic Illness	Approach Needed
Cancer is a heterogenous disease; International Classification of Diseases (ICD) lists 600+ known types of cancer currently	Focused approach to diagnosis and treatment
Cancer is an enigma; it can rapidly spread from source organ to other organs in the human body	Sub-specialists: Organ / modality specific oncologists
A patient may require multiple treatments; cancer care needs to be very patient centric and focussed	Personalized, patient centric care and precision medicine
Team centric approach with various specialists required for effective treatment as the disease may continuously change its presentation	Comprehensive and multi-modal treatment
Cancer requires lifetime management that involves constant vigilance and post care	End-to-end including after-care support across patient lifetime
Worldwide focussed research on cancer care leads to ever-evolving advanced technologies, genomics, and AI	Cutting-edge technology and latest advanced techniques

Superior patient outcomes ensuring quality of life

Our presence



10 states

Metro, Tier II and Tier III cities

- 2 Center of Excellence (CoE)
- 3 Emerging Cancer Care Centers
- 16 Established Cancer Care Centers
- 3 Multi-specialty hospitals
- 6 Day care Centers
- 2 PET CT & Cyclotron* Centre

*At Chennai
Excludes Milann centres.

LARGEST GEOGRAPHICAL REACH...

10 Number of states covered[6]	**20** Number of cities covered	**~55%** Addressable market[4] (population)
24 No. of centers incl. 3 multi-specialty[1,2]	**16/18** Leading positions[3]	**8.5L+** New registrations in last 5 years
400+ Oncologists network	**36** Numberof LINACs	**16** Numberof PET CTs
7 Number of Robots	**89** Operation theatres[5]	**~2k** Capacity beds[5]

Note: 1. Includes Kenya; 2. Two of the multispecialty hospitals (Rajkot and Suchirayu) are in the process of becoming cancer focused; 3. HCG in top 3; 4. Refers to the proportionate population of the states in which HCG has presence; 5. Includes multispecialty; 6. Includes Chennai

Chairman's message

"Guided by our vision of making oncology more accessible, affordable, and affable, we have underscored the need for cancer to be treated the right way the first time."

Dear Shareholders,

I feel a surge of delight rooted in fulfilment as I take stock of yet another momentous year of cancer care of key triumphs at HCG.

The year gone by has seen HCG achieve breakthrough feats and launch pioneering initiatives across the spectrum of cancer care. This year, we were honoured as the ESG Champion of India in the healthcare sector at the esteemed Dun and Bradstreet 'ESG Leadership Summit 2024' for our outstanding ESG initiatives aimed at achieving sustainable development goals. Our strategic acquisition of Indore-based SRJ CBCC Cancer Hospital marks our footprint in the key Indian geography of Madhya Pradesh. Our ground-breaking pilot study combining standard neoadjuvant chemotherapy with low-dose Nivolumab immunotherapy is all set to transform the treatment landscape for head and neck cancer patients. This breakthrough has the potential to enhance the quality of life and longevity of patients with locally advanced carcinoma of the buccal mucosa.

That our cancer centre in Ongole completed 2000 plus oncology surgeries (including Whipple surgery, huge abdominal sarcoma excision, partial nephrectomy, and total gastrectomy, composite resection, gastrectomy/ colectomy, APR/ LAR, breast thyroid, head and neck surgery and hepatobiliary) is reflective of our phenomenal regional reach, as also value-based care for cancer patients from tier 2 and 3 towns of India. Talking of inroads into India's lesser known geographies, our HCG Care app has been a radical innovation, the first of its kind app in the oncology care space, which facilitates expert, individualized cancer care proactively and seamlessly to cancer patients irrespective of their location, and it is accessible even when they are in transit. On the cancer awareness front, we have been extremely proactive with landmark initiatives like "The Power of Good Wishes" campaign and the Glow Walk Night Walkathon on the eve of International Women's Day.

It has truly been a fascinating voyage over the years, tirelessly serving the larger cause of cancer care through breakthrough innovation and value-based care. Going against the prevalent norm of multi-speciality hospitals, HCG has shown that it is possible to get sustainable cancer care outcomes at par with premier centres of the West, if patients are given the best treatment at the right time using best of breed talent, knowledge, technology, and infrastructure. Today, our strong presence across 18 cities in nine states, with one-third of our centres in tier-II and tier-III cities, is a resounding triumph of our unique focused factory approach and hub and spoke model of cancer care.

Guided by our vision of making oncology more accessible, affordable, and affable, we have underscored the need for cancer to be treated the right way the first time, irrespective of the patient's socio-economic situation. We took the lead in bringing linear accelerators to India and our unique hub-and-spoke expansion model became a major Harvard case study, now an integral part of curriculum at more than 60 business schools. In the process, we have taken PET scans, centralised radio surgery units, and other high-end equipment to tier 2 and tier 3 like Ongole, Ranchi and Vijayawada, and extended cancer care to remote parts of the country by setting up 26 cancer care centres, including Day Care Clinics as a single group. Our low-cost, high-quality cancer care has disseminated rapidly within India and Africa.

One of the most striking value propositions of HCG is how we make the most of technology to bridge cancer care disparities. Our Virtual Tumor Boards bring together 150 oncologists every week to discuss complex cases, recurrences, and mortalities and reduce learning curves. Our Central Radiation Planning ensures centralized Radiotherapy treatment plans for all HCG centers, Digital Pathology and PETCT enables central review of Imaging and Pathology from smaller units, Microsoft Hololens provides Virtual OPD / Surgical guidance from Centres of Excellence to smaller units via Augmented Reality, Electronic Medical Records help with auditing and creating cohorts' patients based on clinical, molecular and genetic parameters, as also for bucketing patients to analyse outcomes and Centralized Genomics helps with prognostication and deciding appropriate treatment pathways.

No wonder, our patients' outcome and our significantly low post-operative mortality are one of the best globally. Specific outcomes like in the case of triple negative breast cancer are better than even the most advanced cancer care facilities in the West. Going forward, we are determined to create more centres of excellence apart from the ones we have set up to scale in Bangalore and Ahmedabad. Use of streaming data to treat Indian and Asian ethnic groups is one of our key initiatives as we believe Caucasian protocols don't apply to Indian ethnicity. We have already seen remarkable responses in many head and neck cancers.

Cancer prevention is one of the most important but least emphasized aspects of oncology. Early detection of cancer is a key element of the spectrum of cancer prevention. Over the last century, despite the therapeutic and technological advancements, 80 per cent of the cancers in low-and-middle income countries are invariably detected at an advanced stage. Notwithstanding the rapid progression in the science of medicine, a decisive way of improving clinical outcomes is early detection, more so given the slow pace at which technology travels from the developed to the developing populations.

HCG has carved a niche as the cancer care destination of choice across all key areas of clinical, research, and academic excellence. Our phenomenal growth over the years bears testimony to the fact that cancer can be treated just like any other chronic disease, provided the emphasis is on early detection. Research is an integral part of our DNA as reflected by our 100+ publications each year, as also our active participation in clinical trials. HCG specializes in understanding the essence and progression of cancer and how it can affect every patient differently.

HCG's value proposition as a leading cancer care chain is rooted in the interdisciplinary nature of our academic pursuits. We have institutionalized a culture of innovation across levels, putting a premium on scientific temper, actionable research, and skill enhancement through our continuing medical and fellowship programmes.

The future is ripe with rapid advances in genomics, proteomics, and metabolomics, and we are determined to move up the value chain of cancer staging and grading, as also launch more effective and sustainable therapies based on authentic lab research and clinical breakthroughs. Needless to say, every triumph at HCG has been possible-thanks to the faith our stakeholders have placed in us.

I am more than sure, we will move from strength to strength on the way forward and scale new highs in value-based cancer care.

Regards,

Dr. B. S. Ajaikumar
Executive Chairman

CEO's message

HCG's ability to connect with patients and deliver compassionate care sets us apart from others in the industry. Our patient centric vision empowers us to make a meaningful difference to lives and redefine healthcare through innovative services.

Dear Shareholders,

As we complete another year of remarkable progress and growth, I am pleased to take this opportunity to reflect on our achievements and share our vision for the future. Your steadfast support has been instrumental in driving our success, and it is with great pride that I present this year's report along with our strategic outlook.

The past year has been a transformational year, as we strengthened our market position, embraced opportunities in new geographies, and navigated challenges with resilience. Delivering long-term value has always been our priority and I am confident that we are well positioned to continue this momentum in the years ahead.

For decades, HCG has been a leader in providing quality cancer care. Our commitment to introducing innovative approaches for compassionate treatment has enabled us to deliver exceptional patient outcomes. Along with an emphasis on technology adoption and the development of state-of-the-art care facilities, we are determined to make cancer care accessible and affordable across all metro and non-metro cities in India.

With a reported incidence of 2.2 million cancer cases annually, recent research suggests that cancer cases can drastically rise in the years to come. Realising the urgency of the situation, we are ceaselessly fighting a war against the dreaded disease. Along with offering quality care, we focus on the importance of creating awareness about cancer, a step that we believe can play an integral role in fulfilling our promise of 'Adding life to Years'.

With our Company's consistent efforts to expand our reach to metro and non-metro cities, improve operational bed capacity and deliver specialised cancer care, we take pride in reporting revenue growth of 13% y-o-y, with a top-line of INR 19,121.2 million. Our PAT stood at INR 481.4 million, with a 64% y-o-y growth and our net debt slightly inched up from INR 1,981 million in FY23 to INR 3,580 million this year as a result of recent acquisitions. Our adjusted EBITDA grew more than 11%, reaching INR 3,374 million in comparison to INR 3,051 million last year, at an EBITDA margin of 17.6%.

We have also made significant progress in improving the revenue mix which has increased our Average Revenue Per Occupied Bed (ARPOB) by 9.9 % to INR 41,802 for the fiscal year. The use of technologically advanced medical procedures such as CyberKnife, Digital PET, Robotics and others, have further empowered us to deliver comprehensive care facilities for patients. We also expect our new centres to improve their occupancy levels and contribute to our margins in the short-term to medium term.

Taking into consideration the fact that the availability of quality cancer care still remains a challenge for a larger section of the Indian population, we are committed to expanding our reach and establishing centres in underserved areas to provide affordable and high-quality treatment and we intend to add more than 475 beds within the next three years. To address the significant demand-supply gap in cancer care in India, HCG has been proactive on executing aggressive expansion plans. A few years ago, we established new facilities in Mumbai, Kolkata, Baroda, and Nagpur. In order to maintain our consistent performance, we continue to focus on driving growth at these centers.

I would like to highlight the key initiatives that have defined this year. After steadily achieving organic growth for 3-4 years, we are now poised to expedite HCG's expansion through strategic acquisitions. In addition to our expansion efforts in Indore, we are committed to further strengthening our presence in Bangalore. We are in the process of setting up two hospitals with a total of 125 beds in North Bangalore and the Whitefield area, which are expected to be operational by Q1 FY26. These two state-of-the-art facilities will enhance our ability to meet the region's growing cancer care needs.

At HCG, our ability to ensure clinical excellence, goes beyond the ambit of treatment. To enhance the patient experience and streamline access to healthcare services, we have introduced HCG Care Smart App suite, including a Patient App exclusively designed for unique needs of cancer patients. This innovative platform provides patients with seamless access to treatment options and their medical records with a click, anytime from anywhere. Additionally, the app allows us to maintain consistent engagement with our patients, monitor their adherence to the treatment plan, and conduct post-treatment follow-ups to improve long-term outcomes. Already, the Smart App suite has benefited over 56,000 outpatients with active participation from more than 300 doctors on this digital platform. Our digital revenue has grown 75% year-on-year in FY2024 and will continue to be an important driver of growth in future.

Our investment in cutting-edge medical technology has been a key growth factor enabling us to meet the unmet medical needs of countless patients. Leveraging our expertise in robotic surgery, genomics, molecular imaging, digital pathology, targeted therapies, immunotherapy, and CyberKnife adaptive radiotherapy, we have achieved clinical outcomes on par with those of world-renowned cancer care centers.

Our company understands the importance of cancer awareness and early detection and therefore initiated the 'Power of Good Wishes – A collective beacon of Hope' campaign as part of our CSR activity to create awareness about cancer risk factors such as HPV, alcohol and obesity, and to encourage people to undergo screening for oral, breast and cervical cancer. Over the past two and a half years, we have also focused on building our brand by organising cancer screening and awareness sessions along with an emphasis on continuing medical education (CME) to increase footfall at our hospitals.

At HCG, our commitment to the environment, sustainability and governance practices remains resolute. I am delighted to share that we have been recognized by Dun & Bradstreet as the ESG Champion of India 2024 in the healthcare sector at the ESG Leadership Summit 2024 held early this year. This prestigious award acknowledges our commitment to Environmental, Social and Governance (ESG) principles, highlighting our dedication to sustainable development goals. This recognition reaffirms our commitment to sustainability and ethical business practices and our dedication to serving our patients, community and the planet with compassion and integrity. Besides, our Davangere solar power plant facilitated an increase in the share of renewable energy by 12% in FY2024.

In the years ahead, we look forward to bridging the gap in cancer care infrastructure, in the rural as well as urban areas, through our hub-and-spoke model. We stay focused on expanding our footprint, increasing bed capacity and investing in advanced technology to sustain our leadership position in the oncology segment.

HCG's ability to connect with patients and deliver compassionate care sets us apart from others in the industry. Our patient-centric vision empowers us to make a meaningful difference to lives and redefine healthcare through innovative services.

I would like to extend my sincere gratitude to all our stakeholders. With your support and encouragement, we seek to achieve new milestones in clinical excellence.

Best Wishes,

Raj Gore
Chief Executive Officer

A journey of adding life to years

1989
Bangalore Institute of Oncology commences operation.

1998
Our Company incorporated as Curie Centre of Oncology.

2005
Our Company's name changed to HealthCare Global Enterprises Pvt. Ltd.

Entry into clinical laboratory business through acquisition of Triesta Sciences.

2006
1st to introduce IGRT technology in North India.

Acquired the 1st privately owned comprehensive cancer care centre in Karnataka.

1st private cancer centre in India to introduce Cyclotron and PET-CT.

2008
1st comprehensive cancer care centre in Jharkhand.

2009
One of the first centres in India to introduce CyberKnife technology.

HCG Hubli, 1st centre in North Karnataka to introduce IGRT technology.

2011
HCG Ahmedabad, 1st privately owned comprehensive cancer care centre in Gujarat.

2013
HCG Cuttack, 1st comprehensive oncology centre in Odisha.

2016
Listed on BSE and NSE

1st centre to introduce Tomotherapy-H in India.

2017
First Indian company to setup a cancer centre in Africa.

2018
HCG Kolkata to launch 1st Radixact in India

2019
1st Cyberknife in entire Western India

2020
1st Digital PET CT in India

2021
Acquisition of Suchirayu

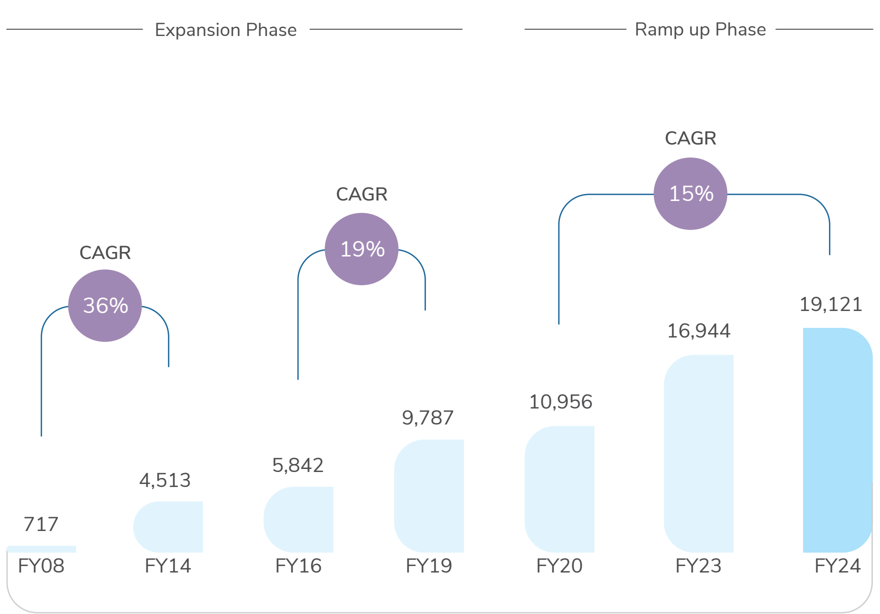
2022
1st Centre to introduce Elekta Versa HD in the sub-Saharan Africa

2023
1st Centre to introduce varian ethos therapy, an AI driven holistic solution of radiation therapy in India

2024
Aquistion of cancer centre at Indore

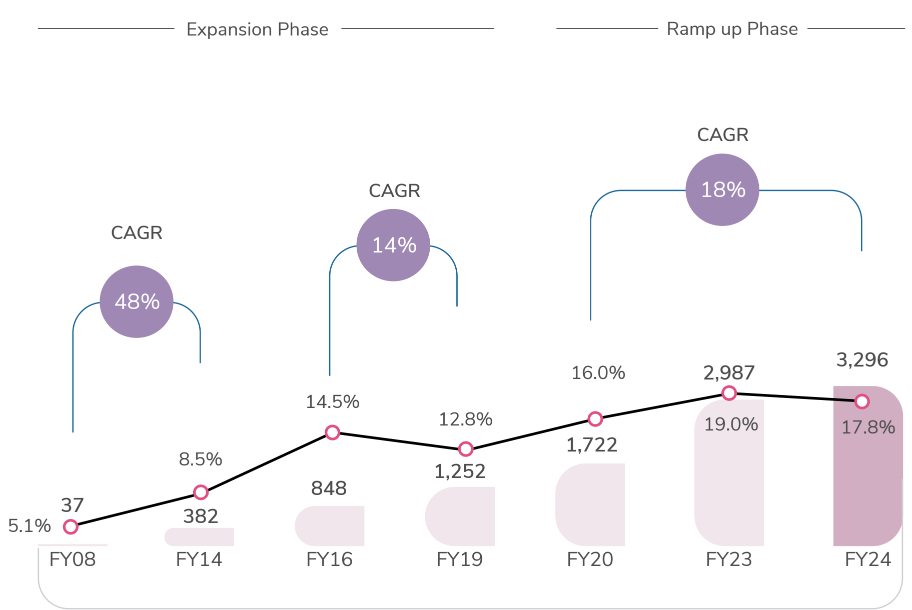
Proven track record of outperforming the industry and successfully delivering profitable growth

Revenue
(₹ in Mn)



- Historically achieved higher than industry growth of ~11-12%
- Expansion mode by setting up new cancer till FY19 to achieve large scale
- Demonstrated high growth post COVID across centers
  - Highest ever revenue from operations for 15 consecutive quarters (till Q4 FY24)
  - Consistent growth across established centers (Bangalore, Cuttack and Ahmedabad)

EBITDA[1]
(₹ in Mn)



- Strong improvement in profitability
  - Highest ever quarterly EBITDA for Q4 FY24 quarter with 12 consecutive quarters of consistent increase
  - Turnaround of emerging centers
- Subdued in expansion phase due to setting up new centers
- Significant scale benefits; outpacing revenue due to operating leverage

Note: [1] EBITDA, post-corporate expenses. EBITDA for FY20-FY24 is after Ind AS 116 adjustments

Comprehensive cancer care framework

A unique and scarce oncology platform redefining comprehensive cancer care treatment and treatment protocols in India

- Largest oncology focused hospital chain with a pan India network
- Focused factory approach and Tumor board, pioneered by Dr. B.S Ajaikumar, Executive Chairman enabling effective cancer care
- Deepest network across metros and non-metros; leading positions in 16 of 18 cities
- Best-in-class medical talent pool with industry leading retention

- Strong commercial engine driving digital and brand transformation
- Successful playbook of smart acquisitions and driving sustained growth post integration
- Marquee leadership team and experienced management
- High growth trajectory with roadmap for margin and ROCE expansion

HCG demonstrates all the components for Comprehensive Cancer Care Framework

Comprehensive care is required to preserve and maintain quality of life. Exhaustive diagnosis and accurate treatment limits the advancement of cancer towards recurring or complex tumors

A. Largest oncologist network comprising of various sub-specialists with high level of expertise: **organ / modality specialists**

B. **End-to-end cancer care** and ancillary services offering a one-stop solution for patients.

C. **Tumor Boards** to provide mentorship and guidance by large community of oncologists for complex / unique cancer cases.

D. **Case-specific panel** comprising of multiple clinicians for collective planning and implementing the most efficient treatment plan.

E. Access to **most advanced practices, leading technologies**, equipment, for treating rare and advanced forms of cancer.

F. **Continuous focus on research, academics and innovation** to ensure better patient outcomes - Bedside-to-Bench and Back Again

Building a patient-centric business model

What we have?

Financial Capital

Net worth	Shareholders' fund	Total borrowings
₹ 8,258 million	₹ 8,651 million	₹ 6,728 million

Manufactured Capital

CAPEX	Cumulative bed capacity
₹ 1,875 million	1923
PET CT machines	**LINAC machines for radiation treatment**
16	36

Intellectual Capital

Years of expertise in oncology	Total No of Research Publications
35	946

Human Capital

Total employees	Nurses	Resident doctors
6150	2119	133
Visiting doctors	**Paramedical Staff**	**Fellowship**
3058	1230	87

Social and relationship Capital

CSR expenditure	Supply partners associated	Investors and shareholders associated
₹ 5.95 million	7,726	27,195

Natural Capital

Electricity consumption	Water consumption	Waste generated*
1,61,868.39 kwh	3,91,857.32 KL	67,03,000 KG

*All inclusive – BMW, plastic, paper, E-waste, Hazardous, metal, etc.

What we do?

- Diagnosis
- Medical Oncology
- Home health services
- Robotic Surgery
- Patient Care

- Preventive Oncology
- Radiation Oncology
- Liver Transplantation
- Surgical Oncology
- Bone-marrow Transplantation

What we achieved?

Financial Capital

Revenue from operations	EBITDA	PAT
₹ 19,121 million	₹ 3,296 million	₹ 481 million

Market capitalisation
₹ 47,059 million

Manufactured Capital

Average occupancy rate	Average revenue per occupied bed	Organ preservation surgeries
64%	41.8k	10.2k

Intellectual Capital

NABH accredited centres	NABH certified centres	Robotic surgeries performed
18	4	742

Human Capital

Male: Female ratio	Employee retention rate	Manhours of training completed
50.7% : 49.3%	32%	1,35,619 hours

Social and Relationship Capital

People benefitted
3,500+

Natural Capital

Share of renewable energy	Trees planted
~12%	400

Whom we have impacted?

- Patients
- Employees and medical professionals
- Government, regulatory bodies and industry associations
- Business Partners, Suppliers & Associates
- Shareholders, investors and analyst
- Local communities

SDG linkages

Stakeholder engagement

At HCG, we engage with our stakeholders to gain a deeper understanding of their needs and expectations. This interaction provides valuable insights that guide our strategic endeavours, builds stronger relationships and maximises value creation.

Patients

A patient-centric approach distinguishes us from our competitors and allows us to offer top-notch healthcare facilities to our valued patrons. It also strengthens our ability to uphold our commitment to improving people's lives.

2.1 lakhs
Cancer patients served

Material topics

- Quality of treatment and services
- Clinical results
- Cost of treatment
- Data confidentiality and security
- Intellectual and technology backing

Value created for stakeholder

- Enhanced medical infrastructure and integrated advanced technologies to deliver top-tier care and treatment.
- Increased accessibility to day care services and pay-per-use options to make our services more affordable.
- Utilised digital platforms to gain deeper insights into patient needs and improve our service delivery.

Engagement activity

- Customer Satisfaction Surveys
- Seminars
- Website
- Social media
- Patient care services

Employees and medical professionals

Our team enables us to provide essential care to patients and boosts our operational efficiency. They also empower us to foster a culture of excellence and enhance the company's market reputation.

10,000+
Total strength

Material topics

- Corporate strategy
- Employment opportunities
- Recognition and fair remuneration
- Ethical, safe, fair and healthy working environment

Value created for stakeholder

- Offering multiple opportunities for career growth.
- Granting access to best practices, cutting-edge technologies, state-of-the-art operating theatres, and the opportunity to handle complex cases while serving a large patient base.
- Collecting feedback from employees to improve our work culture.

Engagement activity

- Conferences and seminars
- Regular ongoing visits
- Advisory board meeting
- Employee performance review and engagement survey
- Town hall meetings
- Training, wellness and recognition programmes

Stakeholder engagement

Government, regulatory bodies and industry associations

We are committed to adhering to statutory regulations and fulfilling our responsibilities as a socially and environmentally conscious organisation.

100%
Compliance to regulatory policies

Material topics

- Transparency and disclosure
- Initiatives and collaboration on national challenges such as skills shortages and the cost of healthcare
- Access to affordable and quality healthcare

Value created for stakeholder

- Enhanced our infrastructure and integrated advanced technologies to deliver superior quality treatment.
- Increased accessibility to day care facilities and pay-per-use services, thereby making our services more affordable.
- Utilised digital platforms to gain deeper insights into patient needs and improve service delivery.

Engagement activity

- Conferences, formal correspondence and meetings
- Filings of return and other statutory documents
- Website
- Representation on industry bodies and government boards

Business Partners, Suppliers & Associates

Strong stakeholder relationships enable us to improve the care continuum and ensure timely delivery of services to patients.

15,000+
Total supplier base

Material topics

- Fair and ethical code of conduct
- Quality of supply and service
- Returns

Value created for stakeholder

- Nurtured mutually beneficial relationships to enhance operational efficiency
- Strict adherence to medical standards and best practices

Engagement activity

- Meetings with medical and non-medical suppliers
- Training and collaboration for events
- Business partner surveys

Shareholders, investors and analysts

They are essential for ensuring business resilience and funding our strategic efforts to bolster the growth of HCG.

27,195
No of Shareholders

Material topics

- Financial performance and long-term stability
- Efficient capital allocation
- Return on capital employed
- Corporate strategy

Value created for stakeholder

- Improved return on investment
- Identified and pursued new growth opportunities
- Maintained effective and timely communication with shareholders and investors through multiple channels

Engagement activity

- Financial Results
- Analyst meetings
- Conference calls
- Earnings calls
- Annual and quarterly reports and presentations
- Press releases
- Shareholders' Meeting

Local communities

The long-term success of our Company hinges on stronger connections with people and our impact on improving lives.

3,500+
People benefitted

Material topics

- Environmental sustainability
- Preventive healthcare awareness
- Upliftment of communities

Value created for stakeholder

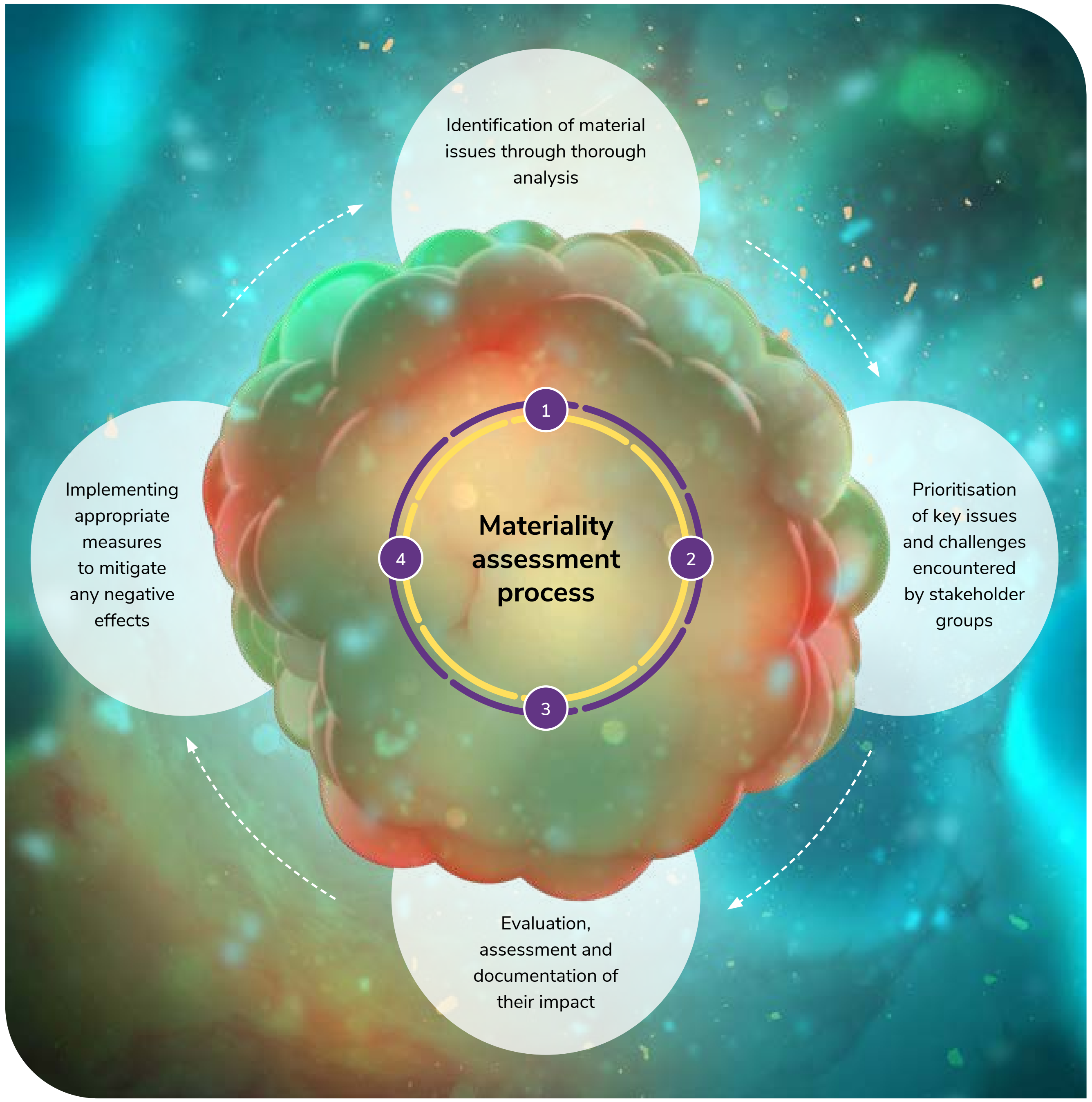
- Minimised our environmental impact
- Organised cancer awareness programmes.

Engagement activity

- Health awareness initiatives
- Sponsorships and donations
- Partnerships for CSR activities

Materiality assessment

Regular engagement with stakeholders empowers us to identify key material topics for enhancing value creation. It also enables us to gauge stakeholder concerns and expectations, a key step for formulating effective strategies for organisational growth. We conduct materiality assessments at periodic intervals to easily identify issues that have an impact on our operations.



Material topics identified

Patient Centricity and Care
- Patient satisfaction and wellbeing
- Medical safety and quality
- Doctor credentiality

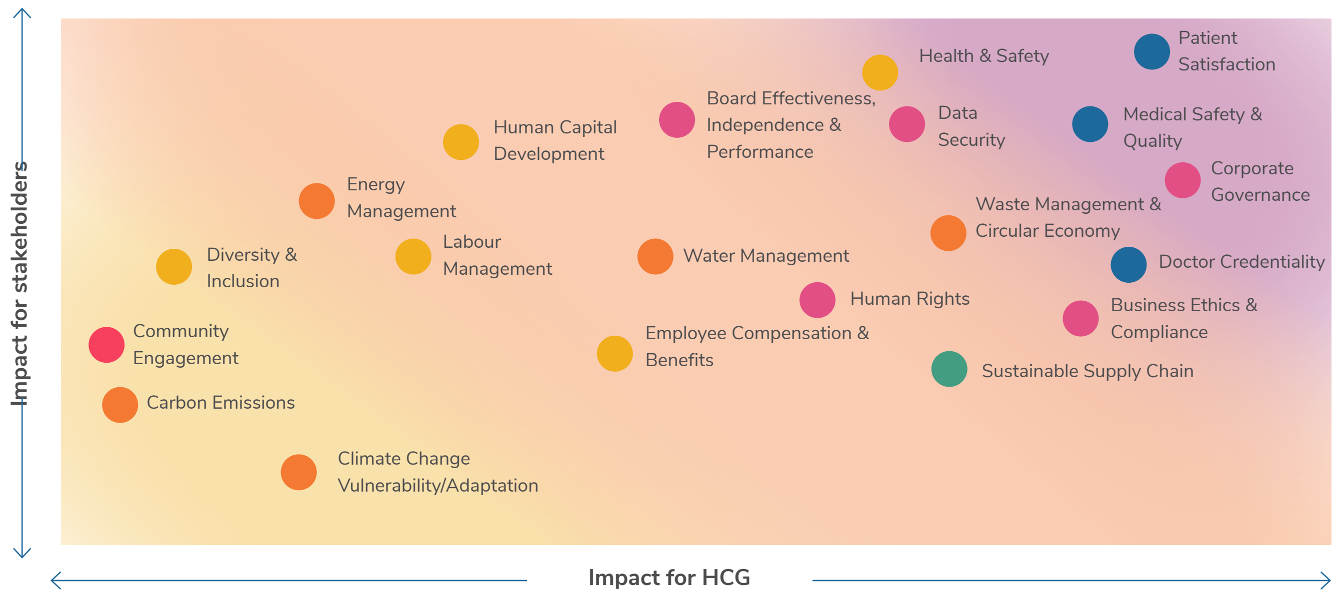
Ethical Governance
- Corporate governance
- Board independence, effectiveness and performance
- Business ethics and compliance
- Human rights
- Data security

Safe and Enabling Workplace
- Health and safety
- Diversity and inclusion
- Human capital development
- Employee compensation and benefits
- Labour management

Environmental Sustainability
- Carbon emissions
- Energy management
- Waste management
- Water management
- Climate change vulnerability and adaptation

Responsible Supply Chain
- Sustainable supply chain and procurement

Community Impact
- Community engagement and CSR



Corporate governance

We have established a strong governance framework aligned with our culture, vision, mission and policies. Our carefully crafted policies ensure adherence to ethical practices and help to create value for stakeholders. It empowers us to operate with transparency and accountability, enabling us to maintain a sustainable growth trajectory.

Governance framework

By Shareholders	By the Board of Directors	By Committees of Board of Directors	By the Management Process

2 Non-executive, Non-Independent Directors

3 Executive Directors

5 Independent Directors

Principle of corporate governance

Policies

Code of Conduct

We have implemented a Code of Conduct to oversee, monitor and report activities across the organisation. This code also includes guidelines and procedures for the fair disclosure of unpublished sensitive information.

Whistle Blower/ Vigil Mechanism

We have established a vigilance mechanism to encourage directors, employees and stakeholders to report any fraudulent financial information, leaks or suspected leaks of unpublished price-sensitive information and violations of the Company's code of conduct. Incidents can be reported anonymously and we ensure confidentiality of such information.

Board of Directors

From left to right

1. Jeyendran Venugopal
Non-Executive, Independent Director
M M

2. Pradip Kanakia
Non-Executive, Independent Director
M M

3. Anjali Ajaikumar
Executive Director
M

4. Raj Raghavan
Non-Executive, Independent Director
M C M

5. Siddharth Patel
Non-Executive, Non-Independent Director (Nominee Director)
M M M

6. Dr B S Ajaikumar
Executive Chairman
M C M C C

7. Rajiv Maliwal
Non-Executive, Independent Director
M

8. Geeta Mathur
Non-Executive, Independent Director
C M

9. Raj Gore
Whole-time Director and CEO
M

10. Amit Soni
Non-Executive, Non-Independent Director (Nominee Director)
M C M

- Audit Committee
- Nomination & Remuneration Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility
- Strategy Committee

C - Chairperson
M - Member

Board of Directors

Dr B. S. Ajaikumar

Executive Chairman

Dr B. S. Ajaikumar is the Executive Chairman of HCG. Dr Ajaikumar founded HCG to realize his vision of making advanced cancer care accessible to all. He has been the driving force behind HCG's growth since its inception. He has served as the CEO from July 2006 to January 2021.

Dr Ajaikumar's contributions to the field of cancer care in India and his success as a first-generation physician entrepreneur have been widely recognized. He has been awarded the Ernst and Young Entrepreneur of the Year Award, the CII Regional Emerging Entrepreneurs Award, and the BC Roy Award by the Indian Science Monitor. Dr Ajaikumar is also the recipient of the Karnataka Rajyotsava Award.

Dr Ajaikumar has been a practicing oncologist in the US and India for over three decades. He completed his residency training in Radiotherapy from the MD Anderson Hospital and Tumour Institute of the University of Texas, and his residency training in Oncology from the University of Virginia Hospital, Charlottesville. He received his MBBS from St. Johns Medical College, Bengaluru.

Siddharth Patel

Non-Executive, Non-Independent Director (Nominee Director)

Siddharth is the Managing-Partner at CVC and joined in 2010. Siddharth was based in the London office for seven years in the global TMT team and, as of 2017, is based in Singapore where his responsibilities include the CVC India office. Prior to joining CVC, he was with Apax Partners where he spent nine years in the technology and telecommunications team leading or co-leading transactions across the sector. Prior to Apax, he worked at Monitor Company. Siddharth's previous investment experience in healthcare includes TriZetto, a leading provider of healthcare software and services. Siddharth holds First Class MA and BA degrees from the University of Oxford.

Amit Soni

Non-Executive, Non-Independent Director (Nominee Director)

Amit is a Partner at CVC and joined CVC in 2017. Amit is a member of the CVC India team and based in Mumbai. Prior to joining CVC, he was a principal at General Atlantic where he spent nine years and led the firm's India investment strategy for internet, business services, software and financial technology. Prior to that Amit worked at 3i, Bill & Melinda Gates Foundation and McKinsey & Co. Amit's previous investment in healthcare includes CitiusTech, a leading healthcare IT services provider and MedExpress, a leading chain of urgent care centres. Amit holds an MBA from Wharton and a Bachelor of Technology in Electrical Engineering from IIT Delhi.

Anjali Ajaikumar

Executive Director

Anjali Ajaikumar Rossi is a seasoned professional and social entrepreneur with more than 12 years of experience in the healthcare sector with a focus on transforming the healthcare system through technological advancements. As the Vice President of Quality and Strategy for HCG, she has headed quality implementation and strategic growth planning for the network of twenty HCG hospitals nationwide. In this capacity, she has managed the departments of Operational Excellence, Home Health, Nursing and Quality.

Anjali Ajaikumar Rossi has built talented teams and actively empowered her staff to pursue continuous advancements in the quality of care, organizational efficiency, employee engagement and patient satisfaction. She has been a firm proponent of strategically adopting new technologies that further the mission of delivering superior care and expanding the organization's capacity to take advantage of the healthcare opportunities of tomorrow.

Anjali Ajaikumar Rossi is actively involved in non-profit initiatives of the HCG Foundation, which creates cancer awareness and raises funds for cancer patients who are financially challenged. She is also involved in the International Human Development & Upliftment Academy, a US/Indian NGO dedicated to fostering rural education, empowering women and creating environmental awareness. She is a member of the Board of Trustees of Bharath Hospital, located in Mysore.

Anjali Ajaikumar Rossi holds an MBA from Babson College, where she earned a degree concentration in Entrepreneurship. She has been associated in the past with Clarkston Consulting as a project leader and has also served as a consultant for the Global Tracheostomy Collaborative, an international NGO.

Geeta Mathur

Non-Executive, Independent Director

Geeta Mathur is an experienced finance professional having worked as a banker both on the asset side and risk side and with large corporate treasuries and investor relations.

She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the board of reputed companies such as Eicher Motors, Siel Limited etc. She then worked in various capacities in large organizations such as IBM and Emaar MGF across areas of Corporate Finance, Treasury, Risk Management and Investor relations.

She transitioned to the development sector and worked as CFO of Helpage India, one of the largest and oldest national level NPO in India working for the cause of the elderly. She brought about systemic changes in the financial management systems including transition to Oracle ERP and won several awards for presentation and transparency in presentation of Accounts during her tenure.

She currently serves as an independent director in various large organizations across manufacturing and services such as Info edge (India) Limited, 360 One Wam Limited, OnMobile Global Limited, IIFL Group. Exposure to multiple industries disciplines helps her cross pollinate ideas and contribute effectively as a Board member.

She co-chairs the India chapter of Women Corporate Directors Foundation, a global membership organization and community of women corporate directors with a mission to foster a powerful, trusted community of influential women corporate directors.

Board of Directors

Raj Raghavan

Non-Executive, Independent Director

Rajagopalan Raghavan ("Raj Raghavan") is the Chief Human Resources Officer at CoreStack, a global multi-cloud governance provider. As a former HR Head at IndiGo, he helped the organization sustain its position as India's largest airline by market share. As a key member of IndiGo's Executive Committee, he successfully oversaw all aspects of Human Resources, including its learning academy, Corporate Social Responsibility and diverse administration functions.

Prior to this he was Amazon's Head of Human Resources (Asia Pacific & Middle East) for their International Consumer Business and Global Technology Development Centers in the region. Earlier, Raj Raghavan was Head of HR for GE's Global Research and India Technology Centers. Starting his HR career in the late 80's, he has held several senior HR leadership positions across geographies in Hindustan Unilever, Ford Motor Company and HSBC.

Raj earned his Master's in Personnel Management & Industrial Relations at Madras School of Social Work, India and is a Global Fellow of The Wharton School in Talent Management.

Jeyendran Venugopal

Non-Executive, Independent Director

Jeyandran Venugopal (Jey) is an innovator and product thinker. His rich technology leadership experience spans more than two decades of pioneering work across both US and India in the consumer internet technology domain. Jey is currently the Chief Product and Technology officer for Flipkart. In his current role he leads a several thousand strong multi-disciplinary team spanning user research and design, product management, engineering, data science, corporate IT and information security. Jey has worked across several technology domains such as e-commerce, payments tech, cloud computing, search engineering, digital media platforms and others with companies such as Amazon, Yahoo and Myntra before his current role. Jey has also been a health tech entrepreneur and launched one of the earliest private telemedicine services in the country which was then subsequently sold to the largest epharmacy companies at that time.

Jey holds a Master's degree in computer science from the University of Illinois at Urbana Champaign (UIUC). Prior to that he did a Master's degree in Mechanical engineering with a focus on computational fluid dynamics from the same University. During his time at UIUC he held a research assistantship as a student consultant with the National Center for Supercomputing Applications (NCSA) where he had the opportunity to work on cutting edge supercomputing clusters and helping and advising research groups and commercial firms around the country who were using NCSA's compute facilities at that time. Jey did his Bachelor's degree in Engineering from the College of Engineering, Guindy.

Jey has a passion for all things technology and loves advising, mentoring and investing in deep technology and innovative startups.

Meghraj Arvindrao Gore

Whole-time Director and CEO

Meghraj Arvindrao Gore ('Raj Gore') was appointed as the CEO of HCG effective from February 01, 2021 and as a whole-time director effective from February 10, 2022.

Raj Gore is a seasoned global professional with more than 24 years of diverse experience in business management in North America, Asia, & Africa. Having been in the healthcare industry for 21 years, he has led business transformation and financial turnaround of acquired healthcare companies in India, Mauritius, and Vietnam, and has created sustainable growth momentum and value for these organizations. Raj also has hands-on knowledge and experience of the M&A spectrum including, post-acquisition integration.

Previously, he has served as the Chief Executive Officer for the Southern Region of Apollo Hospitals and Chief Growth Officer and Chief Operating Officer (NCR) at Fortis Healthcare Limited. He has contributed to the phenomenal growth of these organizations by fulfilling various corporate, strategic, and operational roles.

Raj Gore holds a Bachelor of Chemical Engineering degree from Jawaharlal Nehru Engineering College, Maharashtra, Master of Science in Information Technology, and Master of Business Administration degrees from the University of Denver, USA. He has also completed Hospital Management Program from the Indian Institute of Management, Ahmedabad, and Singapore Management University, Singapore.

He has a keen interest in developing future leaders through coaching and mentoring as well as building high-performance teams and culture. Outside work, he is an avid sports fan and a nature enthusiast with a passion for wildlife photography.

Pradip Kanakia

Non-Executive, Independent Director

Pradip Kanakia is a strong leader and governance oriented professional with expertise in strategy, transformation, performance management, accounting, auditing, reporting, controls, compliance and governance. As a qualified Chartered Accountant of both England and Wales and India, he has held leadership positions with Price Waterhouse and KPMG during a career spanning 35 years. As a lead audit partner, he has led and signed audits of several prestigious Indian and multinational companies, across various industry sectors for over 23 years.

Several of these companies have won prestigious awards for the Best Presented Annual Reports. As a leader in both Price Waterhouse and KPMG, he played a major role in transforming the businesses of both the firms leading to accelerated growth and profitability by demonstrating the ability to 'turn around' underperforming business units with strong strategic and execution skills. He has led several thousand people in both the firms and cultivated a culture of high performance, collaboration and teamwork.

In Price Waterhouse, Pradip ran a flagship program for Non-Executive Directors and conducted more than 40 events for leading independent directors in both Mumbai and Delhi, covering the most relevant topics of corporate governance. Pradip enjoys strong relationships with leading Directors, CEOs, CFOs and other senior C suite professionals of companies across the country.

Pradip Kanakia is on the Boards of JM Financial Ltd, Camlin Fine Sciences Limited, Torrent Gas Private Limited, Viyash Life Sciences Private Limitedand Britannia Industries Limited

Board of Directors

Rajiv Mailwal

Non-Executive, Independent Director*

Rajiv Maliwal is the Founder and Managing Partner of Sabre Partners. He is best known for having pioneered and successfully implemented a unique private sector solution for ailing and stressed financial institutions in India (e.g. Centurion Bank, Lord Krishna Bank etc.) and more recently, in spearheading growth of healthcare and Fintech in India by providing equity capital and structuring financing innovatively. Sabre Partners has raised three mid – market private equity funds and is now raising its fourth fund.

Prior to founding Sabre Partners in 2002, Rajiv was at Standard Chartered PLC as Global Head of Private Equity. He raised a $300m fund, built a global team and invested internationally with a focus on financial services and technology. Between 1993 and 1998, he was with Goldman Sachs, Hong Kong and JP Morgan, Singapore and was responsible for setting up and growing the investment banking and securities firms in India with domestic partners (Goldman Sachs/ Kotak Mahindra JV and JP Morgan/ICICI JV), led many M&A, Equity and Debt underwriting and originated several private equity investments. Prior to 1993, Rajiv was with Citibank, where he was responsible for corporate and investment banking in Western India.

Rajiv sits on the board of several companies in India and globally. He is a member of the Board of Governors of IIM, Bangalore and was a member of Stanford Parents Advisory Board for 4 years. He is a frequent speaker at a number of educational institutions and forums internationally on entrepreneurship and financial services industry amongst other areas and regularly mentors start-ups. He is also closely associated with two not-for-profit healthcare initiatives in India in the fields of mental health and eye-care.

Rajiv graduated with an MBA from Indian Institute of Management, Bangalore in 1985 and holds a Bachelor of Engineering (Hons) degree in Mechanical Engineering from BITS, Pilani. He was awarded the IIM Bangalore, Distinguished Alumni Award in 2012.

Mr. Rajiv Maliwal is currently on the Boards of Wellspring Healthcare Private Limited, Monepeak Fintech Private Limited etc.

*Rajiv Maliwal has been appointed as a Director of the Company with effect from May 25, 2023.

Genomics

Leveraging “Genomics” to drive better outcomes

Every cancer case is unique, and no one understands this better than HCG. We specialise in treating a wide range of cancers with genomics-driven, personalised treatment plans.

The primary goal of genomics and precision medicine is to provide accurate diagnoses and choose the most effective treatments. Despite advances in surgical techniques, radiotherapy, and chemo-immunotherapy, the survival rates for metastatic cancer have only slightly improved, and the 5-year survival rates for many advanced cancers remain low. While some drugs initially show promise, non-response rates can range from 30% to 70%. Even among patients with the same type of cancer, drug responses can vary significantly and resistance to drugs can develop over time.

Oncologists face challenges such as "organotrophism," where cancer spreads to different organs. Genomic sequencing, including Next Generation Sequencing (NGS), helps solve diagnostic challenges and reveals the genetic background of cancer patients. Sequencing technology has transformed genetic screening, making it faster, cheaper and more accessible. What once took years can now be completed in days or hours, allowing for the screening of thousands of relevant variants in a single individual. By sequencing complete genes, chromosomes, or entire genomes, we can detect known or novel sequence variants at a single nucleotide resolution, potentially identifying disease biomarkers.

The success of genomic medicine is evident in clinical practice, shifting from generalised treatments to genome-based personalised therapies. With a comprehensive genomic profile, oncologists can move beyond ‘trial and error’ medicine and implement targeted, evidence-based treatments. Targeted therapies, immunotherapies and personalised radiation treatments are now available for various cancers, including lung, renal, melanoma, breast, colorectal, liver and thyroid cancers, leading to significant improvements in survival rates.

At HCG, we are committed to setting a new standard in cancer care by offering comprehensive genomic profiling (CGP). This approach detects multiple actionable cancer biomarkers in a single test, helping to optimise treatment and improve clinical outcomes. Understanding the genetic profile of cancer allows oncologists to address the disease at its molecular and genetic roots.

HCG leveraging ‘Genomics’ to drive better outcomes

Precision medicine	Give the **right diagnosis at the right time** to choose the right treatment
Optimised treatment	To detect multiple actionable cancer biomarkers at **‘one go’**
Personalised treatment	Adopt **tailored action** and **evidence-based** therapy/ treatment plan

1st in Asia to complete **120+ clinical** runs (1k+ patients) of Comprehensive Genomic Profiling

1,735+
Total number of genomic alterations detected in cohort

54
RNA alterations detected in cohort

77%
Patients with actionable and prognostic genetic alterations

1,000+
Patient samples processed with TSO500

Up to 80%
Actionable Mutations Detected (for specific indications)

Up to 25%
Change in clinical management (for specific indications)

Financial
CAPITAL

Our future-focused financial strategy forms the backbone of a state-of-the-art medical facility, aiming to improve patient outcome and ensure clinical excellence. It has not only empowered us to enrich the care continuum but also helped to maintain a strong balance sheet, ensure judicious capital allocation and sustain sufficient liquidity.

Our Capital Structure

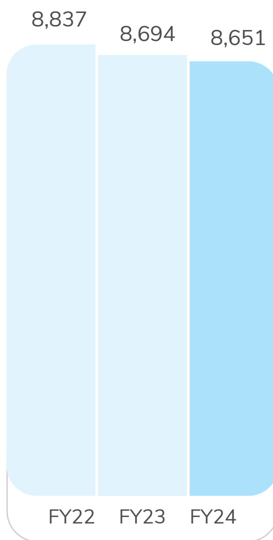
We have deployed capex for expansion projects in Ahmedabad and Bangalore and continue to pursue growth through acquisitions, including the acquisition of minority stakes in Nagpur and Kolkata. We have also acquired a cancer centre in Indore and we plan to acquire a majority stake in a cancer care centre in Vizag.

Capital Leases (IND AS 116)

(₹ in Mn)

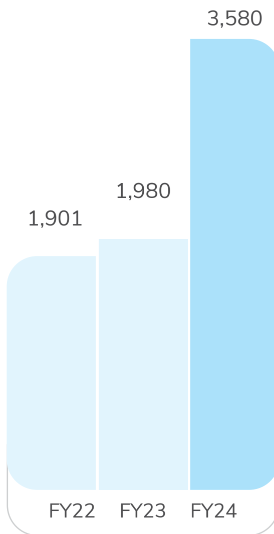
Equity Share Capital

(₹ in Mn)



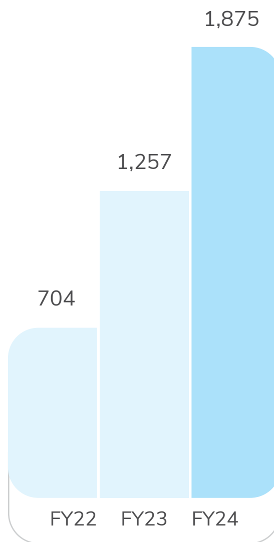
Net Debt

(₹ in Mn)



Capex

(₹ in Mn)

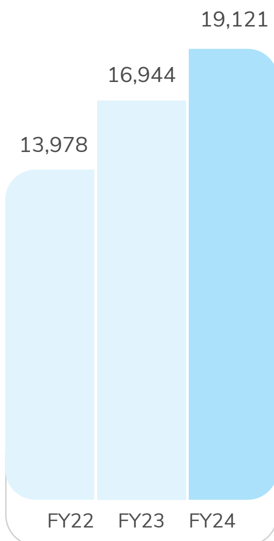


Our financial outcome

We have successfully maintained strong financial metrics on the back of efforts that ensure clinical excellence. Our consistent emphasis on the well-being of people have enabled us to earn the trust of patients and have significantly improved our financial performance and average revenue per bed. With an emphasis on retaining our market leadership, we strive to capitalise on growth opportunities and secure our position in the oncology sector.

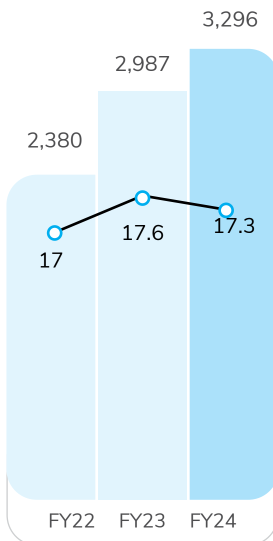
Revenue from operations

(₹ in Mn)



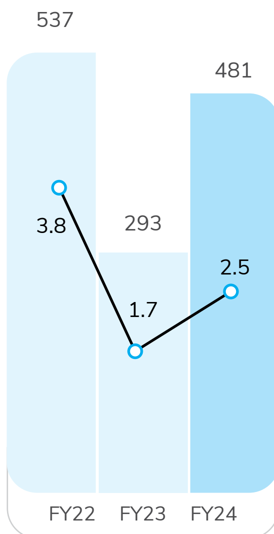
Operating EBITDA
EBITDA margin (in %)

(₹ in Mn)



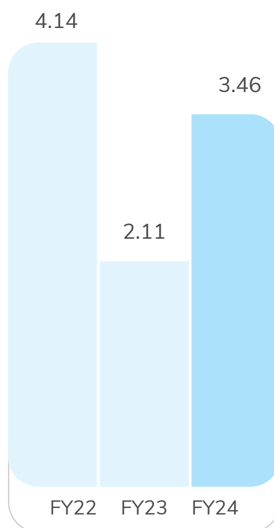
PAT
PAT margin (in %)

(₹ in Mn)



Basic EPS

(in ₹)



Manufactured
CAPITAL

Our extensive network of top-tier hospitals and medical care facilities propels us towards our mission of delivering clinical excellence and achieve superior patient outcomes. Our cancer care centres, unique business models, strategic acquisitions and future-focused initiatives are aimed at enhancing the care continuum. We have strategically expanded our capabilities to deliver comprehensive healthcare services, ensuring our patients receive the best of care and services.

Manufactured Capital

Our unique business model

Our asset-light business model has empowered us to expand rapidly and grow our geographical footprint, delivering top-quality cancer care to patients. This approach has become instrumental in delivering best outcome for cancer treatment, tailoring our operations according to the specific needs of different regions.

Asset-Light Model

Pay per use model
Using medical equipment on pay per use basis

Day Care Beds
Offering chemo and radiation facilities

Hub and spoke model
Offering diagnostics and treatment support to new entres

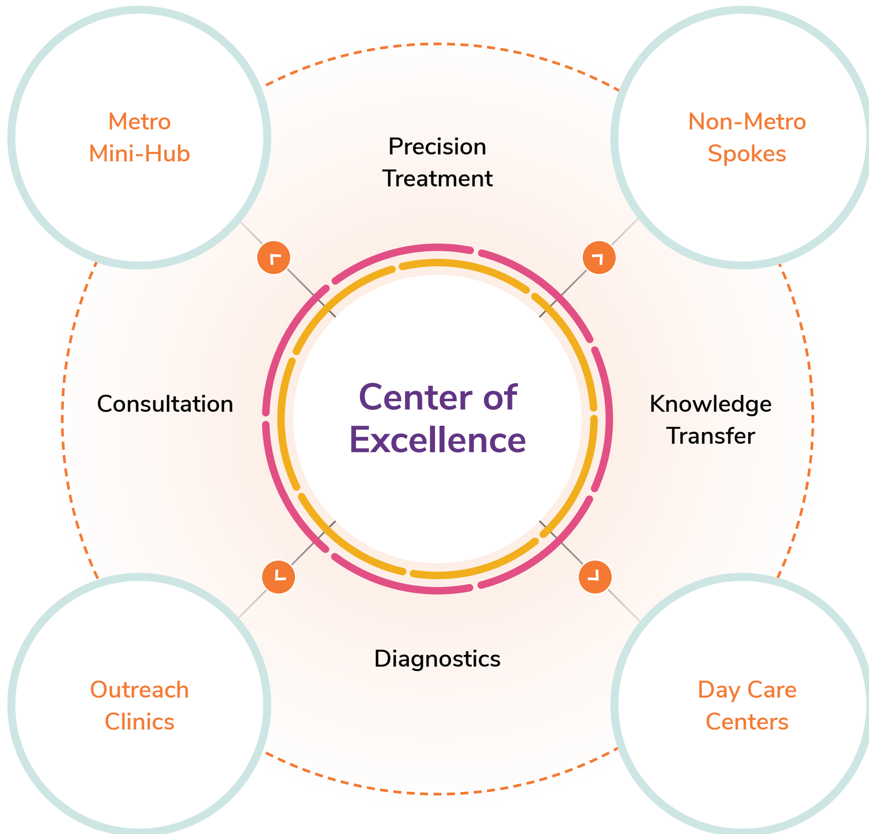
Limited Real Estate Ownership
Operating hospitals mostly on a lease basis

Hub and spoke model

As we remain committed to our motto of adding life to years, we leverage our unique hub-and-spoke model to enhance the standard of care for our patients. With our Centre of Excellence in Bangalore, we ensure centralised quality control, treatment protocols and access to advanced technologies. This approach is a testament to our unwavering commitment to exceeding patient expectations and offering cancer treatment and care with a holistic approach. Our model has successfully enabled us to treat thousands of patients from rural and Tier 2/3 towns. It also encourages knowledge sharing across our network, aiding oncologists and doctors to consult with leading oncologists.

HCG's Day Care centres are equipped with advanced technologies to offer a wide range of services, including chemotherapy, outpatient consultations, onco-diagnostics and a well-stocked pharmacy. These centres maintain high clinical standards and ensure unmatched experience for patients, minimising travel time and reducing costs for routine and follow-up treatments.

06
Day care centers



Delivering quality cancer care

We are dedicated to a long-term vision of making high-quality cancer care affordable and accessible while establishing sustainable leadership in India's oncology sector.

We cater to the major pain points of our patients –

Availability

- Reasonable reach
- Adequate opening hours
- Minimal waiting time

Affordability

- Reasonable cost of health services
- Optimum indirect costs such as travel, time-off work, etc.

Acceptability

- Effective service delivery
- Proper treatment methodology

We deliver quality care through-

01

The National Tumor Board, who ensures high-quality treatment for all patients across the system.

02

Decentralising care through a network of spokes reduces patient travel time and costs.

03

Expertise and facilities such as teleradiology and digital pathology from CoE[1] are leveraged.

04

State-of-the-art infrastructure and a multidisciplinary team deliver tangible outcomes.

05

Remote consultation services are introduced via telemedicine.

06

Standardised protocols for quality and documentation (EMR) are implemented.

07

Monthly monitoring of 135 indicators, including bed sores, billing rates, discharge times and mortality rates is conducted.

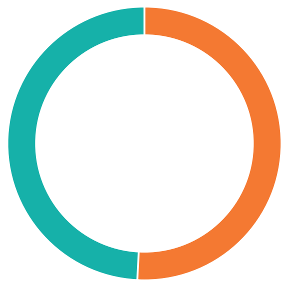
Established cancer care centres

- Ahmedabad
- Bangalore
- Baroda
- Bhavnagar
- Cuttack
- Nashik
- Gulbarga
- Hubli
- Shimoga
- Ranchi
- Vijayawada
- Ongole
- Vishakhapatanam
- Indore

Emerging cancer care centres

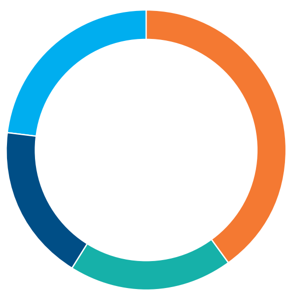
- Jaipur
- Nagpur
- Mumbai (2)
- Kolkata

City wise revenue break-up



51%	Metro
49%	Non-metro

Modalities wise revenue break-up



40%	Medical Oncology
19%	Surgical Oncology
18%	Radiation Oncology
23%	Out-patients and others

1. Centre of Excellence

HCG- Destination for Cancer Care

Diagnostics

Genomics and Molecular diagnostics
Digital PET
Preventive Oncology

Physical Examination
Laboratory Tests
Home Health Services
Digital Pathology
Digital PET
Preventive Oncology
Genomics
CTC detection

Treatment

Medical Oncology and Haemato- Oncology
Radiation Oncology
Surgical Oncology
Molecular Imaging and Theranostics

Chemotherapy
Radiation
Robotic Surgery
Actinium and Lutetium therapy
Immunotherapy
Psycho-oncology
Liver Transplant
Iodine Therapy
Targeted Drug Therapy
Bone Marrow Transplant
Pediatric oncology
Organ preservation & Reconstructive surgery
Endocrine Therapy

Post Care

Psychological support
Preventive Oncology

Patient Care
Home Health Services
Psychological Support
Preventive Oncology
Nutrition
Rehab
Genetic Counselling

Specifically available in Single Specialty. Not available/Outsourced at multi-specialty

Intellectual
CAPITAL

The healthcare industry is ever-evolving and innovation is the key to stay ahead of the curve.

With the vision to adding life to years by redefining healthcare through global innovation, our constant emphasis on research and innovation has enabled us to set new standards of excellence in cancer care. Over the years, we have leveraged the strength of our intellectual capital to challenge the status quo and unlock new frontiers of quality care. We strive to enhance patient outcomes by consistently improving our care portfolio. We have strategically integrated advanced technology and data-driven insights into our clinical procedures to fortify our foothold in the dynamic market.

Synergising innovation and care

At HCG, we have undertaken several new investigator-initiated trials that have recently been approved through our Institutional Research Committee's intramural research grant. Many of the studies encompass exploring innovative methods for cancer detection, treatment monitoring and recurrence prediction. We are particularly integrating novel approaches involving advanced technologies such as AI and ML, transforming radiodiagnosis, auto-contouring for radiotherapy, molecular pathology and spatial genomics.

30+

New clinical trials initiated in FY 2024

We are also embracing global advancements such as digital pathology, radiomics and theragnostic, furthering our commitment to innovating research in cancer care and uncovering methods to improve the health and well-being of patients.

HCG has established strategic partnerships and secured agreements to advance clinical capabilities. Our clinical trials are supported by major pharmaceutical and research organisations, including BMS, IQVIA and AstraZeneca, among others.

AI-driven technology integration

We have adopted advanced technologies such as Ethos Adaptive Radiotherapy, utilising AI and ML to enhance the precision of radiotherapy delivery. This approach significantly reduces radiation exposure to surrounding organs and tissues, leading to reduced radiation therapy-associated toxicity, less side effects and reduced need for supportive care during treatment. Additionally, this technology has enabled us to initiate trials aimed at evaluating whether radiomics can predict treatment responses and outcomes more effectively.

Via continued partnership through quality, research & academics ecosystem

QUALITY & RESEARCH INITIATIVES

- Grants by Ministry of AYUSH and DST
- Oral presentations at: Harvard University, ASTRO Meeting, ESMO Meeting, Society for Integrative Oncology

SELECT CLINICAL TRIALS

- Genomics: Mutations & treatment response and outcomes
- Radiation response & Radio sensitivity using Radiomics and radiogenomics
- Whole exome sequencing to identify novel Targets in head and neck cancers
- Immunotherapy PDL 1 inhibitors, T cell activation, Dendritic cell therapy

HCG ACADEMICS

ONCOLOGY
- DNB (Medical residency)
- Fellowships
- Certificate programs

ALLIED HEALTH SERVICES
- B. SC.
- Bachelor: Hospital Administration Certificate Programs

NURSING
- Diploma
- Certificate Programs

109
Publications Published

26
Fellowship Programs

283
Students Registeredfor Various Courses

44
Courses Offered

Innovation @HCG

Life of a Laryngectomy person is marked by many problems including no voice box, breathing through a Trachea - stoma, absence of nasal breathing unable to smell and altered taste & swallow. In order to aid their problems, we at HCG, supporting our In-house Doctor/inventor introduced Aum - Voice Box. It is an Innovative device made of Silicone, helping people to regain their voice at a fractional Cost.

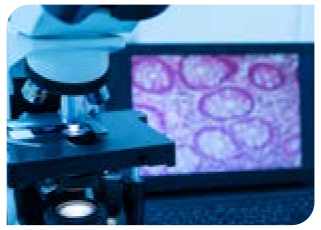
Intellectual Capital

State-of-the-art equipment in each modality

Diagnostics

16
Total PET CTs


Digital PET CT


Digital Pathology


Digital Tomosynthesis (3D Mammography)


Skyra Tesla 3T for MRI


Molecular/Genomics Laboratory

Radiotherapy

36
Total LINACs


Cyber Knife


Ethos (Adoptive RT)


TrueBeam


Versa HD


Radixact


Tomotherapy

Medical/Surgical Oncology

7
Total Robots


DaVinci Robots


Versius Robot


HoloLens


Bone Marrow Transplant Units

HCG Care App

We have launched the HCG Care app, offering continuous, personalised cancer care. This app connects patients with our team of experts—doctors, counsellors, nutritionists and more—despite their location. The HCG Care app ensures consistent, compassionate support throughout the treatment journey of our patients, upholding our commitment to delivering quality patient care.

Our App represents our dedication to healthcare excellence and innovation in line with global cancer care standards.

Impressions/engagement

	FY23	FY24
Facebook	2.0 Mn (20%)	7.6 Mn (46%)
Instagram	0.4 Mn (30%)	24.6 Mn (82%)

Public relations

TOI, India Today, Financial Express, Healthcare Radius, Healthworld.com, BW Healthcare World

Marketing initiatives

Throughout the year, we have concentrated on targeted marketing channels to boost our brand visibility, showcase our clinical excellence, and highlight our infrastructure. Our ongoing digital transformation efforts are dedicated to enhancing engagement with patients and partners.

Branding and campaigns

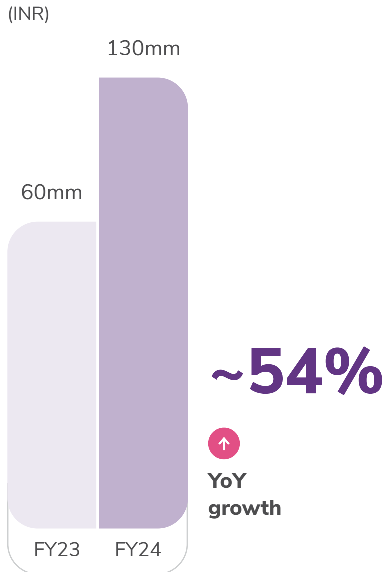
Click though rate

~8% (FY23) → ~9% (FY24)

Conversion rate

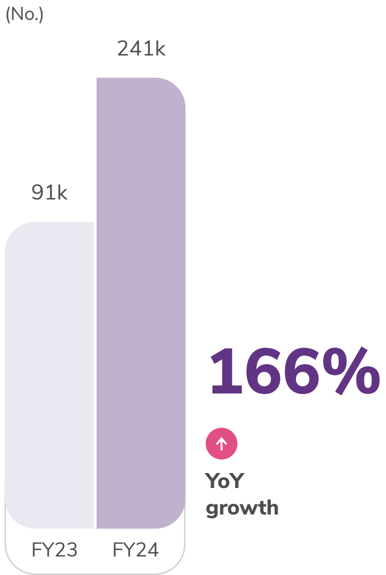
~4% (FY23) → 8-9% (FY24)

PR value



Digital and social media

Web traffic



Human
CAPITAL

Our success as a patient-centric organisation rests on the expertise and dedication of our skilled medical professionals. It is their relentless efforts that lend us a competitive edge and help set new standards of clinical excellence. By offering ample opportunities for professional growth, we aspire to build motivated and engaged teams.

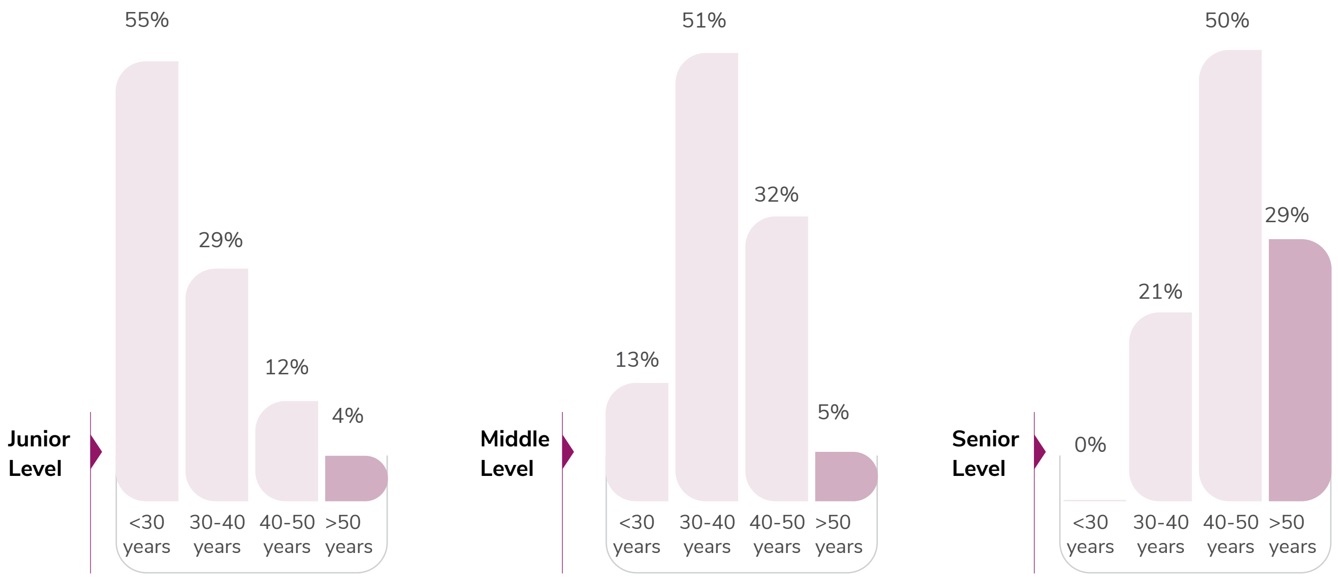
Focus areas

- 01 Conducive work environment
- 02 Career growth opportunities
- 03 Work life balance

Highlights of diversity mix

133	2119	2692
Resident doctors	Nurses	Support staffs

Age and level wise breakup



Talent management

Our talent management strategy is multifaceted, focusing on recruitment and retention of top talent. We onboard specialised teams to our hospitals to ensure delivery of innovative and advanced clinical procedures. These experts facilitate rapid adoption of advanced procedures and ensure excellence.

To minimise attrition rates, we implement comprehensive employee wellness programmes that help to nurture a positive work environment. We also prioritise a work culture that lays emphasis on collaboration, teamwork and employee recognition. Additionally, our mentorship and support programmes offer professional guidance to provide new members the ability to adapt, thrive and grow within the organisation.

33 Years
Average age of our employees

32%
Retention Rate

Human Capital

Engagement model

Our unique oncologist engagement model has been instrumental in developing and retaining expert clinicians within our ecosystem. We encourage our clinicians to pursue academic interests and provide ample opportunities for them to participate in sponsored and academic clinical trials. Additionally, those working on unique projects with potential for developing intellectual property rights are given the opportunity to seek legal expertise and ensure adherence to regulatory guidelines.

Our comprehensive doctor engagement model

- Attract
- Engage
- Develop
- Grow
- Empower

Doctor's engagement initiatives

01

Expert clinicians at **HCG's CCC ecosystem** gain access to **best practices, leading technologies**, state-of-the-art OT, complex cases and large patient volume.

02

Active participation in **national tumor boards** and advanced clinical programs. Ability to provide **affordable and accessible treatment** to cancer patients

03

Build expertise in desired domain/organ **sub-specializations. Flexibility** to develop and implement **advanced treatment techniques**.

04

Participation in **Academics, Clinical Trials, R&D**; developing 2nd line of clinical talent. **Research grant and mentorship** via India's largest community of oncologists.

05

Combined strength of HCG and doctors drives higher patient volume leading to **superior pay-outs**.

Employee engagement

In 2024, we have implemented various measures to promote employee engagement and ensure holistic well-being of our people. We organise monthly engagement activities and celebrate Doctor's Day, Nurses Day, Women's Day as well as local and national festivals.

We conduct regular town hall meetings at the corporate, regional and unit levels to discuss issues and handle skip-level meetings to address concerns and gather feedback. We also offer opportunities for direct interaction with leadership through initiatives like CEO Connect, Coffee with the CHRO, and meetings with Regional HR and Unit COOs. We also conduct employee satisfaction surveys to address employee concerns and fulfil organisational goals.

92.09%

Employee engagement score

Training and development

We have introduced new training programmes designed to significantly enhance the skills and knowledge of medical professionals, nurses and support staff. One of our key initiatives, Parivartan, is a comprehensive programme that focuses on self-grooming and patient care. It equips participants with advanced skills to interact with patients amicably and improves their ability to deliver patient care.

We also emphasise the importance of empathetic care and provide our nurses specialised training to provide compassionate care. Virtual as well as physical training sessions are organised to ensure easy access to training for each member of the team.

9,712

Total number of training and awareness programmes held

Employee wellbeing

To ensure work-life balance and to develop the mental strength required to meet the rigours of a demanding healthcare sector, we have introduced an Employee Assistance Programme. We encourage our people to use up to 50% of their accrued leave annually to maintain a healthy work-life balance. We also maintain an appropriate nurse-to-patient ratio and have implemented new leave policies, including 7 days of paternity leave and 3 days of bereavement leave. Our wellness initiatives include yoga classes, annual health check-ups, vaccinations and seminars on health-related topics.

6

Well-being sessions conducted

Diversity and inclusion

At HCG, we are dedicated to cultivating a culture of diversity and inclusion by providing equal opportunities for all, irrespective of caste, creed, nationality, race, gender or physical disability. We seek to enrich our workforce with individuals from diverse backgrounds, recognising the valuable perspectives they contribute to our pursuit of clinical excellence. We are committed to maintaining a balanced representation of men and women in our workforce. Our efforts also focus on addressing unconscious bias and employing specially-abled individuals to foster a culture of diversity and inclusivity.

50.7 : 49.3

Male: Female Ratio

Social and Relationship

CAPITAL

In the pursuit of a healthier tomorrow, it is essential to achieve inclusive growth. At HCG, our value-based healthcare focus enables us to build strong bonds with individuals and communities, fostering mutual upliftment. This approach empowers us to provide patient-centric solutions, delivering clinical excellence to the underserved regions of the country. Through mutually beneficial relationships, we create shared value for various stakeholders, furthering our commitment to making to make a positive difference in the society.

Empowering our patients

At HCG, we understand the significant impact that cancer has on patients and their families. We, thereby, ensure to provide compassionate assistance at each step of the journey. Our expert team is dedicated to advancing molecular testing, immunotherapy and targeted therapies to address the specific needs of each patient. We continue to invest in precision medicine and embrace advanced technology to enhance transparency and improve the overall patient experience.

While comprehensive cancer care centres are scarce, HCG has been relentless in its pursuit to make quality oncology care accessible. We have been at the forefront of enhancing the care continuum and delivering cutting-edge treatments in the underserved regions.

Awareness campaigns

It has often been observed that fear of discrimination often keep people, who identify themselves as from the LGBTQ community, from getting the potential lifesaving cancer screenings. During FY 2024, we launched a comprehensive Pride campaign across the eastern region, aimed at raising awareness and highlighting the critical importance of proper treatment for the LGBTQ community. Additionally, we executed strategic awareness initiatives surrounding the Elekta product launches in Ranchi and Jaipur as well as conducted a noteworthy takeover event in Indore.

In terms of new marketing and brand-building activities, we introduced the 'HCG is There for You' campaign. This campaign was designed to emphasise the extensive care and support provided by our multispecialty hospitals. HCG has always believed in undertaking campaigns that resonate with the masses and further our commitment to delivering exceptional patient care; we aspire that these campaigns will prove to be beneficial in our pursuit of building a better tomorrow.

Testimonials

Social and Relationship Capital

Transforming patient's journey

Business Intelligence

Centralised data repository for unified information.

Analytical models for data-driven insights.

Real-time insights into business operations and performance.

Patient Application

Self-service tool for managing appointments, consultations, medications, and patient engagement.

E-Prescription

Doctor platform with access to patient medical history.

Captures chief complaints, diagnoses, and other relevant information.

Patient Contact Centre

Efficient tracking of offline queries.

Auto-dialer feature to reduce turnaround time (TAT).

Controls for managing missed calls effectively.

CRM

Comprehensive 360° view of patient information.

Omni-channel interface for integrated communication.

Real-time visibility into leads and improved lead management.

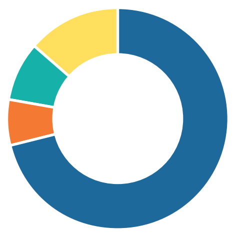
Enhancing shareholder value

At HCG, the zeal to relentlessly deliver clinical excellences has helped us to uphold investor and shareholder trust. We take pride in delivering consistent results, while focusing on cost management, efficient fund use and maximising returns without compromising on the quality of healthcare provided.

We keep the best interests our stakeholders at the core of our operations, holding quarterly calls, presentations and an annual general meeting, to ensure we are on the right track. Our Investor Relations team communicates with the shareholders and relays their feedback to the Board. In addition to this, the top management and Investor Relations team provide regular and transparent updates on our performance, governance and strategy to our shareholders.

27,195
Investors and shareholders

Shareholder mix



Promoter and promoter group	71.28%
Foreign portfolio investors	6.74%
Mutual funds	8.52%
Others	13.46%

Forging strong connections

We believe that to sustain our position in the industry, it is essential to build strong relationships with our suppliers and business partners, while upholding responsibility and integrity. Our long-term collaborations with technology vendors, suppliers, TPAs, insurance companies, pharmaceutical firms, hospital infrastructure providers and specialised doctors enable uninterrupted operation of our value chain and empower us deliver top-quality care to our patients. As we build an expansive network, it helps us to stay informed about market changes and prepares us to adapt and remain responsive to the evolving medical landscape.

SIEMENS
PHILIPS
varian
ACCURAY
Elekta

Community engagement

We value building lasting relationships within the communities we serve. A key example of this is our partnership with The Times of India on their 'Happy Street' project, which encourages sustainable transport and encourages social interaction through activities like jogging and walking. As part of our Corporate Social Responsibility (CSR) efforts, HCG has also worked with IHDUA, a non-profit established in Mysuru in 1991, to support community-driven development initiatives.

3,500+
People benefited

Community development

In collaboration with IHDUA, we are developing a prototype village in the Gundlupet area. Led by women, this initiative seeks to provide modern education, universal healthcare and enhanced infrastructure, including roads and renewable energy solutions.

Education

HCG supports educational institutions such as Vinayaka Gnana Vidya Shale Mullur and Adarsha Academy near KRS Dam in Mysuru. Together, these schools provide quality education to over 300+ students each year, enhancing their learning experience with a variety of interactive physical and cognitive activities.

Women empowerment

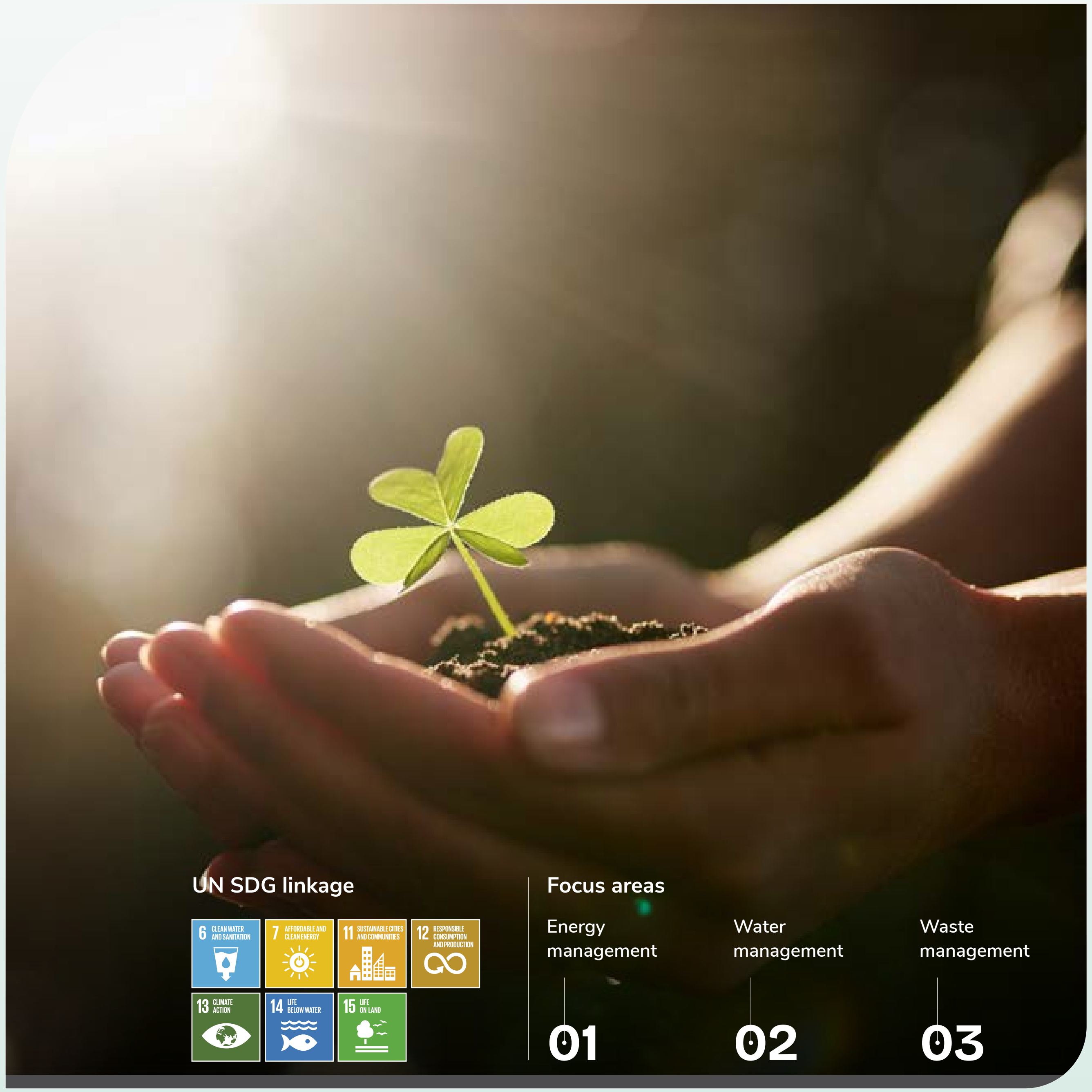
A key goal of our CSR efforts is the empowerment of women. We have established a leadership academy designed to train women from self-help groups in technology-based skills. This initiative aims to prepare them for leadership roles in their homes and communities.

Environmental stewardship

Aware of our environmental impact, we have invested in tree planting initiatives to increase oxygen levels and raise community awareness about climate change.

Natural
CAPITAL

We prioritise energy efficiency, waste management, and water conservation to fulfil our commitment towards a sustainable future. As a responsible corporate, we are committed to minimising our impact on the environment and building a healthier future for generations to come, thereby creating a positive impact on people as well as the planet.



Steps undertaken to ensure environmental sustainability

- Implementation of ESG policy
- Assessing the impact of operations on the environment
- Raising awareness and initiating behavioural changes
- Audit of community contribution to ensure sustainability
- Reviewing progress and evaluating the environmental management system

Energy management

Through energy and emission management, we have aligned our strategies with the broader goal of addressing climate change. Our plans and policies are designed to adhere to best practices in energy consumption, aiming to reduce the harmful effects of emissions.

1,61,868.38 kwh

Electricity consumption (includes renewable and nonrenewable)

We have started to install solar panels across HCG units to significantly reduce our reliance on non-renewable energy sources. Currently, the HCG KR unit operates at 95% renewable energy, with excess solar energy being contributed to the local power grid, earning us rebates on electricity usage.

2.25 MW

Capacity of renewable energy

~12%

Share of renewable energy

Energy efficiency

We are transitioning from CFL and mercury lights to LED lighting in our existing facilities and new projects. This shift is expected to lower energy consumption and enhance energy efficiency. We are also replacing existing air conditioning systems with units that use environment-friendly refrigerants. This change is aimed at reducing our environmental impact, lowering operational costs and improving energy efficiency.

1,43,083.39 GJ

Reduction in non-renewable energy consumption

Natural Capital

Water management

We are enhancing water conservation efforts by installing water meters to monitor usage and developing recycling facilities to ensure efficient water use. We are retrofitting commodes with water-saving float and dispense devices and replacing older models to reduce water consumption. Additionally, the Shimoga unit has started to use recycled water for various purposes.

3,91,857.32 KL
Water consumption

27,480.90 KL
Reduction in water discharged

Sustainability and fostering a positive impact for all stakeholders is a central focus area at HCG. Our operational and strategic approach promotes both business growth and long-term value creation. A cornerstone of our business model is ethical business practices and providing transparent and accountable communication. This report provides critical details on our efforts to foster sustainability and positive impacts within our everyday operations while providing a holistic view of our social, environmental, and economic performance. Driven by a robust corporate governance structure, we are able to consistently deliver on our commitment to positive outcomes for all stakeholders. This is further supported by our culture and commitment to providing accessible, affordable and high-quality healthcare to positively improve the lives of all our patients.

Our people form the cornerstone of our success. We strongly recognize our responsibility to provide them with a working environment that champions their potential and empowerment. Focused efforts are implemented to provide adequate opportunities of professional growth and advancement for all employees, while also prioritizing their personal wellbeing. Centered in our culture of care, we also undertaken targeted CSR activities to engage with and support our local communities.

We are also cognizant of our duty to minimize all adverse environmental impacts from our operations. Regular and significant investments have been made to implement initiatives focused on energy conservation, water saving and safe waste management. This includes increased usage of renewable energy through solar plants, rainwater harvesting, usage of biodegradable bags to reduce usage of plastic, e-billing to prevent waste of paper, among others.

The success of our Sustainability Strategy relies on our commitment to continuous improvement. Our future will demand increased focus towards climate resilience and responsible business operations. We will continue to remain focused on integrating our sustainability priorities into our long-term business strategy. We will also proactively engage with our stakeholders, seek their feedback, and collaborate with industry peers and other experts to identify opportunities to drive positive change.

Waste management

Effective waste management is central to our sustainability efforts. We ensure proper disposal of biomedical and electronic waste through authorised vendors, to abide by strict regulatory guidelines. A notable 74% reduction in paper usage has been achieved within the organisation, driven by our efforts to adopt digitalisation and minimise waste generation.

67,03,000 kg
Waste generated (All inclusive – BMW, plastic, paper, E-waste, Hazardous, metal, etc,)

Type of waste	Waste generated	% of total waste
General waste generated	57,25,710 kg	85.42%
Disposal of BMW	3,80,730 kg	5.68%
E-waste generated	590 kg	0.0088%

HCG becomes mercury-free cancer care chain of hospitals

We have become a mercury-free hospital by eliminating mercurybased medical measuring devices to promote more stringent medical hygiene and ecofriendly practices. We phased out mercury-based instruments such as thermometers, sphygmomanometers, blood pressure monitoring devices, gastrointestinal devices, and calibrators, containing mercury across all 24 centres in India. These equipment are replaced with aneroid or digital machines thus making hospitals a safe working space with mercuryfree zone.

We see our endeavour as an opportunity to protect the residents from mercury risks and improve their quality of life. By switching to digital technology, the hospital generates no mercury-based toxic waste. It is a positive move in the direction of a better environment.

Protecting biodiversity

During FY 2024, we conducted a tree plantation drive and planted different species of trees including Silver Oak, Hone, Beete, Arali, Mahogany, Jamun, Mango, Tamarind and Nellikai to increase the green cover in and around our operating area. With dedicated efforts to preserve biodiversity, we strive to maintain ecological balance and promote environmental sustainability.

400
Trees planted

Board's Report

Dear Members,

Your Directors are pleased to present the Twenty Sixth Annual Report of your Company "HealthCare Global Enterprises Limited" together with the audited standalone and consolidated financial statements and the auditors' report thereon for the financial year ended March 31, 2024.

1. Financial Highlights:

The highlights of standalone and consolidated financial results of your Company and its subsidiaries are as follows:

(INR in million)

Consolidated	2023-24	2022-23
Income from operations including income from Govt. Grants	19,121.19	16,944.47
Total Expenditure excluding Depreciation, Interest cost, Tax and Exceptional items	15,825.33	13,957.58
Profit including income from Govt. Grant and before Other income, Depreciation, Interest cost, Tax and Exceptional items	3,295.86	2,986.89
Other income	169.42	131.84
Depreciation, Finance Charges and Exceptional items	2,869.97	2,669.75
Share of (loss) of equity accounted investees	3.88	-0.18
Profit before tax	677.29	448.80
Profit after tax attributable to the owners of the Company	481.55	293.49
Standalone		
Income from operations including income from Govt. Grants	11,025.74	10,075.94
Total Expenditure excluding Depreciation, Interest Cost, Tax and Exceptional items	9,030.39	8,253.11
Profit including income from Govt. Grant and before Other income, Depreciation, Interest cost, Tax and Exceptional items	1,995.35	1,822.83
Other income	135.95	87.98
Depreciation, Finance Charges and Exceptional items	1,582.65	1,334.60
Profit/(Loss) before tax	548.65	576.21
Profit/Loss after tax	339.59	401.91

2. Performance Overview:

The standalone and consolidated financial statements for the financial year ended March 31, 2024, forming part of this Annual Report, have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act"), Indian Accounting Standards ("Ind-AS") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Consolidated Operations:

The consolidated income from operations including income from government grant for FY 2023- 24 was INR 19,121.19 million as compared to INR 16,944.47 million in the previous fiscal year, reflecting an increase of INR 2,176.72 million with year-on-year increase of 12.85%. EBITDA in FY 2023-24 was INR 3,295.86 million as compared to INR 2,986.89 million in FY 2022-23, reflecting year-on-year increase of INR 308.97 million. EBITDA margin for the year was 17.24% as compared to 17.63% in FY 2022-23, reflecting almost a sustained margin. Profit after tax in the current fiscal year was INR 481.55 million as compared to INR 293.49 million in FY 2022-23.

Standalone Operations:

The standalone income from operations including government grants for FY 2023-24 was INR 11,025.74 million as compared to INR 10,075.94 million for the previous financial year, reflecting an increase of 9.43%. Our EBITDA before exceptional items for FY 2023-24 was INR 1,995.35 million with EBITDA margin of 18.10% as against INR 1,822.83 million for FY 2022-23 with EBITDA margin of 18.09%.

For more information, please refer to the Financial and Operating Highlights in the Management Discussion and Analysis Report.

3. Business and Strategy:

3.1 Business:

The Company is a provider of speciality healthcare focused on cancer and fertility. Under the "HCG" brand, we operate the largest cancer care network in India in terms of the total number of private cancer treatment centres..

In our HCG network, our specialist physicians adopt a technology-focused approach to diagnosis and treatment.

For instance, we use advanced technologies, including molecular pathology and molecular imaging for accurate diagnosis and staging of cancer, which enable us to decide upon the appropriate course of treatment for each patient. We also utilise targeted nuclear medicine therapies as well as advanced radiation treatments to minimise side effects and improve the outcome of treatments. By ensuring that we adopt these diagnostic and treatment technologies throughout our HCG network, we are able to provide consistent quality of care to all patients.

Given the large number of patient cases treated across our HCG network, we believe that we are able to efficiently utilise our equipment, technologies and human resources, thereby deriving economies of scale. We believe that our business model is scalable and when combined with efficient utilisation of resources, it enables us to operate within a competitive cost structure.

As a group, we continue to deliver the highest standards of clinical outcomes across all our centres. Our standardised clinical protocols for diagnosis and treatment of cancer patients have allowed us to manage the large volume of patient cases across our HCG network with successful clinical outcomes. Mapping our own clinical outcomes and constantly evolving HCG treatment guidelines has paved way for standardization of clinical pathways and improvement in the functioning of the clinical departments. We believe that we are able to attract and retain highly skilled specialist physicians due to our reputation for clinical excellence, our technology-focused approach, the exposure and experience we provide in relation to clinical best practices and the training programmes we offer for their ongoing development. We believe that the abilities and expertise of our team of specialist physicians differentiate us relative to our competitors.

We also provide fertility treatment under our "Milann" brand. Our Milann fertility centres provide comprehensive reproductive medicine services, including assisted reproduction, gynaecological endoscopy and fertility preservation; and follow a multidisciplinary and technology-focused approach to diagnosis and treatment. Our Milann network also operates on a model similar to our HCG network, wherein the various Milann fertility centres aim to provide medical services following established protocols with a focus on quality medical care across diagnosis and treatment.

As of March 31, 2024, our HCG network consisted of 23 comprehensive cancer centres (including Kenya), and 4 multispecialty hospitals across India. HCG's comprehensive cancer centres provide expertise and advanced technologies for the effective diagnosis and treatment of cancer under one roof. Under the "Milann" brand, HCG operates 7 fertility centres. The details of our existing comprehensive cancer centres as on the date of this report and their facilities and service offerings, including those under development forms part of the Management Discussion and Analysis Report.

3.2 Strategy: Our strategy, includes, inter alia:

a) Expand the reach of our cancer care network in India:

We plan to expand our network in India by establishing cancer centres across India and by expanding the capacity and service offering of the existing HCG cancer centres. We carry out a competitive assessment of the markets in which HCG plans to expand the network, based on a number of factors, including the estimated incidence of cancer in the primary and secondary catchment population, the number of comprehensive cancer centres, if any, in the catchment; the average distance patients have to travel to avail of such comprehensive cancer care; affordability of healthcare generally and cancer care in particular; and the available third party payer options, whether corporate, government or private insurance. HCG will continue to expand its network through partnership arrangements and acquisitions; and that the past experiences will aid the management in identifying potential opportunities in the future and assist HCG in integrating new cancer centres into the existing HCG network. We believe that our planned network will cater to the increasing unmet demand for cancer care in India.

b) Strengthen our HCG brand to reach more cancer patients:

We believe that our HCG brand distinguishes us from our competitors; and one of the areas of focus is building our brand, enhancing our market presence, brand image and visibility. We intend to strengthen our patient support groups comprising cancer survivors to further spread awareness of cancer screening and to educate patients regarding cancer treatment options and their relative outcomes and benefits. Through these initiatives, we seek to further strengthen our brand and our commitment to the community, cancer patients and their families.

c) Technology adoption and strengthening our information technology infrastructure:

HCG has been at the forefront of the fight against cancer. An area of such intensity requires innovative treatments and methods, and the introduction of industry-changing technologies, for the overall benefit of both the medical expert and the patient. Cancer research is an area that requires more serious work and HCG aims to rise up to that challenge. In all its years of working in this field, HCG has led the march against cancer and set benchmarks in the industry, by introducing many new technologies, highly useful in increasing accuracy and saving time. Cancer care is an important area in health care, and we aim to lead with our strong framework and technology infrastructure.

With regard to our information technology infrastructure, in order to enhance the quality of care delivered to patients and to further enhance our clinical best practices and research capabilities, we continuously focus on upgrading and strengthening the information technology infrastructure. Our information technology infrastructure is based on a private cloud-computing system and encompasses a centralised EMR system seamlessly integrated with various other centralised systems including HIS and ERP system. We believe that this would maximise efficiencies through the greater integration of our network, help us fine tune protocols through knowledge sharing and collaboration, enhance our ability to conduct longitudinal research studies (which are long-term observational research studies), associate clinical outcomes with mutation and other genomic findings in cancer patient tissues maintained at our biorepository. We further believe that this will position us as a partner of choice for cancer researchers and academia.

4. Management Discussion and Analysis Report:

In terms of Regulation 34 of Listing Regulations, the Management Discussion and Analysis Report (MD&A) on the Company's financial and operational performance, industry trends, business outlook and initiatives and other material changes with respect to the Company and its subsidiaries, wherever applicable, are presented in separate section which forms part of the Annual Report. The MD&A Report provides a consolidated perspective of economic, social and environmental aspects material to its strategy and its ability to create and sustain value to your Company's key stakeholders.

5. Transfer to Reserves and Surplus/Retained Earnings:

The movements in reserves and surplus/retained earnings are available in the Statement of Changes in Equity, which forms part of the financial statements.

6. Dividend:

The Company continues to look at growth prospects through new investment opportunities. Considering that consolidation is taking place in the healthcare industry in India, it presents us with more challenges in terms of growth and it is imperative that the Company looks at available options for organic as well as in-organic growth. Achieving a consistent sustainable growth over the next few years and consolidating Company's position competitively would be a key objective.

Keeping in view the growth strategy of the Company, the Board of Directors of your Company ("Board") have decided to plough back the profits and thus do not recommend any dividend for the financial year under review.

In terms of Regulation 43A of the Listing Regulations, the Company has adopted Dividend Distribution Policy setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of Dividend to the Shareholders and/or retaining profits earned by the Company. The said policy is hosted on the website of the Company at https://www.hcgoncology.com/corporate-governance under the tab policies and guidelines.

7. Transfer of unpaid and unclaimed amount to IEPF:

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend and refund of share application money due for refund which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend/ unclaimed account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. During the year, no amount was due for transfer to IEPF.

8. Consolidated financial statements:

In accordance with the Companies Act, 2013 and the Companies (Indian Accounting Standards), Rules, 2015, the Company has been following the Indian Accounting Standards (Ind AS) for preparation of its financial statements from April 1, 2016.

9. Subsidiaries and Associates:

As on March 31, 2024, the Subsidiaries, Associates and Joint Venture Companies of the Company are as under:

Sr. No.	Name of the entity	Country of Incorporation	Primary business activity for which it was formed	% of ownership held by the Company as at March 31, 2024
1	HCG Medi-Surge Hospitals Private Limited	India	Cancer Care	74.00%
2	Malnad Hospital & Institute of Oncology Private Limited	India	Cancer Care	70.25%
3	HealthCare Global Senthil Multi Specialty Hospitals Private Limited	India	Cancer Care	100.00%
4	Niruja Product Development and Healthcare Research Private Limited	India	Research and Development	100.00%
5	BACC Health Care Private Limited	India	Fertility	100.00%
6	Suchirayu Health Care Solutions Limited	India	Multi-Speciality	78.60%

Sr. No.	Name of the entity	Country of Incorporation	Primary business activity for which it was formed	% of ownership held by the Company as at March 31, 2024
7	Nagpur Cancer Hospital & Research Institute Private Limited	India	Cancer Care	100.00%
8	HealthCare Diwan Chand Imaging LLP	India	Radiology/ Imaging	75.00%
9	HCG Oncology Hospitals LLP (formerly known as APEX HCG Oncology Hospitals LLP)	India	Cancer Care	100.00 %
10	HCG NCHRI Oncology LLP (along with the shareholding of Nagpur Cancer Hospital & Research Institute Private Limited)	India	Cancer Care	100.00%
11	HCG Oncology LLP	India	Cancer Care	74.00%
12	HCG EKO Oncology LLP	India	Cancer Care	100.00%
13	HCG Manavata Oncology LLP	India	Cancer Care	51.00%
14	HCG SUN Hospitals LLP	India	Health Care	100.00%
15	HCG (Mauritius) Pvt. Ltd. (along with the shareholding of Niruja Product Development and Healthcare Research Private Limited)	Mauritius	Health Care	100.00%
16	Healthcare Global (Africa) Pvt. Ltd. (step-down subsidiary)	Mauritius	Health Care Services	100.00%
17	HealthCare Global (Uganda) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd) (step-down subsidiary)	Uganda	Cancer care	100.00%
18	HealthCare Global (Kenya) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd) (step-down subsidiary)	Kenya	Cancer care	100.00%
19	HealthCare Global (Tanzania) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd) (step-down subsidiary)	Tanzania	Cancer care	100.00%
20	Cancer Care Kenya Limited (Subsidiary of HealthCare Global (Kenya) Private Limited) (step-down subsidiary)	Kenya	Cancer care	81.63%
21	Advanced Molecular Imaging Limited (HealthCare Global (Kenya) Private Limited holds 50% of the share capital)	Kenya	Production of Fluro Deoxi Glucose (FDG)	50.00%

As on March 31, 2024, none of the companies other than HCG Medi-Surge Hospitals Private Limited is a Material Subsidiary, within the meaning of Material Subsidiary as defined under the Listing Regulations, as amended from time to time. The Company has also formulated a policy for determining material subsidiaries. The said policy is also available on the website of the Company at https://www.hcgoncology.com/corporate-governance under the tab policies and guidelines.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of the Company's subsidiaries and associates in Form AOC-1, forms part of this Report and is attached as **Annexure 4.** Pursuant to Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company, prepared in accordance with the relevant accounting standards specified under Section 133 of the Companies Act, 2013 read with the Rules made thereunder, forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 (1) of the Companies Act, 2013:

a) The Annual Report of the Company, containing therein its standalone and consolidated financial statements, is placed on the website of the Company, i.e., https://hcgoncology.com/annual-reports/.

b) The audited financial statements of subsidiary companies /LLPs together with related information and other reports of each of the subsidiary companies /LLPs would be placed on the website of the Company https://hcgoncology.com/annual-reports/.

10. Acquisitions, Divestments, Investments

10.1 Acquisition of entire shareholding of Nagpur Cancer Hospital & Research Institute Private Limited ("NCHRI") and HCG NCHRI Oncology LLP ("HCG NCHRI LLP"):

The Company, on July 06, 2023, has entered into a Share Purchase Agreement, with Dr Ajay Mehta, Dr Suchitra Mehta, shareholders of NCHRI and NCHRI, for the acquisition of entire equity share capital in NCHRI.

On July 18, 2023, the Company has entered into a Partnership Transfer Agreement ("PTA") with NCHRI, HCG NCHRI LLP, and Dr. Ajay Mehta, partner of HCG NCHRI LLP, for the acquisition of entire partnership interest of

Dr. Ajay Mehta in HCG NCHRI LLP by the Company. The Company has completed the both the above acquisitions on August 22, 2023.

With the acquisition of all the shares of NCHRI and the partnership interest of Dr. Ajay Mehta in HCG NCHRI LLP, both NCHRI and HCG NCHRI LLP have become wholly owned by the Company, and the Company can entirely consolidate the business operations in Nagpur, which would result in a better financial and operating structure.

10.2 **Acquisition of Oncology business in Indore:** On August 10, 2023, the Company executed Business Transfer Agreements ("BTA") with SRJ Health Care Private Limited ("SRJ") and Amrish Oncology Services Private Limited ("AOSPL"), including their promoters, for the acquisition of their Oncology business and Radiation business, respectively, on a slump sale basis, in Indore, Madhya Pradesh (collectively known as "Business Undertaking"). The Company has only acquired the Business Undertaking of SRJ and AOSPL as per the BTA and no acquisition of shareholding/control was acquired through this arrangement. The acquisition was completed on October 03, 2023.

10.3 **Acquisition of the entire minority stake in HCG EKO Oncology LLP:** The Company, on March 08, 2024, has acquired the entire partnership interest aggregating to 49.5% of HCG EKO Oncology LLP ("HCG EKO LLP"), subsidiary of the Company, from EKO Diagnostic Private Limited ("EKO") as a result of which HCG EKO LLP has become wholly owned subsidiary of the Company. In this regard, EKO and HCG EKO LLP have entered into a Transfer of Partnership Interest Agreement on March 08, 2024 ("TPIA"), for the acquisition of entire partnership interest. With this acquisition, the Company owns the entire economic interest of the business operations in Kolkata, resulting in a better financial and operating structure.

10.4 **Signing of SPA and SHA with respect to Vizag Hospital:** The Company, on June 28, 2024, has signed Share Purchase Agreement ("SPA") with Vizag Hospital and Cancer Research Centre Private Limited ("Vizag Hospital") and its selling shareholders ("Selling Shareholders"), and (ii) Shareholders' Agreement ("SHA") with Vizag Hospital and its continuing shareholders ("Continuing Shareholders") with respect to (i) upfront acquisition of 51% equity share capital of Vizag Hospital by the Company, from the Selling Shareholders, subject to fulfilment of the terms and conditions of the SPA and (ii) balance acquisition of up to 49% of equity share capital in Vizag Hospital in tranches, in accordance with and subject to the terms of the SPA and the SHA. The Board of Directors of the Company, at their meeting held on July 02, 2024, has approved the acquisition, subject to fulfilment of the terms and conditions of the SPA.

The acquisition of 51% (fifty-one percent) of equity share capital of Vizag Hospital is expected to be completed in Q2 FY 2025 ("First Closing Date") and within 18 (eighteen) months of the First Closing Date ("Second Closing Date"), the Company shall acquire a further 34% (thirty-four percent) of the equity share capital of Vizag Hospital. Balance 15% (fifteen) of the equity share capital in Vizag Hospital to be acquired in accordance with the provisions of the SHA.

The cost of acquisition of 51% (fifty-one percent) of the equity share capital of Vizag Hospital shall be INR 2,076 Million (approx.) payable to the Selling Shareholders, in accordance with and subject to the terms of the SPA. The cost of acquisition of an additional 34% (thirty-four percent) of the equity share capital of Vizag Hospital shall be INR 1,550 Million (approx.) payable to the Selling Shareholders, in accordance with and subject to the terms of the SPA. Further, the cost of acquisition of additional 15% (fifteen percent) of the equity share capital of Vizag Hospital will be based on the valuation principles in accordance with and subject to the terms of the SHA.

Vizag Hospital owns and operates a comprehensive cancer care hospital in the city of Vishakhapatnam, Andhra Pradesh, with a well-built hospital infrastructure, having 196 operational beds facility, led by Dr. Murali Krishna Voonna, a renowned onco-surgeon. This acquisition would help the Company to secure leadership in a highly attractive micro-market, enhance operational and clinical synergies, unlock capacities, and strengthen the Company's market positioning.

There were no other entities that became subsidiaries, associates during the Financial Year.

11. Public deposits:

Your Company has not accepted any deposits from public in terms of Section 73 and 74 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014; and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

12. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013:

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of Listing Regulations, disclosure on particulars relating to loans/advances given, guarantees provided and investments made are provided as part of standalone financial statements of the Company.

13. Related party transactions:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a policy on related party transactions. This policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions on yearly basis for transactions which are of repetitive nature and entered in the ordinary course of business. All related party transactions entered during the year were in the ordinary course of business and at arm's length basis. No material related party transactions were entered into by your Company during the year.

A statement giving details of all related party transactions, entered pursuant to the omnibus approval so granted, is placed before the Audit Committee for their review, on a quarterly basis. The policy on related party transactions has been hosted on the Company's website https://www.hcgoncology.com/policiesandguidelines/ in terms of the Listing Regulations relating to Corporate Governance.

Disclosures as required under Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are given in Form AOC 2 which is annexed herewith as **Annexure 5** and forms part of the report.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

14. Disclosure under Foreign Exchange Management (Non- Debt Instrument) Rules, 2019 ("NDI Rules"):

The Company, pursuant to the preferential allotment of shares to Aceso Company Pte. Ltd., Singapore ("Aceso"), and further acquisition of shares of the Company by Aceso through open offer, has become a foreign owned and controlled company under Foreign Exchange Management (Non- Debt Instrument) Rules, 2019 ("NDI Rules") and other applicable laws, on September 08, 2020. The Company has complied with the provisions relating to the same during the financial year, except to the extent detailed hereunder, and as provided under Sr. No. 37 (observations made by the Secretarial Auditor) of the Report,

The Company has acquired 49.5% of the partnership interest in HCG EKO Oncology LLP ("LLP") from the EKO Diagnostics Private Limited, the exiting partner of the LLP, for a consideration of INR 20 Crores, on March 08, 2024. Though the Company, through the LLP has filed Form DI under the NDI Rules for the said acquisition, before the due date, the same was not approved by the Authorized Dealer Bank before the due date, as they sought additional information and documents in support of the same. Subsequently, the Company filed Form DI on June 17, 2024, and the same was approved on June 20, 2024; and in this regard, the Company has paid INR 20,000 as LSF.

The Company has also obtained the Statutory Auditor's certificate as required under NDI Rules.

15. Share Capital as on March 31, 2024:

15.1 Authorized Share Capital: As on March 31, 2024, the authorized share capital of the Company is INR 200,00,00,000 consisting of 20,00,00,000 equity shares of INR 10 each.

15.2 Issued, Subscribed and Paid-up Share capital:

The Issued, Subscribed and Paid-up Share Capital of the Company has increased from INR 139,11,60,620 consisting of 13,91,16,062 equity shares of INR 10 each as on March 31, 2023 to INR 139,28,96,870 consisting of 13,92,89,687 equity shares of INR 10 each, on account of the following allotments of securities made by the Board of Directors of the Company during the year.

The Board of Directors of the Company has allotted 41,250 equity shares on May 25, 2023, 59,350 equity shares on August 10, 2023, 38,500 equity shares on August 18, 2023, 24,125 equity shares on November 09, 2023, and 10,400 equity shares on February 08, 2024, upon exercise of ESOPs by the employees as per HCG ESOS 2014 and HCG ESOS 2021.

Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

16. Declaration by Independent Directors:

The Company has received necessary declaration from each independent director, in accordance with Section 149(7) of the Companies Act, 2013, that he/she met the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and the Regulation 16(1)(b) of the Listing Regulations. The Company has received and taken on record, the necessary declaration from each of the independent directors under Section 149 of the Companies Act, 2013 that they meet with the criteria of their independence. In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules made thereunder as well as in Listing Regulations and are independent from the management.

For the purpose of Rule 8(5) (iiia) of the Companies (Accounts) Rules, 2014, the Board of Directors are of the opinion that the independent directors possess requisite qualifications, experience, expertise and hold high standards of integrity. A list of key skills, expertise and core competencies of the Board, including the Independent Directors is provided in the Corporate Governance Report, forming part of the Annual Report.

17. Annual Return:

The Annual Return of your Company as on March 31, 2024, in Form MGT- 7 as provided under sub-section (3) of Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at https://hcgoncology.com/annual-reports/.

18. Board of Directors:

Composition of Board of Directors

Our Board comprises of directors with a broad range of skills, experience, backgrounds and perspectives. This mix of skills, knowledge and experience enriches the Board discussion and contribute towards a high performing and effective Board.

As on March 31, 2024, the composition of your Company's Board has an ideal combination of Executive, Non-Executive and Independent Directors and thereby ensuring separation of management and governance while maintaining its independence. In compliance with the terms of the Listing Regulations, Independent Directors constitute 50% of the Board strength including an independent woman director.

Type of Directorship	No. of Directors	% of Board strength
Executive Directors	3	30%
Non-Executive Non-Independent Directors (Nominee Directors of Aceso Company Pte Limited, Promoter)	2	20%
Independent Directors	5	50%
Total	10	100%

All 5 (five) Independent Directors are free from any business, pecuniary or other relationship that could materially influence their judgment and satisfy the criteria of independence as defined under the Companies Act, 2013 and Listing Regulations. The Company has 2 (two) women Directors on the Board, one of whom is an Independent Non-Executive Director, and one is a Whole-time Director. The profiles of these Directors forms part of the Annual Report.

18.1 Directors appointed during the financial year:

During the financial year, the following appointments were made to the Board.

(a) Mrs. Anjali Ajaikumar Rossi, Whole-time Director, has been reappointed as Executive Director, effective from April 01, 2023, for a period up to: (a) June 30, 2026, or (b) termination of the employment of the 'Executive Chairman' in accordance with Article 14.6 of Part B of the Articles of Association of the Company, whichever is earlier.

(b) Dr. B. S. Ajaikumar, Executive Chairman, has been reappointed, effective from July 01, 2023, for a period up to June 30, 2025, or until the occurrence of the events set out under Article 14.6 of Part B of the Articles of Association of the Company, whichever is earlier.

(c) Mr. Rajiv Maliwal has been appointed as an Independent Non-Executive Director on May 25, 2023, for a period of 3 years.

The Company has received necessary approvals from the shareholders for the appointment of all the directors.

18.2 Directors resigned during the financial year till date:

Mr. Abhay Havaldar, Independent Non-Executive Director, has resigned from the Board of the Company, with effect from April 02, 2023. Mr. Abhay Havaldar has informed the Company that, considering his primary activity as an investor, he is required to join several other boards which unfortunately limits his ability to do justice to what is required to be an effective Board member of HCG, and that there are no other material reasons for his resignation from the Board. He has served as an independent director on the Board from August 20, 2020.

Members of the Board placed on record their appreciation for the remarkable support and guidance provided by Mr. Abhay Havaldar during his tenure as Director, and for his active participation in all the decision-making processes of the Board.

18.3 Retirement by rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Siddharth Patel and Ms. Anjali Ajaikumar, directors, retires by rotation at the AGM, and being eligible, offers themselves for reappointment.

Appropriate resolutions for the reappointment of directors retiring by rotation would be placed for the approval of the shareholders of the Company at the ensuing AGM,

18.4 Reappointment of Independent Directors after the end of the financial year, but as on the date of the Report:

The Board of Directors of the Company, upon the recommendation of the Nomination and Remuneration Committee, has considered and approved the reappointment of the following directors, subject to the approval of the shareholders of the Company, through a Postal Ballot, to be completed on or before September 10, 2024.

(a) Ms. Geeta Mathur as an Independent Director, for a period of 5 years with effect from June 17, 2024; and

(b) Mr. Rajagopalan Raghavan as an Independent Director for a period of 5 years, with effect from August 12, 2024.

19. Number of meetings of the Board:

The meetings of the Board are scheduled at regular intervals to decide and discuss business performance, policies, strategies and other matters of significance. The schedule of the meetings is circulated in advance to ensure proper planning and effective participation in meetings. In certain exigencies, decisions of the Board are also accorded through circulation.

The Board met 6 (six) times during the financial year 2023-24 viz., on May 25, 2023, August 10, 2023, August 18, 2023, November 09, 2023, February 08, 2024, and

March 21, 2024. The maximum interval between any two meetings did not exceed 120 days.

Detailed information regarding the meetings of the Board and meetings of the Committees of the Board is included in the report on Corporate Governance which forms a part of the Board's Report.

20. Key Managerial personnel:

In accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following were the Key Managerial Personnel of the Company as on March 31, 2024.

a) Dr. B. S. Ajaikumar – Executive Chairman,

b) Mr. Meghraj Arvindrao Gore – Whole-time Director and Chief Executive Officer,

c) Ms. Ruby Ritolia – Chief Financial Officer and

d) Ms. Sunu Manuel – Company Secretary

Mr. Srinivasa Raghavan, Chief Financial Officer, has ceased to be Chief Financial Officer and KMP of the Company with effect from August 20, 2023, on account of his retirement from the Company. Ms. Ruby Ritolia was appointed as CFO and KMP of the Company, with effect from the start of business hours on August 21, 2023. The Members of the Board have placed on record their sincere appreciation for the invaluable contribution made by Mr. Srinivasa Raghavan during his tenure with the Company.

21. Committees of the Board and their constitution:

During the financial year, the Board had the following six Committees. The Composition of the Committees of the Board along with relevant information pertaining to Directors are detailed in the Corporate Governance Report which forms a part of this Report.

A. Audit Committee.

B. Risk Management Committee.

C. Nomination and Remuneration Committee.

D. Stakeholders' Relationship Committee;

E. Corporate Social Responsibility Committee; and

F. Strategy Committee.

Keeping in view the requirements of the Companies Act, 2013 and Listing Regulations, as amended from time to time, the Board reviews the terms of reference of these Committees and the nomination of Board members to various Committees. The recommendations, if any, of these Committees are submitted to the Board for approval.

(A). Audit Committee

The Audit Committee of the Board reviews, acts on and reports to the Board with respect to various auditing and accounting matters. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of Listing Regulations, and have been detailed in the Corporate Governance Report, forming part of this Annual Report.

Audit Committee met 5 (five) times during the financial year 2023-24. The meetings were held on May 24, 2023, August 09, 2023, August 18, 2023, November 09, 2023, and February 07, 2024. All recommendations made by the Audit Committee have been accepted by the Board of Directors.

The composition of the Audit Committee during the financial year 2023-24 and the attendance at the committee meetings are given in the below table.

Name	Position	Number of meetings attended
Ms. Geeta Mathur	Chairperson	5
Mr. Rajagopalan Raghavan	Member	5
Mr. Amit Soni	Member	5
Mr. Pradip Kanakia	Member	5

(B) Risk Management Committee

The Board of Directors of the Company has constituted Risk Management Committee on June 17, 2021, to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks. The Committee has overall responsibility for monitoring and approving the enterprise risk management framework and associated practices of the Company.

Prior to the formation of the Risk Management Committee, the Audit Committee of the Board was overseeing the Risk Management function of the enterprise as a whole and was called as Audit and Risk Management Committee. With effect from June 17, 2021, the Audit and Risk Management Committee is known as Audit Committee.

The Committee has met two times during the financial year 2023-24. The meetings were held on June 28, 2023, and December 01, 2023.

The composition of the Risk Management Committee and the attendance at the committee meetings during the financial year 2023-24 are given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	2
Mrs. Geeta Mathur	Member	2
Mr. Meghraj Arvindrao Gore (Raj Gore)	Member	2

Note:

(i) Mr. Pradip Kanakia, Independent Non-Executive Director has been appointed as a Member of the Risk Management Committee with effect from February 08, 2024.

(ii) Ms. Geeta Mathur ceased to be a member of the Committee with effect from February 08, 2024.

Details of terms of reference of the Committees, attendance at meetings of the Committees are provided in the Corporate Governance report. The Company Secretary acts as the Secretary of the Committee.

(C) Nomination and Remuneration Committee

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

Nomination and Remuneration Committee of the Board has met 5 (five) times during the financial year 2023-24. The meetings were held on May 25, 2023, August 09, 2023, August 18, 2023, November 09, 2023, and February 08, 2024.

The composition of the Nomination and Remuneration Committee and the attendance at the committee meetings during the financial year 2023-24 are given in the below table.

Name	Position	Number of meetings attended
Mr. Rajagopalan Raghavan	Chairperson	5
Mr. Siddharth Patel	Member	4
Dr. B. S. Ajaikumar	Member	5
Ms. Geeta Mathur	Member	5
Mr. Jeyandran Venugopal	Member	3
Mr. Rajiv Maliwal	Member	2
Mr. Pradip Kanakia	Member	1

Note:

(i) Mr. Pradip Kanakia, Independent Non-Executive Director has been appointed as a Member of the Nomination and Remuneration Committee with effect from May 16, 2023, and he ceased to be a member of the Committee with effect from August 10, 2023.

(ii) Mr. Rajiv Maliwal, Independent Non-Executive Director has been appointed as Member of the Nomination and Remuneration Committee with effect from August 10, 2023.

(iii) Mr. Abhay Havaldar, Independent Non-Executive Director has resigned from the Board of the Company with effect from April 02, 2023, and has ceased to be a member of the Committee, effective from April 02, 2023.

(D). Stakeholders' Relationship Committee

This Committee is constituted in compliance with Section 178 of the Companies Act, 2013 and Listing Regulations as Stakeholders' Relationship Committee. Stakeholders' Relationship Committee of the Board has met once during the financial year 2023-24. The meeting was held on March 21, 2024. The Chairman of the Committee, Mr. Amit Soni is a non-executive director.

The composition of the Stakeholders Relationship Committee and their attendance at the Committee meeting during the financial year 2023-24 are given in the below table.

Name	Position	Number of meetings attended
Mr. Amit Soni	Chairman	1
Dr. B. S. Ajaikumar	Member	1
Mr. Rajagopalan Raghavan	Member	1

Note:

(i) Mr. Abhay Havaldar, Independent Non-Executive Director has resigned from the Board of the Company with effect from April 02, 2023, and has ceased to be a member of the Committee, effective from April 02, 2023.

(ii) Mr. Rajagopalan Raghavan, Independent Non-Executive Director has been appointed as Member of the Stakeholders' Relationship Committee with effect from June 28, 2023.

(E) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on May 29, 2015. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

The committee has met once during the FY 2023-24. The meeting was held on March 20, 2024.

The composition of the Corporate Social Responsibility Committee is given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	1
Mr. Siddharth Patel	Member	1
Mr. Jeyandran Venugopal	Member	0

(F) Strategy Committee

The Committee was constituted by our Board of Directors at their Meeting held on May 26, 2016, with the scope of reviewing strategic initiatives; and for having an oversight of the strategic direction of the Company.

The members of the Committee shall be nominated by the Board of Directors with a right to appoint, replace the members from time to time. The Company Secretary shall act as the Secretary of the Committee. CFO shall be an invitee to the Committee Meetings and would provide support to the Committee in terms of financial analysis and planning.

The Committee has met three (3) times during the financial year 2023-24. The meetings were held on August 07, 2023, November 03, 2023, and February 05, 2024.

The members of the Committee and their attendance at the Committee meetings during the financial year 2023-24 are given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	3
Mr. Siddharth Patel	Member	3
Mr. Amit Soni	Member	3
Ms. Anjali Ajaikumar Rossi	Member	3

22. Board Evaluation:

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board was undertaken. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013, and the Listing Regulations, and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2019. The Board evaluation was conducted through questionnaire having qualitative parameters and feedback based on rating, where the Board has carried out annual evaluation of (i) its own performance; (ii) directors' performance on an individual basis; (iii) Chairman of the Board; and (iv) performance of all committees of the board for the Financial Year 2023-24.

Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board committees, review of performance and compensation to Executive Directors, succession planning, strategic planning, Board culture, various aspects of the Board's functioning, execution and performance of specific duties, obligations and governance etc.

Evaluation of Directors was based on criteria such as participation and contribution in Board and committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk, understanding of the organization's strategy, risk and environment, level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The process also covered separate evaluations of Chairperson of the Board, Executive Directors, Non- Executive Directors and Independent Directors.

Evaluation of committees were based on criteria such as adequate independence of each of the committees, frequency of meetings and time allocated for discussions at meetings, functioning of Board committees and effectiveness of its advice/ recommendation to the Board, etc.

The Board had, during the year, opportunities to interact and make an assessment of its functioning as a collective body. In addition, there were opportunities for committees to interact, for Independent Directors to interact amongst themselves and for each Independent Director to interact with the Chairman. The Board found that, there was considerable value and richness in such discussions and deliberations.

The Board Evaluation discussion was focused around how to make the Board and its committees more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its committees such as structure, composition, meetings, functions and interaction with the management and what needs to be done to further improve the effectiveness of the Board's functioning.

Additionally, during the evaluation discussion, the Board also focused on the contribution being made by the Board as a whole, through its committees and discussions on a one-on-one basis with the Chairman.

The process of Board Evaluation was led by the Chairman of the Nomination and Remuneration Committee. The overall assessment of the Board was that it was functioning as a cohesive body including the committees of the Board that were functioning well with periodic reporting by the committees to the Board on the work done and progress made during the period. The Board acknowledged the efforts and contributions made by the Chairperson, Executive and Non- Executive Directors and Independent Directors towards the Company's performance.

The Board also noted that the actions identified in the past evaluation had been acted upon. Subsequent to the evaluation done in the financial year 2023-24, given the changing external environment, some areas have been identified for the Board to engage itself with and these will be acted upon.

The Directors expressed their satisfaction with the evaluation process. Further, the evaluation process confirms that the Board and its committees continue to operate effectively and the performance of the Directors and the Chair is satisfactory.

23. Risk Management and Enterprise Risk Management Policy:

Pursuant to Regulation 21 of Listing Regulations, your Company has developed and rolled out a comprehensive Enterprise Risk Management Policy. The policy aims at elimination or reduction of risk exposures through identification and analysis of various types of risks and facilitating timely action for taking risk mitigation measures. The Risk Management and Steering Committee (RMSC) reviews the Company's portfolio of risks and considers it against the Company's risk appetite and recommends changes to the Risk Management technique and / or associated frameworks, processes and practices of the Company. The enterprise risk management process of the Company is progressing satisfactorily, but the entire process is yet to reach a level of maturity. RMSC also advises and guides the Company for making the process more robust and to achieve prudent balance between risk and reward in both ongoing and new business activities. The Risk Management Committee periodically reviews the risk management process.

For further details on the enterprise wide risk management framework, refer to Management and Discussion Analysis Report forming part of the Annual Report.

24. Policy on Board Diversity:

The Nomination and Remuneration Committee has framed a policy for Board Diversity, which lays down the criteria for appointment of Directors on the Board of your Company and guides organization's approach to Board Diversity.

Your Company believes that Board diversity, basis the gender, race, age will help build diversity of thought and will set the tone at the top. A mix of individuals representing different industry experience, qualification and skill set will bring in different perspectives and help the organization grow. The Board of Directors is responsible for reviewing the policy from time to time. The policy on Board Diversity has been placed on the Company's website at https://www.hcgoncology.com/corporate-governance/#Policies-and-Guidelines.

25. Compliance Management Framework:

For monitoring compliances to applicable laws, your Company has instituted an online compliance management system within the organization to monitor compliances and provide updates to the senior management and Board on a periodic basis. The Audit Committee and the Board periodically monitor the status of compliances with applicable laws.

26. Corporate Social Responsibility:

Your Company has been taking initiatives under Corporate Social Responsibility (CSR) for society at large, well before it has been prescribed through the Companies Act, 2013; and over the years, had been pursuing as a part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself and create an environment of partnership for inclusive development.

As per the provisions of Section 135 of the Companies Act, 2013, the Company has well defined policy on CSR which covers the activities as prescribed under Schedule VII of the Companies Act 2013. The CSR Policy is available on the website of the Company at https://www.hcgoncology.com/corporate-governance/#Policies-and-Guidelines.

The composition of CSR committee and disclosure as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is attached herewith as **Annexure 6** and forms an integral part of this Annual Report.

27. Internal Audit:

Your Company has continued its engagement with M/s. Ernst & Young LLP, to conduct internal audit across the organization during the year under review. We have also strengthened the in-house internal audit team which has set-up concurrent audits to supplement and support the efforts of M/s. Ernst & Young LLP.

28. Internal Financial Control system and their adequacy:

The management has laid down internal financial controls to be followed by the Company. We have adopted policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The internal control system commensurate with the nature of business, size and complexity of operations and has been designed to provide reasonable assurance on the achievement of objectives in effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. In furtherance to this, your Company has instituted an online compliance management system within the organization to monitor compliances and provide update to senior management and Board on a periodic basis. The Audit Committee and the Board periodically monitor status of compliances with applicable laws.

As part of the Corporate Governance Report, CEO/ CFO certification is provided, for assurance on the existence of effective internal control systems and procedures in the Company.

The internal control framework is supplemented with an internal audit program that provides an independent view of the efficacy and effectiveness of the process and control environment and supports a continuous improvement program. The internal audit program is managed by an Internal Audit function; and the Audit Committee of the Board oversees the Internal Audit function.

The scope and authority of the Internal Audit function is derived from the Audit Committee Charter approved by the Audit Committee of the Board. The Internal Audit function develops an internal audit plan to assess control design and operating effectiveness, as per the risk assessment methodology. The Internal Audit function provides assurance to the Board and management that a system of internal control is designed and deployed to manage key business risks and is operating effectively.

29. Whistle Blower/Vigil Mechanism for Directors and employees:

Section 177(9) and (10) of the Companies Act, 2013, mandates every listed company to establish a vigil mechanism for its directors and employees which shall function as a channel for receiving and redressing their complaints. The vigil mechanism provides for (a) adequate safeguards against victimization of persons who use the vigil mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Under this policy, we have adopted a vigil mechanism which would encourage our directors, employees and all other stakeholders to report any incidence of fraudulent financial or other information to the stakeholders, reporting of instance(s) of leak or suspected leak of unpublished price sensitive information, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation or harassment of any kind against any employee who reports under the vigil mechanism or participates in the investigation.

Awareness of policies is created by, inter alia, training and sending group mailers highlighting actions taken by the Company against the errant employees. All complaints received through the whistle blower mechanism are reviewed and investigated by the Ombudsperson. Dedicated email address has been created to facilitate receipt of complaints directly by the Ombudsperson.

The Audit Committee periodically reviews the functioning of this mechanism. No individual in the Company has been denied access to the Audit Committee or its Chairperson.

This meets the requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of Listing Regulations.

Mechanism followed under the process is appropriately communicated within the Company across all levels and has been displayed on the Company's intranet and website at https://www.hcgoncology.com/ corporate-governance/ #Policies-and-Guidelines.

30. Code for Prevention of Insider Trading:

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at https://www.hcgoncology.com/ corporate-governance/#Policies-and-Guidelines.

31. Company's Policy on Appointment and Remuneration of Directors:

The Nomination and Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Your Company believes that Board diversity, basis the gender, race, age will help build diversity of thought and will set the tone at the top. A mix of individuals representing different industry experience, qualification and skill set will bring in different perspectives and help the organization grow. The Board of Directors is responsible for reviewing the policy from time to time.

The Policy of the Company on the Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of section 178 of the Companies Act, 2013, is available on our website https://www.hcgoncology.com/corporate-governance/#Policies-and-Guidelines. We affirm that the remuneration paid to Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

32. Particulars of employees:

The statement containing particulars in terms of Section 197 (12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 for the year ended March 31, 2024, forms part of this Annual Report and is appended herewith as **Annexure 3** to this Report.

A statement containing, inter alia, names of top ten employees and employees if employed throughout the financial year and in receipt of remuneration of INR 102 Lakhs or more, employees employed for part of the year and in receipt of INR 8.50 Lakhs per month or more, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also provided in **Annexure 3** to this report.

33. Significant or Material orders:

During the period under report, there were no material or significant orders passed by the Regulators/Courts/ Tribunals which would have an impact on the going concern status and operations of the Company in future.

34. Statutory Auditors:

The Board of Directors of the Company at their meeting held on May 26, 2022, on the recommendation of the Audit Committee, had approved the reappointment of M/s. B S R & Co., LLP, (Firm Registration No. 101248W/W-100022) Chartered Accountants as Statutory Auditors, for a second term of 5 (five) consecutive years commencing from financial year 2022-23 and ending with financial year 2026-27, subject to the approval of shareholders.

The shareholders at the 24th (Twenty Fourth) Annual General Meeting of the Company held on September 29, 2022, had approved the appointment of M/s. B S R & Co. LLP (Firm Registration No. 101248W/W-100022) as Statutory Auditors for a term of 5 (five) years commencing from the conclusion of the said Annual General Meeting of the Company, till the conclusion of the 29th (Twenty Nineth) Annual General Meeting to be held in the year 2027.

35. Statutory Auditors' Report:

There are no qualifications, reservations or adverse remarks made by M/s B S R & Co. LLP., Statutory Auditors, in their report for the financial year ended March 31, 2024. The Auditors' Report being self-explanatory does not call for any further comments from the Board of Directors, except for the following matters on: (a) Other Legal and Regulatory Requirements forming part of Independent Auditor's Report on the Consolidated Financial Statements of HealthCare Global Enterprises Limited, and Report of the Standalone Financial Statements for the year ended March 31, 2024:

(a) Title deeds of immovable properties disclosed in the standalone financial statements are held in the name of the Company, except for title deeds of the properties of the Company in Ahmedabad, Bengaluru and Vijayawada. Please refer to Clause (i) (c) of Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of the Company for the year ended 31 March 2024, for the observations in detail.

(b) Proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except (a) that the back-up of Tally with respect to a Subsidiary incorporated in India which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India on a daily basis during 1 April 2023 till 18 May 2023; and (b) for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Please refer to Sl. No.2 A(b) under the Report on Other Legal and Regulatory Requirements to the Independent Auditor's Report on the Consolidated Financial Statements of the Company, for the observation in detail.

(c) Except for the instances mentioned below, the Holding Company and the subsidiary companies, which are companies incorporated in India, have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. In respect of the Holding Company and three subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the application level for certain non-editable fields/ tables and at the database level to log any direct data changes, for the accounting software used for maintaining the books of account relating to revenue and consumption records.

ii. In respect of the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger by the Holding Company and three subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled (a) at the database level to log any direct data changes; (b) at the application level for certain tables relating to various processes (c) at the application level for certain tables relating to various processes for a part of the year since it was enabled in a phased manner from December 2023 to January 2024 and (d) at the application level for certain changes performed by users having privileged access rights.

iii. In respect of the Holding Company and five subsidiary companies, in the absence of reporting on compliance with audit trail requirements in the independent auditor's report of a service organization for an accounting software used for maintaining the books of account relating to payroll master, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions recorded in the software.

iv. In respect of two accounting software used for maintaining books of accounts relating to the acquired business by the Holding Company *(operated from 3 October 2023 to 31 December 2023), did not have the feature of recording audit trail (edit log) facility.*

v. *In respect of two subsidiary companies, the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger did not have the feature of recording audit trail (edit log) facility.*

vi. *Further, in respect of a subsidiary company, the accounting software used for maintaining books of accounts relating to revenue and consumption records did not have the feature of recording audit trail (edit log) facility.*

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

(d) With reference to Sr. No. 2 of the table mentioned in clause (xxi) of Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements, relating to the Export Promotion Capital Goods (EPCG) benefit availed by HCG Medi-Surge Hospital Private Limited, subsidiary, and the delay in Duty payable thereon.

In this regard, the Board of Directors places its response as under:

(i) With respect to the observation under (a) above on the tittle deeds not in the name of the Company, all the three properties were owned by the subsidiaries of the Company viz., HCG Medi-surge Hospitals Private Limited (Ahmedabad), Banashankari Medical and Oncology Research Centre Private Limited (Bengaluru) and Healthcare Global Vijay Oncology Private Limited (Vijayawada).

Banashankari Medical and Oncology Research Centre Private Limited (Bengaluru) and Healthcare Global Vijay Oncology Private Limited (Vijayawada) have been amalgamated with the Company, and on account of the amalgamation, all the properties of these two companies have been transferred to the Company as per the order of the respective High Courts sanctioning the amalgamation. With respect to the property in Ahmedabad, it was owned by HCG Medi-surge Hospitals Private Limited, a subsidiary of the Company, where the legal ownership of the property has been transferred to the Company on account of the demerger of the multi-specialty business of HCG Medi-surge Hospitals Private Limited.

As per the Scheme of Amalgamation/Demerger as approved by the High Court, in respect of such assets belonging to the Transferor Company, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company. However, the Company is in the process of updating the name of the Company in the title deeds of these properties as required under local jurisdictional authorities.

(ii) Regarding the observation on the maintenance of back up of Tally, this is with respect to BACC Health Care Private Limited, a wholly owned subsidiary of the Company (BACC), which is into the business of IVF, advanced diagnosis and treatment in the field of Assisted Reproduction Technology. The observation continues from the previous year and the same has been rectified during the year as observed in the Audit Report. IVF is one of the businesses which HCG entered into a decade ago and the business faced severe challenges last year given a rampant regulatory change which had taken the entire industry by storm. The Business stood up to the challenge and ensured all the regulatory compliances are duly met and has started to do quite well in the past few months, again.

BACC has a fully integrated Hospital Information System (HIS) which captures operational as well as certain financial information from the root level. This is the backbone of BACC's operations, and this application has been ring-fenced with all the adequate support infrastructure including maintenance, upgrades, backup etc. BACC uses Tally as its accounting software where entries are passed based on the information in the HIS and other data points. Tally is not backed up on a daily basis, while the HIS has been backed up on a daily basis. There were no instances of any information loss, or such matters due to Tally not being backed up daily, earlier. HCG places utmost emphasis on adoption of Information Technology tools to foster growth of the business as appropriate.

(iii) With respect to Auditors observation on Audit Trail, our response with respect to the compliance of audit trail relating to the software used for maintaining books of accounts relating to revenue, consumption, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger is as under:

(a) SAP application: With respect to the SAP application, the Company and its subsidiaries have substantially enabled the Audit trail over a period of the Financial Year 2023-24 basis the inputs given by various experts. The residual tables which were identified were also enabled in the month of April/May 2024. Further, the privileged user access rights have been fully removed, which was earlier provided for administrative functionality under appropriate supervision.

(b) SAP Database: The requirement of enabling the Audit trail was clarified by ICAI in the Month of January 2024 after which the Company discussed with the SAP experts on implementing the SAP. As SAP is a Global ERP and the integration structures are very complicated, the Company is discussing directly with the SAP company to help us enable the same. The process is currently under design and expected to be implemented by Q3 of Financial Year 2024-25.

(c) MedMantra(HIS) application : This is an application where no documents can be retrieved and edited, i.e., there is no change possible. Any data changes have to be done only through creation of a new document. This has been verified by an independent professional firm as well. As there is no possibility of editing any data, Audit trail is synonymous with every new data for which information as to who created, when created and what data created is available.

(d) MedMantra (HIS) database : The requirement of enabling the Audit trail was clarified by ICAI in the Month of January 2024 after which the company discussed with its Service providers Tata Consultancy Services (TCS) for implementing the same. The design underwent comprehensive testing in the Test environment through February and March 2024, along with identification and confirmation for the Tables that needed to be enabled for Audit trail. The same is being implemented in Live systems starting from April 2024.

(e) Success Factors data base : Success factors is standard Human Resource application of SAP. It is a subscription-based cloud application. The company has no control over the database. The company procures standard SOC-2 report from SAP periodically and furnishes the same to right stakeholders.

(f) BACC Health Care Private Limited (BACC) – This is 100% subsidiary of the Company migrated to MedMantra(HIS) and SAP from April 2024

(g) Malnad Hospital and Institute of Oncology private Limited (MHIO) – This subsidiary of the company implemented the Tally ERP which version had the Audit trail capability, in March 2024. However subsequent testing proved that it did not pass the tests of the entire requirement of the notification. Hence the subdidiary will migrate to the Company's standard applications of MedMantra and SAP by end of Q4 of Financial Year 2024-25.

(iv) With reference to the Sr. No. 2 of the table under Clause (xxi) of Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements, this relates to the Export Promotion Capital Goods (EPCG) benefit availed by HCG Medi-Surge Hospital Private Limited, a subsidiary ("Subsidiary") and the Duty payable thereon. The Subsidiary had availed the EPCG benefit in the years Prior to 2015 and the period to fulfill the obligation had expired by 2019. The Subsidiary had an option to apply for extension of period or pay up the duty along with interest. However, the Subsidiary applied to the Policy Review Committee (PRC) seeking multiple relaxations including extension of time, lower interest rate if it were to pay-up the customs duty, and also to consider the fulfilment of the obligation by using the export earnings of the Group companies, primarily because of the influx of the Covid and consequently the dwindling down of medical tourism. The application to PRC had been accepted. However, there was no movement for more than one year. Hence it decided to pay-up the duty along with the applicable interest and ensure the same in Q2 and Q3 of Financial year 2023-24. Though the Duty is paid-up along with the applicable interest, the Group still awaits the disposal of the application to PRC with respect to the various relaxations prayed in the Application.

Further, the Statutory Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

36. Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of the report:

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2024, and the date of the report. There has been no change in the nature of business of the Company during the last financial year.

37. Secretarial Audit:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. V. Sreedharan, Partner, M/s V. Sreedharan & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March, 31, 2024. The said Report of the Secretarial Auditor in Form MR 3 as required under Section 204 of the Companies Act, 2013 read with Regulation 24A(1) of the Listing Regulations is annexed herewith as **Annexure 1** and forms part of the report.

The Secretarial Auditors, in their report for the financial year ended March 31, 2024, have observed that:

As per Regulation 11(b) of Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 read with Rule 23(6) of Foreign Exchange Management (Non-Debt Instruments) Rules,2019, the first level Indian Company making downstream investment shall file Form DI with the Reserve Bank of India('RBI') within 30 days from the date of allotment of equity instruments.

The Company has made downstream investment in 'HCG EKO Oncology LLP', one of its subsidiaries, during the year. Though the Company filed Form DI for the said investment made on March 08, 2024, the filing was not approved by the Authorized Dealer Bank asking for some additional information and documents. Subsequently, the Company has filed Form DI on June 17, 2024, and the same was approved on June 20, 2024.

In this regard, the Board of Directors would like to inform that the form DI for the investment made by the Company in HCG EKO Oncology LLP, (subsidiary) on March 08, 2024, was filed by the Company within the due date, and the same was not approved by the Authorized Dealer Bank before the due date, as they sought additional information and documents in support of the same. Subsequently, the Company filed Form DI on June 17, 2024, and the same was approved on June 20, 2024; and the Company in this regard has paid INR 20,000 as LSF.

Pursuant to Regulation 24A(2) of the Listing Regulations, the Secretarial Compliance Report, issued by M/s. V. Sreedharan & Associates, Practicing Company Secretaries, Bengaluru is annexed herewith as part of **Annexure 1**.

Other than the above, there are no other qualification, reservations or adverse remarks made by M/s. V. Sreedharan and Associates, Practicing Company Secretaries, Secretarial Auditor of the Company in their Secretarial Compliance Report, and all the other information that have been included in the certificate are self-explanatory.

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same. Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.

In compliance with the requirements of Listing Regulations, Secretarial Audit Report of Material Subsidiary Company viz., HCG Medi-Surge Hospitals Private Limited is also attached herewith as **Annexure 8** and forms an integral part of this Annual Report. The Secretarial Audit Report of HCG Medi-Surge Hospitals Private Limited is self-explanatory and does not contain any qualification, reservation or adverse remark.

38. Cost Records and Cost Auditor:

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained for the financial year 2023-24.

The remuneration of M/s. Rao, Murthy & Associates, Cost Auditors of the Company for FY 2023-24, amounting to INR 1,75,000 (Rupees One Lakh Seventy-Five Thousand Only) (exclusive of taxes and re-imbursement of actual out-of-pocket expenses) in connection with the cost audit for FY 2023-24 has been ratified by the shareholders, at the AGM held on September 20, 2023.

Cost Audit Report for the financial year ended March 31, 2023 has been filed with the Registrar of Companies.

The board of Directors on the basis of the recommendations from the Audit Committee would make suitable recommendation to appoint M/s. Rao, Murthy & Associates (Firm Registration No. 00065), Cost Accountants as the Cost Auditors of the Company for FY 2024-25 at a remuneration of INR 2,00,000 (Rupees Two Lakhs Only) (exclusive of taxes and re-imbursement of actual out-of-pocket expenses, if any, subject to the ratification of the said fees by the shareholders at the ensuing AGM.

39. Particulars regarding Conservation of energy, Technology absorption and Foreign exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is detailed in **Annexure 7**.

40. Prevention of Sexual Harassment Policy:

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees have been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company conducts sessions for employees to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act. The Company's process ensures complete anonymity and confidentiality of information.

The below table provides details of complaints received/ disposed during the financial year 2023-24.

Number of complaints pending at the beginning of the financial year	0
No. of complaints filed during the financial year	2
No. of complaints disposed during the financial year	2
No. of complaints pending at the end of the financial year	0

41. Green initiative:

All agenda papers for the Board and committee meetings are disseminated electronically on a real-time basis.

The information regarding the performance of the Company is shared with the shareholders vide the Annual Report. The Annual Reports for FY 2023-24 are being sent in electronic mode, to all members who have registered their email ids for the purpose of receiving documents / communication in electronic mode with the Company and/or Depository Participants. The Annual Reports are also available on the Company's website at https://www.hcgoncology.com/annual-reports/.

The General Circular No. 14/ 2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020 and the subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, Government of India in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID - 19", Government of India have permitted Companies to dispatch the Notice calling General Meeting and Annual Report by e-mail only.

The Company had during FY 2023-24 sent various communications including Annual Reports, by email to those shareholders whose email addresses were registered with the Company/Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

We are also in the process of starting a sustainability initiative with the aim of being carbon neutral and minimize our impact on the environment. Sustainability practices will be implemented and tracked diligently to ensure that we comply with the goals we set for ourselves.

42. Employee Stock Option Schemes:

As required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the applicable disclosures as on March 31, 2024 are annexed to this Report as Annexure 2.

42.1 HCG ESOS 2014: Pursuant to regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014, the Company has obtained the approval of the members at the Annual General Meeting held on September 29, 2016, for ratifying Employee Stock Option Scheme of the Company (HCG ESOS 2014), the pre-IPO plan. HCG ESOS 2014 is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014 and there have been no material changes to the plan during the financial year.

42.2 HCG ESOS 2021: The Board of Directors of the company, on February 11, 2021, approved the new Employee Stock Options Scheme titled "HCG Employee Stock Option Scheme - 2021" (HCG ESOS 2021). The HCG ESOS 2021 allows the issuance of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The shareholders have approved HCG ESOS 2021 vide Postal Ballot on May 23, 2021.

As per the Scheme, the Nomination and Remuneration Committee can grant the options to the employees deemed eligible. The Exercise Price shall be a price that is not less than the face value per share per option. Under the HCG ESOS 2021, a maximum of 62,67,000 (Sixty-Two Lakh Sixty-Seven Thousand Only) Options can be Granted exercisable into 62,67,000 (Sixty-Two Lakh Sixty-Seven Thousand Only) Equity Shares of face value of INR 10 (Rupees Ten only) each. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated at the time of grant of options. The option holders may exercise those options vested within a period of 7 years from the date of grant, while in employment.

The Nomination and Remuneration Committee of the board evaluates the performance and other criteria of employees and approves the grant of options based on the recommendation of the Strategy Committee. These options vest with employees over a specified period subject to fulfilment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price determined on the date of grant of options. Upon HCG ESOS 2021 coming into force, it has been decided that no future grants shall be made under HCG ESOS 2014.

The cost is determined by the fair value at the date when the grant is made using an appropriate valuation model and management's estimate of equity instruments that will vest. That cost is recognized over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. Total stock compensation cost for the year ended March 31, 2024 is INR 72.39 million (FY 2022-23: INR 59.69 million) on standalone basis.

No employee was issued stock options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

The stock option plans are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and there have been no material changes to these plans during the financial year.

Disclosures on various plans, details of options granted, shares allotted upon exercise, etc. as required under the Employee Benefits Regulations read with Securities and Exchange Board of India circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 are available on the Company's website at https://www.hcgoncology.com/investor-relations/.

43. Director's Responsibility Statement:

Pursuant to Section 134 (3) (C) and 134 (5) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 and that such internal financial controls are adequate and were operating effectively;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant Board committees, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

44. Corporate Governance:

Your Company places utmost importance on its fiduciary role as a guardian of stakeholders' interest and strives to achieve a mutually aligned objective of value and wealth creation for all interested parties. The Board and the Management humbly acknowledges this role and continues to propagate this belief through all layers of the organization to create an environment of accountability and trust.

These responsibilities continue to be the focus of its attention through the tumultuous ride along the path of expansion, ensuring the highest standards of ethics and integrity in all its business dealings while avoiding potential conflicts of interest. The result of this is a corporate structure which serves its ever-expanding business needs while maintaining transparency and adherence to the above stated beliefs.

A Report on Corporate Governance has been appended to this report and forms an integral part of this Report. As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the Executive Chairman, Whole time Director & Chief Executive Officer and Chief Financial Officer have given appropriate certifications to the Board of Directors.

Further, pursuant to Regulation 34(3) of Listing Regulations read with Part E of Schedule V of the Listing Regulations, a certificate from M/s. V. Sreedharan, Partner, V Sreedharan & Associates, (CP Number 833), Bengaluru, Practicing Company Secretaries certifying the compliance with various provisions of the Corporate Governance is annexed to this Report.

The Company has received a certificate from M/s. V. Sreedharan, Partner, V Sreedharan & Associates, (CP Number 833) Bengaluru, Practicing Company Secretaries, pursuant to clause 10(i) of Part C under Schedule V of Listing Regulations that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority and same forms part of the Corporate Governance Report.

45. Business Responsibility and Sustainability Report:

In November 2018, the Ministry of Corporate Affairs (MCA) constituted a Committee on Business Responsibility Reporting ("the Committee") to finalize business responsibility reporting formats for listed and unlisted companies, based on the framework of the National Guidelines on Responsible Business Conduct (NGRBC). Through its report, the Committee recommended that BRR be rechristened BRSR, where disclosures are based on Environmental, Social and Governance (ESG) parameters, compelling organizations to holistically engage with stakeholders and go beyond regulatory compliances in terms of business measures and their reporting. SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from the financial year 2022-23. BRSR report for the financial year 2023-24 forms an integral part of this Annual Report.

46. Disclosure related to Insolvency and Bankruptcy:

During the financial year under review, there are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

47. Declaration on Code of Conduct:

The Company has adopted the Code of Conduct for all its Senior Management Personnel and Directors and the same is affirmed by all the Board members and senior management personnel as required under Regulation 34 read with Part D of Schedule V of the Listing Regulations. A declaration signed by Dr. B. S. Ajaikumar, Executive Chairman and Mr. Raj Gore, Whole-time Director and CEO of the Company affirming the compliance with the Code of Conduct of the Company for the financial year 2023-24 has been annexed as part of this Report.

48. Other Disclosures:

a) Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

b) Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.

c) There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

49. Acknowledgements and Appreciations:

We stay committed to partnering for value creation and take this opportunity to thank one and all who have participated in our journey this far. Your Directors desire to place on record, its sincere appreciation to all employees at all levels, who with sustained dedicated effort and hard work, enabled the Company to deliver a good all-round performance. Your Directors also wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the vendors, business associates, consultants, bankers, regulatory and government authorities, shareholders and investors at large and look forward to their continued support. We also take this opportunity to express sincere thanks to the medical fraternity and patients for their continued co-operation, patronage and trust reposed in the Company and its healthcare services.

For and on behalf of the Board of Directors

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Date: August 08, 2024
Place: Bengaluru

DECLARATION ON CODE OF CONDUCT

To,
The Members of
HealthCare Global Enterprises Limited.

We, Dr. B. S. Ajaikumar, Executive Chairman and Mr. Raj Gore, Whole-time Director and CEO of the Company, declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2024.

For and on behalf of the Board of Directors

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Date: August 08, 2024
Place: Bengaluru

Raj Gore
Whole-time Director & Chief Executive Officer
DIN: 07505123

Date: August 08, 2024
Place: Miami, USA

Annexure 1

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2024

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Healthcare Global Enterprises Limited
HCG Tower, No.8, P. Kalinga Rao Road
Sampangi Rama Nagar, Bengaluru - 560027

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Healthcare Global Enterprises Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2024 (the audit period) 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company during the audit period according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowing by the Company during the period under review;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable to the Company during the Audit Period**);

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. 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;

f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**);

h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**);

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not Applicable to the Company during the Audit Period**); and

(vi) Other Laws Applicable Specifically to the Company namely:

a. Drugs and Cosmetics Act, 1940 and the rules thereunder

b. Pharmacy Act, 1948

c. Atomic Energy Act, 1962 ("Atomic Energy Act") and Atomic Energy (Radiation Protection) Rules, 2004 ("Atomic Energy Rules")

d. Radiation Protection Rules, 1971 ("Radiation Rules")

e. Radiation Surveillance Procedures for Medical Application of Radiation, 1989 ("Radiation Surveillance Procedures")

f. The Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001 ("X-Ray Safety Code")

g. Drugs (Prices Control) Order, 2013 ("DPCO")

h. The Clinical Establishments (Registration and Regulation), Act, 2010

i. Narcotic Drugs and Psychotropic Substances Act, 1985 ("Narcotic Act")

j. Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 ("PNDT Act") and the rules thereunder.

k. Medical Termination of Pregnancy Act, 1971 ("MTP Act") and the rules and regulations thereunder.

l. The Transplantation of Human Organs Act, 1994 ("Transplantation of Organs Act")

m. Explosives Act, 1884 ("Explosives Act")

n. Indian Boilers Act, 1923 ("Boilers Act")

o. Ethical Guidelines for Biomedical Research on Human Participants, 2006 ("ICMR Guidelines")

p. Legal Metrology Act, 2009 ("Legal Metrology Act") and rules thereunder

q. Indian Medical Council Act, 1956 ("IMCA")

r. Indian Medical Degree Act, 1916 ("IMDA")

s. Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002

t. Indian Nursing Council Act, 1947

u. The Air (Prevention and Control of Pollution) Act, 1981

v. The Water (Prevention and Control of Pollution) Act, 1974

w. Bio-Medical Waste Management Rules, 2016 ("BMW Rules")

x. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

y. Batteries (Management and Handling) Rules, 2001 ("Batteries Rules")

z. e-waste (Management) Rules, 2016 ("e-waste Rules")

aa. Poisons Act, 1919 and the Karnataka Poison Rules, 1966

bb. Static and Mobiles Pressure Vessels (Unfired) Rules, 1981

We have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

b. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc., mentioned above except to the extent as mentioned below:

As per Regulation 11(b) of Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 read with Rule 23(6) of Foreign Exchange Management (Non-Debt Instruments) Rules,2019, the first level Indian Company making downstream investment shall file Form DI with the Reserve Bank of India('RBI') within 30 days from the date of allotment of equity instruments.

The Company has made downstream investment in 'HCG EKO Oncology LLP', one of its subsidiaries, during the year. Though the Company filed Form DI for the said investment made on March 08, 2024, the filing was not approved by the Authorized Dealer Bank asking for some additional information and documents. Subsequently, the Company has filed Form DI on June 17, 2024, and the same was approved on June 20, 2024.

Without qualifying our report, we further observed that there was a marginal delay of one day in publishing the advertisement specified in Rule 20(4)(v) of the Companies(Management & Administration) Rules, 2014. We have been informed by the company that the delay took place due to last minute intimation by the Ad agency of their inability to publish on 30th August, 2023 due to space constraints and that the advertisement would be published on 31st August, 2023.

We have not examined compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:

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

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

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We further report that based on the review of the compliance mechanism adopted by the Company of providing adequate presentations by the concerned departments' heads at the Board Meetings, regarding compliance with the applicable laws and its adherence, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

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

1. Appointment of Ms. Ruby Ritolia as the Chief Financial Officer and Key Managerial Personnel of the Company in the place of Mr. Srinivasa Raghavan w.e.f August 21, 2023.
2. The Company vide Postal Ballot dated January 28, 2024 amended its Articles of Association (AOA) pursuant to the amendment in the Investment agreement executed between the Company, its Holding Company and Dr. B.S Ajaikumar (Chairman of the Company).

For **V SREEDHARAN & ASSOCIATES**

V Sreedharan
Partner
FCS: 2347; CP No. 833

Date: August 08, 2024 UDIN: F002347F000924994
Place: Bengaluru Peer Review Certificate No. 5543/2024

This report (i.e., Form No. MR-3) is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure

To
The Members
Healthcare Global Enterprises Limited
HCG Tower, No.8, P. Kalinga Rao Road
Sampangi Rama Nagar, Bengaluru - 560027

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **V. SREEDHARAN & ASSOCIATES**

V Sreedharan
Partner
FCS: 2347; CP No. 833
UDIN: F002347F000924994
Peer Review Certificate No. 5543/2024

Date: August 08, 2024
Place: Bengaluru

Secretarial compliance report of Healthcare Global Enterprises Limited

for the financial year ended March 31, 2024

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Healthcare Global Enterprises Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at HCG Tower, No.8 P, Kalinga Rao Road, Sampangi Rama Nagar, Bangalore - 560027.

Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined:

(a) all the documents and records made available to us and explanation provided by **Healthcare Global Enterprises Limited** ("the listed entity");

(b) the filings/ submissions made by the listed entity to the stock exchanges;

(c) website of the listed entity;

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

For the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable to the Company during the Review Period**);

(c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not Applicable to the Company during the Review Period**);

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (**Not Applicable to the Company during the Review Period**);

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not Applicable to the Company during the Review Period**);

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

And circulars/ guidelines issued thereunder.

And based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder except in respect of matters specified below – **Not Applicable.**

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Obser-vations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports- **Not Applicable**

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 2023	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Not Applicable						

(c) We hereby report that, during the Review period the compliance status of the Listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ remarks by PCS
1.	**Secretarial Standards**		
	The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	--
2.	**Adoption and timely updation of the Policies:**		
	• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.	Yes	--
	• All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI.	Yes	--
3.	**Maintenance and disclosures on Website:**		
	• The Listed entity is maintaining a functional website.	Yes	--
	• Timely dissemination of the documents/ information under a separate section on the website.	Yes	--
	• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	--
4.	**Disqualification of Director:**		
	None of the Directors of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	--
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t:**		
	(a) Identification of material subsidiary companies.	Yes	--
	(b) Disclosure requirement of material as well as other subsidiaries.	Yes	--
6.	**Preservation of Documents:**		
	The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	--
7.	**Performance Evaluation:**		
	The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	--

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/ remarks by PCS
8.	**Related Party Transactions:**		
	(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.	Yes	--
	(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee.	NA	The Company has obtained prior approval from the Audit Committee for all the Related Party Transactions entered during the year.
9.	**Disclosure of events or information:**		
	The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	--
10.	**Prohibition of Insider Trading:**		
	The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	--
11.	**Actions taken by SEBI or Stock Exchange(s), if any:**		
	No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	--
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:**		
	In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary (ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 on compliance with the provisions of the LODR Regulations by listed entities.	NA	No Auditors of the Company or its material subsidiaries have resigned during the year
13.	**Additional Non-compliances, if any:**		
	No Additional non-compliance observed for all SEBI regulation / circular / guidance note etc.	Yes	--

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **V. SREEDHARAN & ASSOCIATES**

V Sreedharan
Partner
FCS: 2347; CP No. 833
UDIN: F002347F000392143
Peer Review Certificate No. 5543/2024

Date: May 17, 2024
Place: Bengaluru

Annexure 2

a) Employee Share Option Plans of the Company

(i) ESOP 2014

Pursuant to the approval received from the shareholders of the Company, at the Extraordinary General Meeting held on March 28, 2014, the Board of Directors formulated the Scheme titled "Employee Stock Option Scheme 2014" (ESOP 2014). The ESOP 2014 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share.

As per the Scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The Exercise Price shall be a price that is not less than the face value per share per option. Under the HCG ESOP 2014, a maximum of 36,04,923 (Thirty-Six Lakh Four Thousand Nine Hundred Twenty-Three) Options could be granted exercisable into 36,04,923 (Thirty-Six Lakh Four Thousand Nine Hundred Twenty-Three) Equity Shares of face value of INR 10/- (Rupees Ten only) each. Options Granted under ESOP 2014 would vest not less than one year and not more than five years from the date of Grant of such Options. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated at the time of grant of options. The option holders may exercise those options vested within a period as specified which may range upto 10 years from the date of grant.

Employee stock options will be settled by delivery of fresh issue of shares.

Pursuant to the Articles of Association of the Company, no further options shall be granted under the ESOP 2014.

(ii) HCG EMPLOYEE STOCK OPTION SCHEME - 2021 ("HCG ESOS 2021")

The Board of Directors at the meeting held on February 11, 2021 approved the new Employee Stock Options Scheme titled "HCG Employee Stock Option Scheme - 2021" (HCG ESOS 2021). HCG ESOS 2021 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share. The scheme is in compliance with the relevant regulations.

The shareholders have approved the HCG ESOS 2021 vide Postal Ballot on May 23, 2021.

As per the scheme, the Nomination and Remuneration Committee grants the options to the employees deemed eligible. The Exercise Price shall be a price that is not less than the face value per share per option. Under the HCG ESOS 2021, a maximum of 62,67,000 (Sixty-Two Lakh Sixty-Seven Thousand) Options can be Granted exercisable into 62,67,000 (Sixty-Two Lakh Sixty-Seven Thousand) Equity Shares of face value of INR 10/- (Rupees Ten only) each. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated at the time of grant of options. The option holders may exercise those options vested within a period as specified which may range upto 7 years from the date of grant.

Employee stock options will be settled by delivery of fresh issue of shares.

b) (i) The details of fair market value and the exercise price is as given below:

Particulars	ESOP 2014	ESOP 2014	ESOP 2014
Date of grant	10-Nov-16	22-May-18	9-Nov-18
Fair market value of option at grant date (INR)	232.48	298.55	220.74
Fair market value of share at grant date (INR)	240.15	306.81	231.85
Exercise price (INR)	10.00	10.00	10.00
No. of options	165,400	55,000	25,000

Particulars	ESOP 2014	ESOP 2014	ESOP 2014
Date of grant	7-Feb-19	8-Aug-19	8-Aug-19
Fair market value of option at grant date (INR)	181.62	48.45	94.94
Fair market value of share at grant date (INR)	187.00	102.35	102.35
Exercise price (INR)	10.00	110.68	10.00
No. of options	47,000	30,000	141,800

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	11-Jun-21	11-Jun-21	09-Nov-21
Vesting basis	Time based	Performance based	Time based
Fair market value of option at grant date (INR)	108.77	46.04	169.57
Fair market value of share at grant date (INR)	197.65	197.65	261.85
Exercise price (INR)	130.00	130.00	130.00
No. of options	7,80,000	18,20,000	1,38,000

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	09-Nov-21	10-Feb-22	10-Feb-22
Vesting basis	Performance based	Time based	Performance based
Fair market value of option at grant date (INR)	76.02	160.10	95.06
Fair market value of share at grant date (INR)	261.85	249.70	249.70
Exercise price (INR)	130.00	130.00	130.00
No. of options	322,000	73,500	171,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	26-May-22	26-May-22	10-Aug-22
Vesting basis	Time based	Performance based	Time based
Fair market value of option at grant date (INR)	188.05	122.56	196.35
Fair market value of share at grant date (INR)	275.55	275.55	284.20
Exercise price (INR)	130.00	130.00	130.00
No. of options	6,000	14,000	34,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	10-Aug-22	10-Nov-22	10-Nov-22
Vesting basis	Performance based	Time based	Performance based
Fair market value of option at grant date (INR)	123.93	211.54	133.51
Fair market value of share at grant date (INR)	284.20	298.85	298.85
Exercise price (INR)	130.00	130.00	130.00
No. of options	80,500	34,500	80,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	09-Feb-23	09-Feb-23	01-Apr-23
Vesting basis	Time based	Performance based	Time based
Fair market value of option at grant date (INR)	200.22	139.21	139.90
Fair market value of share at grant date (INR)	287.45	287.45	262.45
Exercise price (INR)	130.00	130.00	200.00
No. of options	18,000	42,000	1,50,000

Particulars	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	01-Apr-23	09-Aug-23	09-Aug-23
Vesting basis	Performance based	Time based	Performance based
Fair market value of option at grant date (INR)	58.82	208.12	64.08
Fair market value of share at grant date (INR)	262.45	338.10	338.10
Exercise price (INR)	200.00	200.00	200.00
No. of options	3,50,000	12,000	28,000

Particulars	ESOP 2021	ESOP 2021
Date of grant	09-Nov-23	09-Nov-23
Vesting basis	Time based	Performance based
Fair market value of option at grant date (INR)	241.10	66.75
Fair market value of share at grant date (INR)	373.10	373.10
Exercise price (INR)	200.00	200.00
No. of options	66,000	1,54,000

(ii) The assumptions used for calculating fair value of the ESOPs granted during the year ended 31 March 2024 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	1-Apr-23	09-Aug-23	09-Nov-23
Risk free interest rate	7.15% to 7.18%	7.15% to 7.19%	7.23% to 7.29%
Expected life (years)	1 to 6	1 to 6	1 to 6
Expected annual volatility of shares	34.47% to 38.44%	34.86% to 37.94%	34.53% to 37.27%
Expected dividend yield	0.00%	0.00%	0.00%

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	1-Apr-23	09-Aug-23	09-Nov-23
Volume weighted average price of stock as on grant date	286.53	296.83	272.08
Risk free interest rate	7.17%	7.15%	7.22%
Expected life (years)	5.50	5.14	4.89
Expected annual volatility of shares	35.89%	36.79%	37.01%

The assumptions used for calculating fair value of the ESOPs granted during the previous year ended March 31, 2023 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Risk free interest rate	6.97% to 7.14%	6.91% to 7.10%	7.22% to 7.34%	7.18% to 7.26%
Expected life (years)	1 to 6	1 to 6	1 to 6	1 to 6
Expected annual volatility of shares	38.95% to 34.17%	39.52% to 34.44%	39.43% to 34.66%	39.01% to 34.73%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Volume weighted average price of stock as on grant date	247.68	260.63	272.08	282.84
Risk free interest rate	7.04%	6.95%	7.23%	7.18%
Expected life (years)	4.60	4.39	4.14	3.89
Expected annual volatility of shares	37.62%	38.41%	39.13%	39.11%

c) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (INR in Million)	Options (Numbers)	Weighted average exercise price per option (INR in Million)
Options outstanding at the beginning of the year:				
- ESOP 2014	68,300	54.22	119,880	35.20
- ESOP 2021	3,092,080	130.00	3,153,000	130.00
Granted during the year:				
- ESOP 2014	-	-	-	-
- ESOP 2021	760,000	200	3,10,000	130.00
Vested during the year:				
- ESOP 2014	22,080	10.00	44,910	10.00
- ESOP 2014	12,000	110.68	9,000	110.68
- ESOP 2021	205,350	130.00	261,600	130.00
Forfeited during the year:				
- ESOP 2014	5,220	10.00	-	-
- ESOP 2021	5,130	130.00	-	-
Exercised during the year:				
- ESOP 2014	25,700	10.00	38,970	10.00
- ESOP 2021	147,925	130.00	65,100	130.00
Lapsed during the year:				
- ESOP 2014	1,000	10.00	12,610	10.00
- ESOP 2021	227,000	139.71	305,820	130.00

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Options (Numbers)	Weighted average exercise price per option (INR in Million)	Options (Numbers)	Weighted average exercise price per option (INR in Million)
Options outstanding at the end of the year:				
- ESOP 2014	36,380	93.02	68,300	54.22
- ESOP 2021	3,472,025	144.69	3,092,080	130.00
Options exercisable at the end of the year:				
- ESOP 2014	36,380	93.02	33,100	64.75
- ESOP 2021	383,491	130.00	234,444	130.00

1. Options available for grant are as under:
   - ESOP 2021: 2,581,950 as at March 31, 2024 (March 31, 2023: 3,109,820)
2. The above figure includes options granted to employees of the subsidiaries.

The weighted average share price at the date of exercise for share options exercised during the year ended March 31, 2024 is INR 334.24 (March 31, 2023: INR 286.43).

The options outstanding at the end of the reporting period has exercise price in the range of INR 10 to INR 200 (March 31, 2023: INR 10 to INR 130) and weighted average remaining contractual life of 4.82 years (March 31, 2023: 5.46 years).

d) For details of expense recognised in the statement of profit and loss please refer note 26 and for details of movement in share options outstanding account refer note 16.2 of financial statements.

e) Fully diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant accounting standard

Year ended 31-Mar-24	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-20
2.42	2.88	2.83	(16.85)	(6.02)

f) Variation in terms of options

Year ended 31-Mar-24	Year ended 31-Mar-23	Year ended 31-Mar-22	Year ended 31-Mar-21	Year ended 31-Mar-20
None	None	None	None	None

g)

Where the Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options	The cost is determined by the fair value at the date when the grant is made using an appropriate valuation model and management's estimate of equity instruments that will vest. That cost is recognised over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

h)

Impact on profit and EPS of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed	The Company has accounted for cost of options as prescribed under Ind AS. The cost of Employee Stock Options is recognised based on the fair value of the options as at the grant date.

i)

Money realized by exercise of options (INR), if scheme is implemented directly by the Company	2023-24: INR 194,87,250 2022-23: INR 88,52,700 2021-22: INR 45,12,800

j)

Loan repaid by the Trust during the year from exercise price received	Not Applicable

(k) Employee wise details of options granted during the year

a) Senior Management Personnel:

Sr. No.	Name of Senior Management personnel	Designation	No. of options granted at an exercise price of INR 200 each
1	Raj Gore	Whole-time Director and CEO	75,000
2	Dr Bharat Gadhavi	Regional Director – Gujarat & Rajasthan	55,000
3	*Srinivasa Raghavan V	Chief Financial Officer	17,500
4	Vineesh Ghei	Chief Sales Officer	27,500
5	Sudeep Dey	Chief Information Officer	17,500
6	Deepti Gautam Tewari	Chief Human Resource Officer	12,500
7	Ashutosh Kumar	VP - Strategic Planning & Corporate Development	20,000
8	George Philip Alex	Regional Business Head – Maharashtra & Indore	12,500
9	Manisha Kumar	Regional Business Head – Karnataka	20,000
10	Prateek Jain	Regional Business Head – East & AP	12,500
11	Madan Kumar Sampath	Chief Supply Chain Officer	17,500
12	Ruby Ritolia	Chief Financial Officer	200,000

Note: *17,500 ESOPs granted to Srinivasa Raghavan V has lapsed on account of his retirement from the Company on August 20, 2023.

b) Other than Senior Management Personnel:

Employees who have received a grant in any one year of options amounting to 5% or more of options granted during that year.	Nil
Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant.	Nil

Annexure 3

Information pursuant to Section 197 (12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 in respect of employees of the Company is detailed as under:

(a) Comparison and ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2023-24

Name of the Director	Designation	Remuneration for FY 2022-23 (INR in Mn.)	Remuneration for FY 2023-24 (INR in Mn.) [6]	% increase in Remuneration	Median Remuneration of employees (INR in Mn.)	Ratio Remuneration of employees[5]
Dr. B. S. Ajaikumar [1]	Executive Chairman	40.87	48.97	19.82	0.28	174.49:1
Mr. Meghraj Arvindrao Gore [2]	Whole-time Director and CEO	50.05	48.22	5.02	0.28	171.80:1
Ms. Anjali Ajaikumar Rossi [3]	Executive Director	7.95	15.00	87.5	0.28	53.44:1
Mr. Abhay Havaldar [4]	Independent Director	0.77	0.00	NA	NA	NA
Ms. Geeta Mathur	Independent Director	1.24	2.00	NA	0.28	7.13:1
Mr. Rajagopalan Raghavan	Independent Director	1.12	2.00	NA	0.28	7.13:1
Mr. Jeyandran Venugopal[8]	Independent Director	Nil	Nil	NA	NA	NA
Mr. Pradip Kanakia	Independent Director	0.83	2.00	NA	0.28	7.13:1
Mr. Rajiv Maliwal[7]	Independent Director	0.00	1.70	NA	0.28	6.06:1

[1] Remuneration of Dr. B.S. Ajaikumar for FY 2024 includes fixed remuneration of INR 40.22 Mn and variable remuneration of INR 8.75 Mn. The remuneration was revised during FY 2024 vide shareholders' approval dated June 25, 2023. The percentage increase in remuneration is computed based on the actual remuneration paid for the respective periods.

[2] Remuneration of Mr. Meghraj Arvindrao Gore for FY 2024 includes fixed remuneration of INR 22.05 Mn, variable remuneration of INR. 11.03 Mn (actual variable remuneration being INR 11.025 Mn, rounded off to INR 11.03 Mn) and share based payment of INR 15.14 Mn. The remuneration was revised during FY 2024 vide shareholders' approval dated June 25, 2023. The percentage increase in remuneration is computed based on the actual remuneration paid for the respective periods, excluding share-based payment.

[3]Remuneration of Mrs. Anjali Ajaikumar Rossi for FY 2024 includes fixed remuneration of INR 12.5 Mn and variable remuneration of INR 2.5 Mn. The remuneration was revised during FY 2024 vide shareholders' approval dated June 25, 2023. The percentage increase in remuneration is computed based on the actual remuneration paid for the respective periods.

[4] Mr. Abhay Havaldar resigned from the Board of the Company effective from April 02, 2023.

[5] Based on actual remuneration paid/payable for FY 2023-24.

[6] The Independent Directors were paid sitting fees for attending the meetings of the Board and committees of the Board till FY 2023. With effect from April 01, 2023, the Independent Directors are being paid remuneration of INR 2 Mn. per annum (excluding GST).

[7] Mr. Rajiv Maliwal was appointed as an Independent Director of the Company with effect from May 22, 2023 and the remuneration has been paid proportionately.

[8] Appointment of Mr. Jeyandran Venugopal, Independent Director is on a pro-bono basis, till such time Mr. Jeyandran Venugopal communicates otherwise to the Company.

Mr. Amit Soni and Mr. Siddharth Patel, Nominee Directors representing Aceso Company Pte Ltd does not receive any remuneration/fees from the Company.

(b) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, during the financial year 2023-24.

Name of Director/KMP	Designation	Remuneration for FY 2022-23 (INR in Mn)	Remuneration for FY 2023-24 (INR in Mn)	% increase in Remuneration *
Mr. Meghraj Arvindrao Gore[1]	Chief Executive Officer	33.20	33.08	5.02
Mr. Srinivasa V. Raghavan[2]	Chief Financial Officer	13.84	4.64	NA
Ms. Ruby Ritolia[3]	Chief Financial Officer	0	10.88	NA
Ms. Sunu Manuel[4]	Company Secretary	5.25	5.60	6.67

* % increase in remuneration includes fixed and variable pay and excludes share based payments.

[1]Please refer to the notes provided under sr. no. (a) above for details.

[2]Mr. Srinivasa V. Raghavan has ceased to be the Chief Financial Officer of the Company effective from August 20, 2023, on account of his retirement from the Company. Mr. Srinivasa V Raghavan has been paid a remuneration of INR 13.84 Mn and share based payment of INR 3.76 Mn for the FY 2022-23 and has been paid a remuneration of INR 4.64 Mn and share based payment of INR 1.40 Mn for part of FY 2023 i.e., till August 20, 2023. Hence, the percentage of increase in remuneration is not being provided.

[3]Ms. Ruby Ritolia has been appointed as the Chief Financial Officer of the Company effective from August 21, 2023. Ms. Ruby Ritolia has been paid a remuneration of INR 10.88 Mn and Share Based Payment of INR 5.26 Mn, with effect from August 21, 2023. The remuneration for FY 2024 represents remuneration drawn for the part of the year. Hence, the percentage of increase in remuneration is not being provided.

[4]Ms. Sunu Manuel has been paid remuneration of INR 5.25 Mn and Share Based Payment of INR 0.86 Mn, for the FY 2022-23 and has been paid a remuneration of INR 5.60 Mn and Share based payment of INR 0.62 Mn for the FY 2023-24.

The share-based payments made to the KMPs for the FY 2023-24 is as under:

Name of KMP	Designation	Share Based Payment for FY 2023-24 (INR in Mn.)
Mr. Meghraj Arvindrao Gore	Whole-time Director and CEO	15.14
Mr. Srinivasa V. Raghavan	Chief Financial Officer	1.40
Ms. Sunu Manuel	Company Secretary	0.62
Ms. Ruby Ritolia	Chief Financial Officer	5.26

(c) The percentage increase in the median remuneration of employees during the financial year 2023-24 is 9.94%.

(d) The number of permanent employees on the rolls of Company as of March 31, 2024 was 6,150.

(e) Average percentile increase already made in the salaries of employees of the Company other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration.

Particulars	For the Financial Year 2023-24
(A) Average percentile increase already made in the salaries of employees other than the managerial personnel	8.31%
(B) Percentile increase in the managerial remuneration	2%
Comparison of (A) and (B)	Percentile increase of B is less than A
Justification	NA
Any exceptional circumstances for increase in the managerial remuneration	None

(f) Affirmation that the remuneration is as per the Remuneration Policy of the Company.

It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.

(g) Statement pursuant to Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The names of the top ten employees in terms of remuneration drawn –

Sr. No.	Name of the Employee	Designation	Qualification	Previous employment	Date of joining	Age (in Years)	Experience (in Years)	Remuneration received in INR Million	No and % of Equity Shares held in the Company		Relationship with Directors/ Manager
									Number of shares	% of equity shares	
1	Dr. B S Ajaikumar	Executive Chairman	MBBS, MD	Not Applicable	07.Mar.2000	73	47	48.97	14,498,715	10.41	Father of Ms. Anjali Ajaikumar Rossi, Executive Director
2	Meghraj Arvindrao Gore	Whole-time Director & Chief Executive Officer	B E Chemical, M.Sc. IT, MBA and HMP from IMA and Singapore	Apollo Hospitals	01.Feb.2021	49	24	33.08	38,500	0.03	None
3	Dr. Bharat S. Gadhavi	Regional Director	MS- General Surgery	Sterling Hospital	15.Jan.2008	60	34	10.5	83,106	0.06	None
4	Srinivasa Raghavan V	Chief Financial Officer	B.Com, Chartered Accountancy, Cost Accountancy	CSC Technologies India Private Limited	27.Jul. 2018	58	34	4.64	52,000	0.04	None
5	George Philip Alex	Regional Business Head – Maharashtra	MBA, Advanced Strategic Management Programme from IIM, Kozhikode	Jaslok Hospital	10.Oct.2022	46	21	8.71	Nil	Nil	None
6	Vineesh Kumar Ghei	Senior Vice President- Sales	PGBMS & BE in Electronics	Apollo Hospitals	16.Aug.2021	51	27	13.61	24,000	0.02	None
7	Sudeep Dey	Chief Information Officer	PG in System management & PGDBA	Fortis Healthcare Limited	10.Dec.2021	45	21	6.21	10,500	0.01	None
8	Anjali Ajaikumar Rossi	Executive Director	MBA	Clarkston Consulting	10.Aug.2009	37	16	15.00	1,000	0.00	Daughter of Dr. B.S. Ajaikumar, Executive Chairman
9	Manisha Kumar	Cluster Head, Chief Operating Officer	PGPM	Columbia Asia Hospital Private Limited	12.Nov.2021	37	15	7.06	Nil	Nil	None
10	Ruby Ritolia	Chief Financial Officer	Chartered Accountancy, PG Accounting	Marico	21.Aug.2023	43	18	10.88	Nil	Nil	None

The nature of employment is contractual in all the above cases.

Variable Remuneration/Compensation

The variable remuneration of Executive Directors including the Chief Executive Officer is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the organization. The criteria for variable pay, which is paid out annually, includes financial parameters and non-financial parameters. Financial parameters include revenue, profit achievement, operating margin achievement and other strategic goals as decided by the Board, from time to time.

For and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Date: August 08, 2024
Place: Bengaluru

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Annexure 4

FORM AOC 1

Statement pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A - Subsidiaries

INR in MN

Name of the subsidiary	Financial year ended	Reporting Currency	% of shareholding	Share capital	Reserve & surplus	Total assets	Total liabilities (excluding share capital and reserve & surplus)	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation
BACC Healthcare Private Limited	31-03-2024	INR	100.00%	0.94	268.09	574.39	305.36	-	674.05	-2.72	9.15	-11.87
HCG Medi-Surge Hospitals Private Limited	31-03-2024	INR	74.00%	55.69	719.53	1,585.26	809.95	-	2,024.77	299.38	54.64	244.74
Malnad Hospital & Institute of Oncology Private Limited	31-03-2024	INR	70.25%	9.50	64.51	105.20	31.21	-	101.72	12.33	3.05	9.28
Niruja Product Development and Healthcare Research Private Limited	31-03-2024	INR	100%	48.00	-279.87	39.99	271.86	39.00	-	-	-	-
HealthCare Global Senthil Multi-Specialty Hospitals Private Limited	31-03-2024	INR	100%	40.00	-38.57	1.42	-	-	-	-	-	-
HealthCare Diwan Chand Imaging LLP	31-03-2024	INR	75.00%	32.72	-8.92	30.65	6.86	-	-	-0.07	-	-0.07
HCG Oncology LLP	31-03-2024	INR	74.00%	151.99	-319.15	592.19	759.36	-	729.63	10.10	-	10.10
HCG (Mauritius) Pvt Ltd	31-03-2024	INR	100.00%	511.14	-319.86	475.96	228.21	5.32	178.29	-15.39	-	-15.39
	31-03-2024	USD	100.00%	6.22	-3.89	5.79	2.78	0.06	2.22	-0.19	-	-0.19
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	31-03-2024	INR	100.00%	1,427.73	-1,367.56	1,600.57	1,540.42	-	760.78	-115.45	-	-115.45
HCG NCHRI Oncology LLP	31-03-2024	INR	100.00%	545.56	-587.12	784.02	825.59	-	717.77	-14.94	-	-14.94
Nagpur Cancer Hospital & Research Institute Private Limited	31-03-2024	INR	100.00%	0.10	-7.02	678.63	685.51	49.68	32.69	7.23	1.82	5.41
HCG Manavata Oncology LLP	31-03-2024	INR	51.00%	657.03	-305.45	1,706.42	1,354.82	-	1,044.12	-102.38	-13.77	-88.61
HCG EKO Oncology LLP	31-03-2024	INR	100.00%	787.94	-1,020.80	1,072.77	1,305.60	-	558.52	-197.02	-	-197.02
HCG SUN Hospitals LLP	31-03-2024	INR	100.00%	543.43	-387.65	441.24	285.45	-	553.70	-27.02	-	-27.02
Suchirayu Health Care Solutions Limited	31-03-2024	INR	78.60%	446.00	-500.85	1,096.90	1,151.75	-	946.26	25.73	-	25.73

As on 31.03.2024: 1 US$:
Closing rate: Rs.82.16
Average rate: Rs.80.22

Revenue number is only considered revenue from operations

Part B : Associates and Joint Ventures

Sr. No.	Name of Associates/Joint Ventures	Advanced Molecular Imaging Limited
1	Latest audited Balance Sheet Date	31-Dec-23
2	Date on which the associate or joint venture was associated or acquired	07-Jun-19
3	Shares of Associate/Joint Ventures held by the company on the year end	
	a) No. of shares:	5,000 ordinary shares
	b) Amount of investment in Associate / Joint venture:	Rs. 33.60 million
	c) Extent of holding % :	50%
4	Description of how there is significant influence	More than 20% shareholding
5	Reason why the associate/joint venture is not consolidated	No control and hence equity method followed in consolidation
6	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 33.60 million
7	Profit/Loss for the year	
	Considered in consolidation	Profit: INR 3.88 million
	Not considered in consolidation	Profit: INR 3.88 million

Names of associates or joint ventures which are yet to commence operations: None

Names of associates or joint ventures which have been liquidated or sold during the year: None

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779

Place : Bengaluru
Date : August 08, 2024

Annexure 5

FORM NO. AOC-2

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

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

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

There are no contracts/arrangements/transactions which are not at arm's length basis.

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

Name of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	*Salient terms of the Contracts or arrangements or transactions including the Value (INR in million) if any	Date of approval by the Board, if any	Amount paid as advances, if any
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director	Sales of Medical and Non medical items	Ongoing	0.37	Not Applicable	Nil
Sada Sarada Tumor & Research Institute	Company with Common Director			3.71		
HCG NCHRI Oncology LLP	LLP/Subsidiary			4.06		
HCG EKO Oncology LLP	LLP/Subsidiary			0.04		
HCG Foundation	Trust/Director of the Company is a trustee	Providing of services		3.39		
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director			80.57		
Malnad Hospital & Institute of Oncology Private Limited	Subsidiary Company/ Common Director			1.70		
BACC Healthcare Private Limited	Subsidiary Company/ Common Director			1.34		
HCG SUN Hospitals LLP	LLP/Subsidiary			1.11		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary			33.84		
HCG EKO Oncology LLP	LLP/Subsidiary			26.48		
Suchirayu Health Care Solutions Limited	Subsidiary Company/ Common Director			75.66		
HCG Manavata Oncology LLP	LLP/Subsidiary			0.45		
HCG Oncology LLP	LLP/Subsidiary			2.59		
Sada Sarada Tumor & Research Institute	Company with common Director			6.23		

Name of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	*Salient terms of the Contracts or arrangements or transactions including the Value (INR in million) if any	Date of approval by the Board, if any	Amount paid as advances, if any
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director	Purchases of medical and non-medical items		0.74		
HCG EKO Oncology LLP	LLP/Subsidiary	Finance lease income		3.45		
HCG NCHRI Oncology LLP	LLP/Subsidiary			9.87		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary	Interest income received on loan given		1.98		
HCG EKO Oncology LLP	LLP/Subsidiary			0.42		
HCG NCHRI Oncology LLP	LLP/Subsidiary			3.32		
HCG Oncology LLP	LLP/Subsidiary	Lab charges		7.17		
HCG EKO Oncology LLP	LLP/Subsidiary			0.36		
HCG Manavata Oncology LLP	LLP/Subsidiary	Purchases of capital assets		2.51		
Sada Sarada Tumor & Research Institute	Company with common Director			1.70		
GHA Global Healthcare Academy Private Limited	Company with common Director	Promotion and Marketing of Offline and Online courses		10.67		
Irelia Sports India Private Limited	Fellow Subsidiary	Business promotion expenses		4.86		
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director	Corporate Guarantee Commission Income		6.98		
HCG Oncology LLP	LLP/Subsidiary			1.98		
HCG NCHRI Oncology LLP	LLP/Subsidiary			1.90		
HCG Manavata Oncology LLP	LLP/Subsidiary			2.83		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary			0.50		
HCG EKO Oncology LLP	LLP/Subsidiary			2.19		
HCG SUN Hospitals LLP	LLP/Subsidiary			1.42		

Name of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	*Salient terms of the Contracts or arrangements or transactions including the Value (INR in million) if any	Date of approval by the Board, if any	Amount paid as advances, if any
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director	Employee stock option scheme cross charged by the Company	Ongoing	0.07		
HCG Oncology LLP	LLP/Subsidiary			0.67		
HCG SUN Hospitals LLP	LLP/Subsidiary			0.70		
HCG NCHRI Oncology LLP	LLP/Subsidiary			0.52		
HCG EKO Oncology LLP	LLP/Subsidiary			1.56		
HealthCare Global (Kenya) Private Limited	Subsidiary Company			0.42		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary			1.64		
BACC Healthcare Private Limited	Subsidiary Company/ Common Director			0.49		
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director	Reimbursement of capital expenditure/ revenue expenditure cross charged by the Company		37.93		
HCG Oncology LLP	LLP/Subsidiary			19.68		
BACC Healthcare Private Limited	Subsidiary Company/ Common Director			5.29		
Malnad Hospital & Institute of Oncology Private Limited	Subsidiary Company/ Common Director			0.93		
HCG SUN Hospitals LLP	LLP/Subsidiary			19.28		
HCG NCHRI Oncology LLP	LLP/Subsidiary			14.73		
HCG EKO Oncology LLP	LLP/Subsidiary			21.29		
HCG Manavata Oncology LLP	LLP/Subsidiary			4.80		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary			39.35		
Suchirayu Health Care Solutions Limited	Subsidiary Company/ Common Director			13.43		

Name of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	*Salient terms of the Contracts or arrangements or transactions including the Value (INR in million) if any	Date of approval by the Board, if any	Amount paid as advances, if any
HCG NCHRI Oncology LLP	LLP/Subsidiary	Payment to vendor on behalf of following subsidiaries		2.40		
Malnad Hospital & Institute of Oncology Private Limited	Subsidiary Company/ Common Director			10.62		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary			78.25		
HCG SUN Hospitals LLP	LLP/Subsidiary			20.89		
HCG Medi-surge Hospitals Private Limited	Subsidiary Company/ Common Director			14.87		
HCG EKO Oncology LLP	LLP/Subsidiary			40.61		
BACC Healthcare Private Limited	Subsidiary Company/ Common Director			-		
HCG Oncology LLP	LLP/Subsidiary			4.82		
Healthcare Diwan Chand Imaging LLP	LLP/Subsidiary			0.05		
HCG Manavata Oncology LLP	LLP/Subsidiary			0.84		
Suchirayu Health Care Solutions Limited	Subsidiary Company/ Common Director			7.17		
HCG EKO Oncology LLP	LLP/Subsidiary	Investment made during the year other than corporate guarantee		200.00		
HCG NCHRI Oncology LLP	LLP/Subsidiary			171.61		
HCG NCHRI Private Limited	Subsidiary Company/ Common Director			141.00		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary	Loans Given		115.00		
HCG EKO Oncology LLP	LLP/Subsidiary			95.00		
HCG NCHRI Oncology LLP	LLP/Subsidiary			185.00		
HCG NCHRI Oncology LLP	LLP/Subsidiary	Recovery of loans given		38.35		
Pradip M. Kanakia	Independent Director	Sitting fees to Directors		2.36		
Geeta Mathur	Independent Director			2.36		
Rajiv Maliwal	Independent Director			2.00		
Rajagopalan Raghavan	Independent Director			2.36		

Name of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	*Salient terms of the Contracts or arrangements or transactions including the Value (INR in million) if any	Date of approval by the Board, if any	Amount paid as advances, if any
Meghraj Arvindrao Gore	Whole-time Director and CEO-KMP	Share based payments	Vesting of Options granted	15.14		
Ruby Ritolia	CFO-KMP			5.26		
Srinivasa Raghavan	CFO-KMP			1.40		
Sunu Manuel	CS-KMP			0.62		
Dr. B.S. Ajaikumar	Whole-time director and Exeutive Chairman	Remuneration	Employment Contract	48.97		
Ms. Anjali Ajaikumar	Whole-time Director and daughter of Dr. B S Ajaikumar			15.00		
Meghraj Arvindrao Gore	CEO-KMP			33.08		
Srinivasa Raghavan	CFO-KMP			4.64		
Ruby Ritolia	CFO-KMP			10.88		
Sunu Manuel	CS-KMP			5.60		
Dr. B S Ajaikumar	Whole-time director and Exeutive Chairman	Post-employment benefits	Employment Contract	0.91		
Meghraj Arvindrao Gore	CEO-KMP			0.47		
Anjali Ajaikumar	Whole-time director and daughter of Dr. B S Ajaikumar			0.27		
Srinivasa Raghavan	CFO-KMP			-0.01		
Ruby Ritolia	CFO-KMP			0.05		
Sunu Manuel	CS-KMP			0.15		
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	LLP/Subsidiary	Expenses incurred on behalf of the company	On time	172.45		
International Human Development and Upliftment Academy (Trust)	Company/ entity in which KMP/ Relatives of KMP can exercise control/ significant influence	CSR contribution	CSR	2.80		

* All the transactions are in the ordinary course of business and at arm's length basis. These are as per agreed terms with the parties and in line with the Policy on Related Party Transactions of the Company and approvals received from the Audit Committee.

* The above remuneration excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Date : August 08, 2024
Place: Bengaluru

Annexure 6

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken.

The CSR activities of HCG are guided by its Corporate Social Responsibility (CSR) Policy which has been formulated and adopted by HCG in compliance with the provisions of Section 135 of the Companies Act, 2013 and is hosted on the Company's website https://www.hcgoncology.com/corporate-governance/#Policies-and-Guidelines.

The main objective of HCG's CSR Policy is to lay down guidelines for HCG and its subsidiary companies to make CSR a key business process for sustainable development of the Society. It aims at staying committed for ensuring socio-economic development of the community through different participatory and need based initiatives in the best interest of the poor and deprived sections of the society, so as to help them to become self-reliant and build a better tomorrow for themselves. This in turn would lead to sustainable growth of the enterprises they are engaged with, the society and the country at large.

In alignment with the above, HCG, through this philanthropic approach, will conduct and initiate programmes focusing on areas covered in the Policy so as to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

HCG's CSR activities, amongst others, will focus on:

- **Hunger, Poverty, Malnutrition and Health:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- **Education:** Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **Gender Equality and Women Empowerment:** Promoting gender equality and empowering women; setting up homes and hostels for women and orphans; setting up of old age homes, day care centres and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **Environmental Sustainability:** Ensuring environmental sustainability, ecological balance, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air & water.
- **National Heritage, Art and Culture:** Protecting national heritage, art & culture promoting and developing traditional arts and handicrafts.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. B. S. Ajaikumar	Chairman of the Committee, Executive Chairman	1	1
2.	Mr. Siddharth Patel	Member of the Committee, Non-Executive Non-Independent Director	1	1
3.	Mr. Jeyandran Venugopal	Member of the Committee, Independent Director	1	0

3. Web-link, where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

https://www.hcgoncology.com/corporate-governance/.

4. Details of executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

In terms of rule 8 (3) of Companies (Corporate Social Responsibility Policy) Rules, 2014), every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The Company does not meet the above criteria and hence impact assessment is not applicable.

5. Details of CSR expenditure:

a) **Average net profit/loss of the company for last three financial years as per Section 135(5):**

Average net profit: INR 140.13 million.

b) **Prescribed CSR Expenditure [two per cent of average net profit of the Company as per Section 135 (5)]:** INR 2,802,600.

c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil.

d) **Amount to be set-off for the financial year, if any:** Nil.

e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** INR 2,802,600

6. Details of CSR spent during the financial year:

a) **Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project):**

INR 2,802,600.

b) **Amount spent on Administrative Overheads:** Nil.

c) **Amount spent on Impact Assessment, if applicable:** NA.

d) **Total amount spent for the financial year [(a)+(b)+(c)]:** INR 2,802,600.

e) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (in INR)	Amount Unspent (in INR)				
	Total amount transferred to Unspent CSR Account as per sub section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
2,802,600	Not applicable				

f) **Excess amount for set-off, if any:**

Sl. No.	Particulars	Amount (in INR)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	2,802,600
(ii)	Total amount spent for the financial year	2,802,600
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Not applicable
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Not applicable

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NA

Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in INR)	Balance amount in Unspent CSR account under sub section (6) of section 135 (in INR)	Amount spent in the financial year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
1	FY-1	Nil						
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
Not applicable.							

9. Specify reasons, if the Company has failed to spend the two per cent of the average net profit as per sub-section of Section 135:

Not applicable.

Dr. B.S. Ajaikumar
Executive Chairman & Chairman of CSR Committee
DIN: 00713779

Place: Bengaluru
Date: August 08, 2024

Annexure 7

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A) **Conservation of energy:** The operations of your Company are not energy-intensive. However, significant measures are being taken to reduce energy consumption by using energy efficient equipment. The Company has reduced the internal energy consumption through the following initiatives:

- Phase out of CFL lamps to LED lights in the utility areas.
- Introduction of timer based operation of Air Handling Units to reduce power consumption.
- Introduction of micro processing energy saver for AHU Motors, in case of new units.
- Implementation of energy optimization practices in Transformer operation in existing as well as new units.
- VFD installation for AHU motor in a phased manner.
- Introduction of timer control for AHU motors to reduce running hours.
- Phase out of split air conditioner units with chilled water FCU to reduce power consumption and capital cost. Also, for the new units, it is being implemented in the initial stage of the project itself.
- Operation of all Lifts and OT AHUs with VFD panels.
- Installation of solar water heaters in hospitals for hot water requirements.
- Design new buildings to match high efficiency standards with respect to consumption of light and other energy resources.
- Improving overall efficiency of Utility by replacing older technology machines by newer technology. The Company has achieved conservation of energy by replacement of older technology boiler with energy efficient electric heat pump, cooling tower, pump, modification and optimization of chilled water line for building & LED lights at various units.

Plan for conservation of energy

- Utilizing alternate sources of energy.
- In an effort to conserve energy and promote green initiatives towards sustainable healthcare and decreased carbon footprint, the Company has installed a 2.25MW Solar Power Plant in Karnataka's Jagaluru Village, situated in the Davangere district. The newly installed power plant is spread across 7.2 acres of land.

  The project is HCG's contribution towards improving environmental and social factors through energy optimization and an attempt to achieve zero emissions. As a phase 1 initiative solar power project is implemented at HCG's flagship center in Bengaluru KR Road and HCG Suchirayu Hospital in Hubli.
- Expected power generation of 1,040 lakh units over a period of 25 years, leading to reduction of carbon emissions by approximately 76,200 metric tons and will enable annual savings of up to INR 4.2 Crore.
- Energy monitoring system to ensure efficient energy management.

Your Company constantly evaluates and invests in new technology to make the infrastructure more energy efficient. As the cost of energy forms a very small portion of the total costs, the financial implications of these measures are not material.

B) Technology absorption:

HCG has always been at the forefront of the fight against cancer. An area of such intensity requires groundbreaking treatment protocols and the introduction of industry-changing technologies, which shall be beneficial to both the patients and the specialist treating them.

Oncology or cancer care is one such area that demands more serious work, and we aim to rise to that challenge. In the last 30 years, HCG has led the march against cancer and has set numerous benchmarks in the industry by introducing many new-age technologies, which have had a positive impact on the treatment precision and the overall treatment response shown by the patients. These technologies have been helpful for the specialists in understanding cancer as a disease and treating it the way it should be treated – the right way, the first time.

Cancer surgery and radiation therapy are important areas of cancer management and we aim to lead these areas with our strong framework and technology infrastructure.

Some of the best and the world class equipment the Company has for the treatment of cancer are as under:

(i) **Agility Synergy Linear Accelerator:** Agility Synergy is the advanced linear accelerator that is made capable to meet modern radiation therapy demands. Agility Synergy delivers radiation with enhanced precision whilst prioritising the patient's comfort and safety.

HCG was the first hospital in India to have the Agility Synergy linear accelerator. This linear accelerator comes with 3D image guidance, which helps the radiologists visualise and target the tumour precisely, along with its movement during and between the radiation fractions.

(ii) **Artiste Linear Accelerator:** Artiste Linear Accelerator is a radiation therapy platform specially designed for Adaptive Radiation Therapy (ART). This platform is an amalgamation of integrated imaging and workflow solutions and offers comprehensive radiation therapy solutions. Artiste's 2D and 3D imaging feature helps radiologists confirm the tumour location right before every session to ensure that radiation therapy is more focussed and precise. This feature also helps radiologists to spare healthy tissues close to the tumour. Artiste can treat both superficial and inoperable tumours with superior precision and better clinical outcomes.

(iii) **Versa HD™:** Versa HD™ is a Versatile, all-in-one system which offers classic radiotherapy to advanced stereotactic precision. Equipped with sophisticated conformal beam-shaping technology and High Dose rate mode delivery, Versa HD™ is designed to provide the precision and speed necessary to deliver advanced stereotactic radiotherapy (SRT) and stereotactic radiosurgery (SRS), techniques that demand the maximum accuracy in tumor targeting and protection of critical structures. Versa HD™ the unique combination of ground-breaking MLC leaf speeds with High Dose Rate mode means clinicians can, for the first time, explore the full capabilities of high dose rate delivery and take advanced therapies to new levels. The equipment was imported in 2016 and the technology has been fully absorbed.

(iv) **TomoTherapy® H™:** This is one of the most innovative and precise radiation therapy for the first time in India. TomoTherapy is an advanced form of cancer treatment that combines Intensity Modulated Radiation Therapy (IMRT) with the accuracy of Computed Tomography (CT) scanning technology (IGRT- Image Guided Radiotherapy), all in one machine. With this advanced treatment modality, we can modulate powerful radiation beams to treat tumours with precision. Using the built-in CT scanning to confirm the shape and position of the tumour before each treatment, TomoTherapy reduces radiation exposure to healthy tissues and organs thereby minimising the side effects. This technology is very helpful in treating tumours in hard-to-reach sites, tumours that are advanced stage (locally and metastatic) and recurrent tumours which have been previously treated with other radiotherapy techniques. On each treatment day, the scanning technology provides a 3D image of the treatment area, so the radiation beams can be targeted according to the size, shape and location of the tumour(s) on that specific day. Hence there is no chance of missing the target. This minimizes the radiation that reaches the healthy tissues and organs, thereby, reducing the side effects. The TomoTherapy is a radiation therapy which efficiently treats cancer at any site on the body. Designed like a CT scanner, the TomoTherapy uses its integrated imaging to enhance treatment accuracy and a unique beam to improve treatment precision. The TomoTherapy can be used for any case which may need radiation therapy, including those involving large tumors or multiple tumors throughout the body. The TomoTherapy System may be used as the only treatment, or in combination with surgery and/or chemotherapy. The equipment was imported in 2017 and the technology has been fully absorbed.

(v) **TrueBeam™:** TrueBeam system is the latest in cutting-edge technology in the fight against cancer. Aiding practitioners with its numerous lifesaving tools, this radical system enhances levels of clinical excellence with greater image clarity and pinpoint accuracy. Superior features like one-button image acquisition and full automation of beam delivery makes treatment 50% faster and much more effective. TrueBeam offers improved image quality, millimetre accuracy for increased precision and reduced human errors, thanks to its automated technology. It is highly accurate in tumour detection, has non-toxic elements and offers quicker treatment and delivery. The equipment was imported in 2016 and the technology has been fully absorbed.

(vi) **Skyra 3 Tesla:** This piece of cutting-edge technoloy allows clinicians to get an enhanced diagnosis which aids in deciding an optimal course of treatment and results in better outcomes. The Skyra 3 Tesla MRI incorporates Tim (Total imaging matrix) and Dot (Day optimising throughput) technology. In simple terms, this allows uniquely tailored and optimised scans that can be configured to the patient's condition or a clinical question. It also allows higher spatial and temporal resolution without having to reposition the patient. The Skyra 3T MRI is used in neuro-surgery (surgical planning), tractography, functional MRI and high resolution anatomical data. The Skyra 3T MRI offers high signal to noise ratio which translates into better quality images. It has faster scan times and 3-dimensional data in every body region, for every contrast available. Better exploitation of the magnetic properties of blood and other tissues allows diagnostic imaging of superior quality. For the patients there is no sedation required, there's more space to put claustrophobic patients at ease and motion correction for uncooperative patients. It can accommodate patients with special needs - pain and mobility issues, obesity, respiratory problems etc. The equipment was imported in 2010 and the technology has been fully absorbed.

(vii) CyberKnife: This is the world's first robotic radiosurgery system that offers the patients a new ray of hope in the treatment of tumours and lesions (previously diagnosed as inoperable or untreatable) anywhere in the body with sub-millimetre accuracy. It is considered to be an innovation in the treatment of cancer. CyberKnife offers a non-invasive alternative to surgery with state-of-the-art, real-time image guidance that precisely targets tumours anywhere in the body with pinpoint accuracy and delivers intense doses of radiation. As CyberKnife removes the need for invasive surgery, it also allows the patient to go home immediately after the treatment. Cyberknife offers several advantages to patients as it treats inoperable tumours, with stereotactic bloodless radiosurgery anywhere in the body. It also has high levels of comfort, as it is a relatively pain-free treatment procedure and requires no anaesthesia. CyberKnife also significantly reduces treatment time as it treats only the affected areas and offers minimal side effects allowing the patient to go back to leading a routine life. The equipment was imported in 2009 and the technology has been fully absorbed.

(viii) The Da Vinci Surgical System: da Vinci Surgical System is an advanced surgery platform, which helps surgeons perform complex surgical procedures with superior precision, enhanced flexibility and better control. This surgical system comes with robotic arms that support higher degree dexterity, which in turn helps surgeons access hard-to-reach areas in the body and perform surgeries seamlessly. These robotic arms function with the unique and intuitive EndoWrist technology that is responsible for intricate movements of the arms in the surgical site. These robotic arms are controlled by surgeons through a special console. One of the robotic arms carries a camera that supports 3D imaging of the surgical site and the surgeon moves the arms based on information received from the highly detailed, magnified images. da Vinci Surgical System uses tiny incisions instead of larger incisions; this translates to numerous advantages like reduced blood loss, less pain and scarring, fewer treatment-related complications, etc.. The equipment was imported in 2016 and the technology has been fully absorbed.

(ix) Mixed reality technology with Microsoft HoloLens 2: With the introduction of Mixed Reality Technology using Microsoft HoloLens 2, HCG is taking a significant step towards closing the gaps that exist in cancer care. This latest addition to HCG's ever-expanding healthcare expertise is interactive, seamless, and collaborative. This technology empowers doctors to make the greatest clinical decisions and provide the best care to cancer patients. This technology leverages HCG's proven experience and expertise in delivering superior precision cancer care solutions. Mixed Reality Technology with Microsoft HoloLens 2 benefits patients in the following ways: (a) collaboration between specialists across the network (hubs, tier 2 and tier 3 cities) for better patient care; (b) Seamless interaction on immersive 3-D platforms to offer the best possible treatment; (c) Reduced time-to-care for patients by empowering healthcare teams to work independently; (d) Enhanced support in surgical planning; (e) Positive impact on the diagnosis and treatment precision and (f) Positive impact on the overall patient experience.

(x) Automated Breast Volume Scanner – Latest Breast Cancer Screening Technology: Automated Breast Volume Scanner, or ABVS, is the latest cancer screening technology for breast cancer detection among women with dense breast tissues. It is an ultrasound system that captures clearer, more detailed images of the breast tissues. Therefore, it is also called Breast Ultrasound. During mammography, dense breast tissues appear white, just like the cancer tissues. Therefore, it is easy for the mammography to miss the tumours in women with dense breast tissues or lead to false positives. In these cases, ABVS serves as the best option and supports early detection of breast cancer.

(xi) VitalBeam – Radiation Therapy Supported by Intelligent Automation: VitalBeam is an advanced radiation delivery platform designed to treat tumours through intelligent automation that not only helps target the tumour precisely but also reduces the overall treatment duration. VitalBeam brings the best of both worlds by combining intensity-modulated radiation therapy (IMRT) and image-guided radiation therapy (IGRT) for optimum image guidance and precise radiation delivery. The platform is smart enough to synchronise multiple parameters that are associated with precision, namely imaging, patient positioning, motion management, radiation beam shaping and dose delivery along with accuracy assessment every ten milliseconds. This way, VitalBeam supports superior precision radiation delivery while minimising damage to the surrounding healthy tissues. This platform is mainly used to treat the cancers of the breast, head and neck, spine, lung and prostate along with other regions.

The Company has a dedicated team of technically competent personnel who relentlessly work on technology upgradation and development related fields. Your Company also deploys its resources from time to time and imparts necessary training to keep abreast of the continuously changing technology.

C) Research and Development:

The Research and Development is intellectual property driven accelerated bridge between basic research and clinical implementation through high quality translational research to understand disease pathogenesis, translate such knowledge into improvements in patient care and set new paradigm in personalized medicine era through biospecimen banking. Putting a step forward for comprehensive cancer care, the R&D focusses on high end molecular diagnostics, genomics and other high end technologies and platform to identify and utilize genetic variability in cancer and genetic make-up of the individual to formulate personalized therapeutic approaches that would enable maximum efficacy with a concomitant improvement in patient quality of life.

As a comprehensive cancer hospital dedicated to transforming cancer care, HCG ensures our patients have access to cutting edge treatments that deliver the best possible outcomes. We are focused on delivering patient-centred care through clinical, academic and research excellence. Medicine is constantly evolving. To ensure we remain at the forefront of the latest approaches to cancer care and treatment, we have dedicated research teams onsite that focus on medical physics, radiation oncology, radiotherapy, medical oncology, as well as an integrated clinical trials department. This provides the opportunity for our patients and team members to get involved in vital research, including the trial of new drugs, devices and other treatment techniques.

The Company actively publishes research papers, case studies, abstracts in international & national forums like ASCO, AACR and Indian Cancer Congress. Having access to well annotated and high quality clinical samples of various cancer types, Triesta – unit of HCG, is the preferred partner for global pharma companies, academia, diagnostic companies, venture & technology groups for oncology research and clinical projects.

D) **Foreign exchange earnings and outgo:** The details of Foreign Exchange Earnings and Outgo during the year ended March 31, 2024 vis-a-vis during the year ended March 31, 2023 is as under:

(in INR)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Foreign Exchange Earnings	72,45,39,563	48,97,68,948
Foreign Exchange Expenditure	8,06,64,638	4,36,95,633

Annexure 8

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

[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 of
HCG MEDI-SURGE HOSPITALS PRIVATE LIMITED
Registered Office: Medi-Surge Hospital, #1 Maharashtra Society
Mithakhali Cross Road,
Ahmedabad,
Gujarat, India, PIN-380006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HCG MEDI-SURGE HOSPITALS PRIVATE LIMITED**, CIN: U85110GJ2000PTC037474 (hereinafter called the 'Company').

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2024, 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.

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under.

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The LODR) - to the extent applicable to the material subsidiary of a listed company.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Other laws as may be applicable specifically to the company.

  a) Drugs and Cosmetics Act, 1940 and the rules thereunder.

  b) Radiation Protection Rules, 1971 ("Radiation Rules").

  c) Radiation Surveillance Procedures for Medical Application of Radiation, 1989 ("Radiation Surveillance Procedures").

  d) The Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001 ("X-Ray Safety Code").

  e) Pharmacy Act, 1948 ("Pharmacy Act").

  f) Drugs (Prices Control) Order, 2013 ("DPCO").

  g) The Clinical Establishments (Registration and Regulation), Act, 2010

  h) Narcotic Drugs and Psychotropic Substances Act, 1985 ("Narcotic Act").

  i) Transplantation of Human Organs Act, 1994 ("Transplantation of Organs Act")

  j) Ethical Guidelines for Biomedical Research on Human Participants, 2006 ("ICMR Guidelines").

  k) Indian Medical Council Act, 1956 ("IMCA") and applicable Rules made thereunder.

  l) Indian Nursing Council Act, 1947; and

  m) Bio-Medical Waste (Management and Handling) Rules, 1998.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above:

I further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors and Non-Executive

Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period there are no events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards taken place.

K L JAYAKRISHNA
Company Secretary in Practice
FCS No. 7297; CP No.14890
UDIN: F007297F000400360
Peer Review Certificate No. 5095/2023.

Place: Bangalore
Date: 20-May-2024.

This report is to be read with my letter of even date which is annexed as **Annexure "A"** and forms an integral part of this report.

'Annexure A'

To
The Members
HCG MEDI-SURGE HOSPITALS PRIVATE LIMITED
Registered Office: Medi-Surge Hospital, S1 Maharashtra Society
Mithakhali Cross Road,
Ahmedabad, Gujarat, India, PIN-380006

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

1) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, I have obtained the Management representation about the compliance of laws, Rules and Regulations and happening of events, etc.

5) The compliance of the provisions of Corporate and other Applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on a test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management as conducted the affairs of the Company.

K L JAYAKRISHNA
Company Secretary in Practice
FCS No. 7297; CP No.14890
UDIN: F007297F000400360
Peer Review Certificate No. 5095/2023.

Place: Bangalore
Date: 20-May-2024.

Corporate Governance Report

I. Company's philosophy on code of governance

We, at HealthCare Global Enterprises Limited ("HCG" or "the Company"), believe that effective governance is achieved through a culture of transparency and openness between Management and the Board of Directors ("Board") and across the stakeholders, where the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Corporate governance at HCG is implemented through strong Board governance processes, internal control systems and processes, and audit mechanisms. These are articulated through the Company's corporate governance policies and guidelines, charters of various Committees of the Board and Code of Conduct. HCG's corporate governance practices can be described through the following four layers:

a) Governance by Shareholders;

b) Governance by Board of Directors;

c) Governance by Committees of Board; and

d) Governance through management process.

This report, while detailing the required governance and regulatory assurances and disclosures, also provides an insight into how governance operates at HCG and how effective governance supports and guides our culture and behaviours.

A report on Corporate Governance, in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as applicable is outlined below.

II. Board of Directors

The Board of Directors is the apex body constituted by shareholders, for overseeing the Company's overall functioning. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objective of creating long-term value for the Company's stakeholders. Our Board comprises of directors with a broad range of skills, experience, background and perspectives. This mix of skills, knowledge and experience enriches the Board discussion and contributes towards a high performing and effective Board.

A. Composition of Board

As of March 31, 2024, the Board comprised of 5 (five) Independent Non-Executive Directors, 2 (two) Non-Executive Nominee Directors, and 3 (three) Executive Directors/Whole-time Directors. Dr. B. S. Ajaikumar, Whole-time Director is the Executive Chairman of the Board. All 5 (five) Independent Directors are free from any business, pecuniary or other relationship that could materially influence their judgment and satisfy the criteria of independence as defined under the Companies Act, 2013, and the Listing Regulations. The Company has 2 (two) woman Directors on the Board, 1 (one) Independent and Non-Executive Director and 1 (one) Executive Director. The profiles of our Directors forms part of the Annual Report.

During the financial year, the changes in the composition of Board are as under:

(a) Mr. Abhay Havaldar, Independent Non-Executive Director, has resigned from the Board of the Company, with effect from April 02, 2023. Mr. Abhay Havaldar has informed the Company that, considering his primary activity as an investor, he is required to join several other boards which unfortunately limits his ability to do justice to what is required to be an effective Board member of HCG, and that there are no other material reasons for his resignation from the Board.

(b) Mrs. Anjali Ajaikumar Rossi, Whole-time Director, has been reappointed as Executive Director, effective from April 01, 2023, for a period up to: (a) June 30, 2026, or (b) termination of the employment of the 'Executive Chairman' in accordance with Article 14.6 of Part B of the Articles of Association of the Company, whichever is earlier.

(c) Dr. B. S. Ajaikumar, Executive Chairman, has been reappointed, effective from July 01, 2023, for a period up to June 30, 2025, or until the occurrence of the events set out under Article 14.6 of Part B of the Articles of Association of the Company, whichever is earlier.

(d) Mr. Rajiv Maliwal has been appointed as a Non-Executive Independent Director on May 25, 2023, for a period of 3 years.

The Company has received necessary approvals from the shareholders for the appointment/reappointment of all the directors.

The composition of the Board has not underdone any changes after March 31, 2024.

B. Information flow to the Board Members

Information is provided to the Board members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our Annual Strategic Plan and Operating Plans of our business to the Strategy Committee of the Board for their review and inputs and present the same for the consideration and approval of the Board. Likewise, our quarterly financial statements and annual financial statements are first presented to the Audit Committee for their review and recommendations and subsequently to the Board of Directors for their approval. In addition, specific cases of acquisitions, important managerial decisions, material positive/ negative developments and statutory matters are presented to the committees of the Board and later with the recommendation of the respective committee to the Board of Directors for their approval.

The Chairman of the Board decides the agenda in consultation with other members of the Board for the Board meetings. A detailed agenda and notes thereon are sent to each Director in advance of Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any documents with the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. To enable the Board to discharge its responsibilities effectively, the Board is kept abreast at every meeting on the overall performance of the Company. All the relevant reports are also presented at the Board Meetings. Documents containing unpublished price sensitive information are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time.

Post the Board meeting, we have a formal system for follow-up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

C. Board Meetings

To enable the Board to use its time most effectively, it maintains a scheduled forward programme of meetings and a rolling agenda. There is sufficient flexibility in the programme for specific items to be added to any agenda to ensure that the Board can focus on the key matters at the appropriate time. The Board also schedules a number of informal sessions and interactions, which allows Board members to discuss areas of the business, strategy and the external environment with members of the Management Team. Generally, members of the Management Team and other senior executives are invited to attend part of the meetings to ensure effective interaction with the Board.

Our Board meetings are normally scheduled for a day. The Board met 6 (six) times during the financial year 2023-24 viz., on, May 25, 2023, August 10, 2023, August 18, 2023, November 09, 2023, February 08, 2024, and March 21, 2024. The gap between two meetings did not exceed 120 days and necessary quorum was present for all the meetings. In line with Paragraph 4 of Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, it is the endeavour of the Company that the gap between the clearance of accounts by audit committee and board meeting is as narrow as possible.

The Company uses the facility of video conferencing, permitted under Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014. Due to the exceptional circumstances caused by the COVID-19 Pandemic and consequent relaxations granted by MCA and SEBI, Video Conferencing ('VC') facility was provided to the members of the Boad and Committees for all their meetings.

The attendance of the Directors at the Board Meetings for the year ended March 31, 2024, is provided in the below table:

Sl. No.	Name	Position	Number of Board Meetings attended
1.	Dr. B. S. Ajaikumar	Chairman	6
2.	Mr. Siddharth Patel	Member	5
3.	Mr. Amit Soni	Member	6
4.	Ms. Anjali Ajaikumar Rossi	Member	5
5.	Ms. Geeta Mathur	Member	6
6.	Mr. Rajagopalan Raghavan	Member	5
7.	Mr. Jeyandran Venugopal	Member	3
8.	Mr. Pradip Manilal Kanakia	Member	6
9.	Mr. Meghraj Arvindrao Gore	Member	6
10.	Mr. Rajiv Maliwal	Member	4

D. Appointment of Directors

In terms of Section 149 of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation at the Annual General Meeting. The Board of Directors of the Company have adopted a Policy for appointment of Independent Directors and for determining their independence, in conformity with the provisions of the Companies Act, 2013 and Listing Regulations, which sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Independent Directors, determining their independence, tenure and criteria for making suitable recommendations to the Board for their appointment. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The template of the letter of appointment is available on our website at https://www.hcgoncology.com/corporate-governance/ under the tab Policies and Guidelines.

Details of Directors proposed for re-appointment at the ensuing Annual General Meeting is provided in the Notice convening the Annual General Meeting.

E. Policy for Selection and Appointment of Directors and their Remuneration

The Policy of the Company on the Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of section 178 of the Companies Act, 2013, is available on our website https://www.hcgoncology.com/corporate-governance/ under the tab Policies and Guidelines.

We affirm that the remuneration paid to Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

Nomination and Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and payment of their remuneration. The Policy is accordingly derived from the said Charter.

F. Criteria of selection of Directors

To ensure that a transparent Board nomination process is in place, that encourages diversity of thought, experience, knowledge, perspective, age and gender, the Board has adopted a Diversity Policy, formulated by the Nomination and Remuneration Committee, wherein it is expected that the Board has an appropriate blend of functional and industry expertise. Whilst recommending the appointment of a director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual, could contribute to the overall skill-domain mix of the Board.

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the following are the key skills/expertise/competence that has been identified so that the Board of Directors comprises of a diverse and multidisciplinary group of professionals with requisite skills/expertise/competence who can contribute towards providing strategic direction to the Company's management to continue to pursue its vision of providing quality and affordable healthcare whilst upholding the highest standards of Corporate Governance.

Key Competencies	Brief Description
Corporate Governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities, towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.
Business/Management Leadership Experience	Strong management and leadership experience including in areas of business development, strategic planning and mergers and acquisitions, scientific research and development, senior level government experience and academic background or can demonstrate knowledge or expertise in, sound management and operational business processes and practices in the private or public sector including an understanding of topics such as managing complex projects, leveraging information technology, planning and measuring performance, and allocating resources to achieve outcomes.
Personal values	Personal characteristics matching the Company's values, such as integrity, accountability, and high-performance standards.
Information Technology	Knowledge and experience in the strategic use and governance of information management and information technology with ability to apply technology to the healthcare/hospital sector, emerging areas of technology such as digital, artificial intelligence, cloud and cyber security, intellectual property in information technology domain and knowledge of technology trends.
Functional and Managerial Experience	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing and risk management.

Key Competencies	Brief Description
Industry/Sector Knowledge	Experience with or is able to demonstrate knowledge or expertise of healthcare industry including an understanding of particular trends, challenges and opportunities, or unique dynamics within the sector that are relevant to the Company.
Diversity	Diversity of thought, experience, knowledge, perspective, gender, and culture. Varied mix of strategic perspectives, and geographical focus with knowledge and understanding of key geographies.

Given below is a list of core skills, expertise and competencies of the individual directors, who are directors of the Company as on March 31, 2024:

Name of the Director	Skills/Expertise/Competencies						
	Corporate Governance	Business/ Management Leadership Experience*	Personal values	Information Technology*	Functional and managerial Experience*	Industry/ Sector Knowledge*	Diversity
Dr. B. S. Ajaikumar	✓	✓	✓	✓	✓	✓	✓
Mr. Amit Soni	✓	✓	✓	✓	✓	✓	✓
Mr. Siddharth Patel	✓	✓	✓	✓	✓	✓	✓
Ms. Anjali Ajaikumar Rossi	✓	✓	✓	✓	✓	✓	✓
Ms. Geeta Mathur	✓	✓	✓	✓	✓	✓	✓
Mr. Rajagopalan Raghavan	✓	✓	✓	✓	✓	✓	✓
Mr. Jeyandran Venugopal	✓	✓	✓	✓	✓	✓	✓
Mr. Pradip Manilal Kanakia	✓	✓	✓	✓	✓	✓	✓
Mr. Meghraj Arvindrao Gore	✓	✓	✓	✓	✓	✓	✓
Mr. Rajiv Maliwal	✓	✓	✓	✓	✓	✓	✓

** These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/ experience listed therein in the same depth and intensity.*

Nomination and Remuneration Committee considers the above mentioned attributes/criteria, whilst recommending to the Board the candidature for appointment of Directors. These skills/competencies are broad-based, encompassing several areas of expertise/experience.

In the case of appointment of Independent Directors, Nomination and Remuneration Committee shall, apart from considering the skills/competencies, obtain a declaration to that effect, to satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company, so as to enable the Board to discharge its function and duties effectively.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank.

The Nomination and Remuneration Committee shall also ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013, simultaneously obtaining a declaration in that respect. In case of re-appointment of Independent Directors, the Board shall take into consideration the performance evaluation of the Independent Directors and their engagement level.

G. Meeting of Independent Directors

The Company's Independent Directors are required to meet at least once in every Financial Year in compliance with the provisions of the Companies Act, 2013. Such meetings are conducted to enable Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views. Further, Independent Directors also review the performance of the Non-Independent Directors, Chairperson (after considering the views of Executive and Non-Executive Directors of the Company) and the Board as a whole. During the Financial Year under review, the Independent Directors met on August 10, 2023.

H. Familiarization programme of Directors

All new Board of Directors receive an induction programme to enable them to function effectively as quickly as possible, while building a deep understanding of our business and markets. Each induction typically consists of a combination of meetings with both executive and independent directors, briefings from members of the Senior Management across the Company.

Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, operations review, quarterly and annual results, budgets, review of internal audit reports and action taken reports, statutory compliances, risk management, operations of subsidiaries and business strategy and risks involved. Such presentations and documents provide an opportunity to the Independent Directors to interact with the Senior Management team of the Company and help them understand the Company's strategy, operations, services, organization structure, finance, human resources, technology, quality and such other areas as may arise from time to time.

Details regarding familiarization programme are provided in Company's Corporate Governance Guidelines which is available at https://www.hcgoncology.com/corporate-governance/ under the tab Policies and Guidelines.

I. Remuneration Policy and Criteria of making payments to Directors, Senior Management and Key Managerial Personnel

The Independent Directors are entitled to receive remuneration, reimbursement of expenses for participation in the Board/Committee meetings as detailed hereunder:

a) remuneration of INR 20,00,000 (Indian Rupees Twenty Lakhs) per annum to each of the Independent Directors of the Company, effective from Financial Year 2023–2024, payable on a quarterly or yearly basis, as decided by the Board of Directors of the Company. Other than the remuneration, no sitting fee is paid to the Independent Directors for attending the meetings of the Board or Committee, effective from April 01, 2023.

b) reimbursement of expenses in connection with travel and stay for participating in the Board/ Committee meetings.

c) Independent Directors are not entitled to participate in the stock option schemes of the Company.

In determining the remuneration of Executive Chairman, CEO, Executive Director, Senior Management Employees and Key Managerial Persons, the Nomination and Remuneration Committee shall ensure / consider the following:

a) the relationship of remuneration and performance benchmark is clear;

b) the balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals;

c) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and a variable component comprising performance-based variable pay;

d) the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual achievement, individuals' performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.

e) Directors forming part of the Promoter and Promoter group shall not be entitled to receive stock options.

The Nomination and Remuneration Committee of the Board recommends to the Board, for payment of remuneration to the Executive Directors. The Board, subject to the approval of the shareholders, approves the payment of remuneration to the Executive Directors.

Each of our Executive Directors have signed an agreement containing the terms and conditions of employment, including their remuneration which includes both fixed and variable remuneration. The agreement with each of the Executive Directors has detailed provisions with respect to termination of employment, the events leading to termination, consequences of termination etc. The employment agreement with the Executive Directors can be terminated before the end of the term of office, by giving a notice of 6 months in writing either by the Company or by the employee, unless the same is terminated for Cause or Disability, which is governed specifically under the employment contract. No severance fee is payable to any of the executive directors, upon termination. The resignation or removal of Independent Directors shall be in the manner as is provided under Sections 168 and 169 of the Companies Act, 2013, and in accordance with the provisions of the employment agreement.

We also indemnify our directors and officers for claims brought under any rule of law to the fullest extent permitted by applicable law. Among other things, we agree to indemnify our directors and officers for certain expenses, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of the Company, arising out of such person's services as our director or officer, including claims which are covered by the director's and officer's liability insurance policy taken by the Company.

J. Details of Remuneration to Directors

The Table below provides the remuneration paid to the Executive Directors and the Independent Directors during the financial year 2023-24. No stock options were granted to any of the Independent Directors and Promoter Directors during the year 2023-24. None of the Directors are related to each other, except Ms. Anjali Ajaikumar who is the daughter of Dr. B. S. Ajaikumar.

Details of remuneration paid to Directors during the year 2023-24:

INR in Million

Name of the Director	Dr. B. S. Ajaikumar	Anjali Ajaikumar Rossi	Meghraj Arvindrao Gore	Amit Soni	Siddharth Patel	Geeta Mathur	Rajagopalan Raghavan	Jeyandran Venugopal	Pradip Manilal Kanakia	Rajiv Maliwal
Salary	Fixed: 40.22 Variable 8.75	Fixed: 12.50 Variable 2.50	Fixed: 22.05 Variable 11.03	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Allowances	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Commission/ Incentives	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sitting fees/ Remuneration to Independent Directors	Nil	Nil	Nil	Nil	Nil	2.00	2.00	Nil	2.00	1.73
Retirals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stock options (number of options)	Nil	Nil	75,000 Stock Options have been granted in April 2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The above compensation excludes post-employment benefits to Dr. B. S. Ajaikumar, Anjali Ajaikumar and Meghraj Arvindrao Gore.

Note:

(i) During the year, there were no loans and advances in the nature of loans to firms/companies in which Directors are interested and hence there is no disclosure in this regard.

(ii) There is no severance fees payable to any of the Directors.

(iii) Pursuant to Special Resolution passed by way of Postal Ballot on June 25, 2023, shareholders have consented to pay remuneration of INR 20 lakh per annum to each of the Independent Directors of the Company, effective from Financial Year 2023-24, payable on a quarterly or yearly basis, as decided by the Board of Directors of the Company.

(iv) The Independent Directors were paid sitting fees for attending the meetings of the Board and committees of the Board till FY 2023. With effect from April 01, 2023, the Independent Directors are being paid remuneration of INR 2 Mn. per annum (excluding GST).

(v) Rajiv Maliwal was appointed as Independent Director of the Company with effect from May 25, 2023, and the remuneration paid to him is for a period effective from May 25, 2023, till March 31, 2024.

(vi) For more information on Remuneration of Dr. B. S. Ajaikumar, Anjali Ajaikumar and Meghraj Arvindrao Gore, refer Note 44 D of Standalone Financial Statements and Annexure 3 to Board's Report.

K. Key Information pertaining to Directors as on March 31, 2024 is given below:

Sl. No.	Name of the Director and DIN	Category	Date of appointment	Number of Directorships in Companies* including this Company	Number of Chairmanships in Audit/ Stakeholder Committees in listed entities including this entity *	Number of Memberships in Audit/ Stakeholder Committees in listed entities including this entity*	Attendance at the last AGM held on September 20, 2023	No. of shares held in the Company as on March 31, 2024	Directorship in other listed entities **
1.	Dr. B. S. Ajaikumar DIN: 00713779	Promoter, Executive Director	07/03/2000	14	Nil	1	Yes	1,44,98,715	Nil
2.	Amit Soni DIN: 05111144	Non-Executive Nominee Director	28/07/2020	4	1	2	Yes	Nil	Nil
3.	Siddharth Patel DIN:07803802	Non-Executive Nominee Director	28/07/2020	3	Nil	Nil	No	Nil	Nil
4.	Anjali Ajaikumar Rossi DIN: 08057112	Executive Director	01/04/2021	3	Nil	Nil	Yes	1,000	Nil

Sl. No.	Name of the Director and DIN	Category	Date of appointment	Number of Directorships in Companies* including this Company	Number of Chairmanships in Audit/ Stakeholder Committees in listed entities including this entity *	Number of Memberships in Audit/ Stakeholder Committees in listed entities including this entity*	Attendance at the last AGM held on September 20, 2023	No. of shares held in the Company as on March 31, 2024	Directorship in other listed entities **
5.	Geeta Mathur DIN: 02139552	Independent Director	17/06/2021	11	4	8	Yes	Nil	1. Onmobile Global Limited 2. IIFL Finance Limited 3. 360 One Wam Limited (Formerly known as IIFL Wealth Management Limited) 4. NIIT Limited 5. Info Edge (India) Limited
6	Rajagopalan Raghavan DIN: 03627923	Independent Director	12/08/2021	2	Nil	1	No	Nil	Nil
7.	Jeyandran Venugopal DIN: 07085479	Independent Director	11/11/2021	2	Nil	Nil	No	Nil	Nil
8.	Pradip Manilal Kanakia DIN: 00770347	Independent Director	10/02/2022	7	2	5	Yes	Nil	1. JM Financial Limited 2. Camlin Fine Sciences Limited 3. Britannia Industries Limited
9.	Meghraj Arvindrao Gore DIN: 07505123	Executive Director	10/02/2022	3	Nil	Nil	Yes	38,500	Nil
10.	Rajiv Maliwal DIN: 00869035	Independent Director	25/05/2023	2	Nil	Nil	Yes	Nil	Nil

** This includes directorship in private and public companies but does not include directorship in foreign companies, Section 8 companies and LLPs where the individual serves as designated partner.*

***These Directorships are in the capacity as Independent Directors.*

None of our Directors are members in more than 10 committees and have not acted as chairman of more than 5 committees across all companies in which they were Directors. The membership and chairmanship in the committees as above covers the Audit Committee and Stakeholders Relationship Committees only.

III. GOVERNANCE BY THE SUB-COMMITTEES OF THE BOARD OF DIRECTORS

Our Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

During the financial year, the Board has accepted the recommendations of committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered.

We have the following six sub-committees of the Board as at March 31, 2024.

A. Audit Committee;

B. Risk Management Committee;

C. Nomination and Remuneration Committee;

D. Stakeholders' Relationship Committee;

E. Corporate Social Responsibility Committee; and

F. Strategy Committee.

A. Audit Committee

The Audit Committee of the Board reviews, acts on and reports to our Board with respect to various auditing and accounting matters. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and its terms of reference inter-alia, include the following:

(a) reviewing on a regular basis the adequacy of the internal audit function, coverage and frequency of internal audits including the structure of internal audit department.

(b) reviewing and discussing with internal auditors and management on issues / findings arising from the internal audit reports and follow up thereon. This would include reviewing the issues / findings arising from internal investigations into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the same to the Board.

(c) meeting separately with the Internal Auditors, Statutory Auditors and Management on a quarterly basis.

(d) reviewing and monitoring the Auditor's Independence, performance and effectiveness of audit process.

(e) to make necessary recommendations to the Board to engage, disengage and re-engage Statutory Auditors, pre-approve all audit engagement fees and terms; and pre-approve any non-audit relationship with the Statutory Auditor and the payment to be made for such services.

(f) discussion with Statutory Auditors before the audit commences, on the nature, scope and approach of the audit and to review the performance of the Statutory Auditors.

(g) post-audit discussion with Statutory Auditors to ascertain areas of concern and annually obtaining and reviewing a report by the Statutory Auditor describing material issues, if any raised by the most recent peer review of the firm, inquiry or investigation, if any by governmental or professional authorities within the preceding five years in respect of one or more independent audits carried out by the firm, or on steps, if any taken to deal with any such issues, relationships between the Statutory Auditor and the Company so as to assess the Auditor's independence, etc.

(h) review of the Company's accounting policies, internal accounting controls, internal financial controls and risk management systems and policies and such other matters as the Audit Committee deems appropriate.

(i) overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are materially correct.

(j) review and discuss the audited financial statements with management and the Statutory Auditors and determine whether they are complete and consistent with the information known to committee members; assess whether the financial statements reflect appropriate accounting principles.

(k) reviewing and examining with management the annual financial statements and the auditors' report thereon before submission to the Board of Directors for approval as required under the Companies Act, 2013, which includes changes in accounting policies and practices and reasons for the same, major accounting entries based on exercise of judgment by management, qualifications in draft audit report, significant adjustments made in the financial statements arising out of audit findings, disclosure of any related party transactions etc.,

(l) reviewing, with the management, the quarterly financial statements before submission to the Board for approval, including the statement of uses/application of fund raised through an issue (public issue, rights issue, preferential issue, etc.), and making appropriate recommendations to the Board to take up steps in this matter.

(m) review and approval of a policy on materiality of related party transactions, approval or any subsequent modifications of transactions with related parties, including review on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given, Statement of significant related party transactions, (as defined by the Audit Committee), if any, submitted by the Management.

(n) reviewing the financial statements of unlisted subsidiaries and in particular the investment made by unlisted subsidiaries.

(o) evaluation of internal financial controls, risk management systems and policies including review of cyber-security.

(p) review of utilization of loans and advances, from, and investment by, the Company in its subsidiaries exceeding INR100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans, advances and investments.

(q) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

The detailed charter of the Committee is available on our website at https://www.hcgoncology.com/corporate-governance under the tab Charters of Committees.

As per the Companies Act, 2013 and Listing Regulations, the Chairman of the Audit Committee shall be present at the Annual General Meeting. Our Chief Financial Officer and other corporate officers make periodic presentations to the Audit Committee on various issues.

As on March 31, 2024, all the members of our Audit Committee are Non-Executive Directors, of whom one Director is a nominee Director and the remaining three directors are Independent Directors. The Chairman of Audit Committee has the accounting and financial management related expertise. Statutory Auditors as well as Internal Auditors hold independent meetings with the Audit Committee.

Audit Committee met five times during FY 2023-24, i.e., May 24, 2023, August 09, 2023, August 18, 2023, November 09, 2023, and February 07, 2024.

The composition of the Audit Committee as on March 31, 2024, and their attendance at the committee meetings are given in the below table.

Name	Position	Number of meetings attended
Ms. Geeta Mathur	Chairperson	5
Mr. Rajagopalan Raghavan	Member	5
Mr. Amit Soni	Member	5
Mr. Pradip Kanakia	Member	5

B. Risk Management Committee

The Board of Directors of the Company has constituted Risk Management Committee, to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks. The Committee has overall responsibility for monitoring and approving the Enterprise Risk Management framework and associated practices of the Company.

The Committee has met two times during the financial year 2023-24. The meetings were held on June 28, 2023, and December 01, 2023.

The composition of the Risk Management Committee and the attendance at the committee meetings during FY 2023-24 is given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	2
Mrs. Geeta Mathur	Member	2
Mr. Raj Gore	Member	2

Note:

(i) Mr. Pradip Kanakia, Independent Non-Executive Director has been appointed as Member of the Risk Management Committee with effect from February 08, 2024. Ms. Geeta Mathur ceased to be a member of the Committee with effect from the same date.

Primary responsibilities of the Committee, inter alia, are:

(a) To formulate a detailed risk management policy which shall include:

(i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan;

(e) Review and approve Enterprise Risk Management (ERM) policy;

(f) To periodically review the Enterprise Risk Management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(g) To review the alignment of the ERM framework with the strategy of the Company;

(h) Monitor the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, cyber security risk, forex risk, commodity risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks;

(i) Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;

(j) Review and analyze risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organization;

(k) Review compliance with risk policies, monitor breaches / trigger trips of risk tolerance limits and direct action;

(l) Nurture a healthy and independent risk management function in the Company;

(m) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

(n) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable;

(o) To oversee the incident management processes, procedures and actions to be taken to respond to and resolve critical incidents.

C. Nomination and Remuneration Committee

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee inter-alia, include:

(a) review annually and approve for the Chief Executive Officer ("CEO") the corporate goals and objectives applicable to the CEO, evaluate at least annually the CEO's performance in light of those goals and objectives, and determine and approve the CEO's (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) equity compensation, (d) employment agreement, severance arrangements, and change in control agreements/ provisions, and (e) any other benefits, compensation or arrangements, based on this evaluation.

(b) review annually and approve for the executive directors and the senior management, the (a) annual base salary, (b) annual incentive bonus, including the specific goals and amount, (c) equity compensation, (d) employment agreements, severance arrangements or plans, and change in control agreements / provisions, and (e) any other benefits, compensation or arrangements.

(c) administer the Company's equity incentive plans, including the review and grant of awards to eligible employees under the plans and the terms and conditions applicable to such awards, subject to the provisions of each plan.

(d) recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees. This policy shall be such that the remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior employees of the quality required to run the company successfully. This policy shall set out a clear relationship between remuneration and performance, including appropriate performance benchmarks. The policy shall ensure that the remuneration to directors, key managerial personnel and senior employees involves a balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals, should be provided in the policy.

(e) formulate the criteria to determine the qualifications, qualities, skills, positive attributes, independence and other expertise required to be a director of the Company and to develop, and recommend to the Board for its approval, criteria to be considered in selecting director(s) (the "Director Criteria").

(f) identify (including through head-hunter agencies), screen and review candidates qualified to be appointed as executive directors, non-executive directors and independent directors, consistent with Director Criteria (including evaluation of incumbent directors for potential renomination), and making recommendations to the Board on candidates for: (i) nomination for election or re-election by the shareholders; and (ii) any Board vacancies that are to be filled by the Board. The nominations Committee may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board. The Committee will review and discuss all documents pertaining to candidates and will conduct evaluation of candidates in accordance with a process that it sees fit and appropriate, passing on the recommendations for the nomination to the Board.

(g) review annually, the Board's committee structure and composition and to make recommendations to the Board regarding the appointment of directors to serve as members of each committee and committee chairpersons.

(h) develop, subject to approval by the Board, a process for an annual evaluation of the performance of the Board, the individual directors and board committees in the governance of the Company and to coordinate and oversee this annual evaluation.

(i) formulate criteria for evaluation of independent directors and the Board and carry out evaluation of every director's performance.

(j) annually review its own performance and present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

(k) maintain regular contact with the leadership of the Company, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.

(l) identify persons to be appointed to positions of Senior Management in accordance with identified criteria and to recommend to the board their appointment and removal.

(m) the Committee shall disclose the criteria for performance evaluation, as laid down by the Nomination and Remuneration Committee, in Company's Annual Report.

(n) develop and recommend a policy on Board diversity.

The detailed charter of the Committee is available on our website at https://www.hcgoncology.com/corporate-governance under the tab Charters of Committees.

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually (including Independent Directors) as well as the evaluation of the working of all the Committees of the Board. Details of methodology adopted for Board evaluation has been provided in the Board's Report.

Nomination and Remuneration Committee of the Board has met five times during the financial year 2023-24. The meetings were held on May 25, 2023, August 09, 2023, August 18, 2023, November 09, 2023, and February 08, 2024.

The composition of the Nomination and Remuneration Committee and their attendance at the committee meetings during FY 2023-24 are given in the below table.

Name	Position	Number of meetings attended
Mr. Rajagopalan Raghavan	Chairman	5
Mr. Siddharth Patel	Member	4
Dr. B. S. Ajaikumar	Member	5
Ms. Geeta Mathur	Member	5
Mr. Jeyandran Venugopal	Member	3
Mr. Rajiv Maliwal	Member	2
Mr. Pradip Kanakia	Member	1

Note:

(i) Mr. Pradip Kanakia, Independent Non-Executive Director was appointed as Member of the Nomination and Remuneration Committee with effect from May 16, 2023. He ceased to be a member of the Committee with effect from August 10, 2023.

(ii) Mr. Rajiv Maliwal, Independent Non-Executive Director has been appointed as Member of the Nomination and Remuneration Committee with effect from August 10, 2023.

D. **Stakeholders' Relationship Committee**

Stakeholders' Relationship Committee is constituted in compliance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee, inter-alia, include the following:

(a) resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

(b) approve issue of duplicate certificates and new certificates on split / consolidation / renewal etc.;

(c) approve transfer/transmission, dematerialization and rematerialization of equity shares in a timely manner;

(d) monitor and review the performance and service standards of the Registrar and Share Transfer Agents of the Company and provide continuous guidance to improve the service levels for investors;

(e) review of cases for refusal of transfer / transmission of shares and debentures;

(f) advice, guide and oversee the activities of the internal investor relations department;

(g) review movement in shareholdings and ownership structure;

(h) review of measures taken for effective exercise of voting rights by the shareholders;

(i) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the company;

(j) monitor and review any investor complaints received by the Company or through SEBI, SCORES (Sebi COmplaints REdress System) and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance officer and RTA of the Company;

(k) perform any other function as required under the (i) Regulations of the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 (ii) The Companies Act, 2013 and Rules framed thereunder (iii) the equity listing agreement entered into between the Company and the Stock exchanges on which its equity shares are listed (iv) by the Board and (v) any other SEBI Regulations or any other applicable law, as amended from time to time;

(l) perform and review investor satisfaction surveys;

(m) consult with other committees of the Board, if required, while discharging its responsibilities; and

(n) monitor and review on an annual basis the Company's performance in dealing with Stakeholder grievances;

The detailed charter of the Committee is available on our website at https://www.hcgoncology.com/corporate-governance under the tab Charters of Committees.

Stakeholders' Relationship Committee of the Board has met once during the year 2023-24, i.e., March 21, 2024.

The composition of the Stakeholders Relationship Committee and their attendance at the committee meetings during FY 2023-24 are given in the below table.

Name	Position	Number of meetings attended
Mr. Amit Soni	Chairman	1
Dr. B. S. Ajaikumar	Member	1
Mr. Rajagopalan Raghavan	Member	1

Note:

(i) Mr. Rajagopalan Raghavan, Independent Non-Executive Director has been appointed as Member of the Stakeholders Relationship Committee with effect from June 28, 2023.

The Chairman of the Committee, Mr. Amit Soni is a non-executive director.

Ms. Sunu Manuel, Company Secretary is the Compliance Officer.

Details of Shareholders Complaints

The details of shareholders' complaints received and resolved till March 31, 2024, are as under:

No. of complaints remaining pending at the beginning of the year	Complaints received during the year	Complaints resolved during the year	No. of complaints remaining pending at the end of the year
Nil	Nil	Nil	Nil

E. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on May 29, 2015. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

The Corporate Social Responsibility Committee has met once during the year 2023-24, i.e., March 20, 2024.

The composition of the Corporate Social Responsibility Committee is given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	1
Mr. Siddharth Patel	Member	1
Mr. Jeyandran Venugopal	Member	0

F. Strategy Committee

The Committee was constituted by our Board of Directors at their Meeting held on May 26, 2016, with the scope of reviewing strategic initiatives; and for having an oversight of the strategic direction of the Company.

The members of the Committee shall be nominated by the Board of Directors with a right to appoint, replace the members from time to time. The Company Secretary shall act as the Secretary of the Committee. CFO shall be an invitee to the Committee Meetings and would provide support to the Committee in terms of financial analysis and planning.

The Committee has met three times during the financial year 2023-24. The meetings were held on August 07, 2023, November 03, 2023, and February 05, 2024.

The composition of the Committee and the attendance at the committee meetings during FY 2023-24 are given in the below table:

Name	Position	Number of meetings attended
Dr. B. S. Ajaikumar	Chairman	3
Mr. Siddharth Patel	Member	3
Mr. Amit Soni	Member	3
Ms. Anjali Ajaikumar Rossi	Member	3

Primary responsibilities of the Committee, inter alia, are:

(a) oversight of the strategic direction of the Company.

(b) making recommendations to the Board, related to the organization's mission, vision, strategic initiatives, major programs and services and periodic review of the same.

(c) helping management identify critical strategic issues facing the organization, assisting in analysis of alternative strategic options.

(d) ensuring management has established an effective strategic planning process, including development of a three to five-year Strategic Plan with measurable goals and time targets.

(e) annually reviewing the Company's Strategic Plan and recommending updates as needed based on changes in the market, community needs and other factors.

(f) debate and discuss the outside-in-perspective (from a macro economic and technology trends) and see how this could possibly influence our choices as well as potential risks we may have to overcome.

(g) evaluate new investment proposals and expansions of existing business and make suitable recommendation to the Board for adoption.

(h) discuss thoughts on Mergers and Acquisitions and Strategic alliances and leverage Strategy Committee to suggest ideas and potentially open up sole sourced transactions.

(i) development of plans to implement the Company strategy.

(j) review of the Company's progress with respect to implementation of its strategy. The Committee will regularly review, discuss, and, where appropriate, make recommendations to management on the Company's vision as well as share with management the Board's expectations for the strategic planning process.

(k) examine specific proposals such as acquisition or divestment of companies or similar such proposals requiring the approval of the Board.

(l) make appropriate recommendations to the Board.

(m) advising and guiding CFO of the organization for developing models for financial analysis of new projects, mergers and acquisitions etc., and

(n) presenting financial information for evaluating investment opportunities.

IV. Governance Through Management process

A. Code for Prevention of Insider Trading:

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines.

B. Disclosure Policy:

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the Listing Regulations, which is available on our website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of information on an on-going basis. The Company has constituted a Disclosure Committee consisting of senior officials, which approves all disclosures required to be made by the Company. The Company Secretary acts as Secretary to the Disclosure Committee.

C. Whistle Blower Policy:

Under this policy, we have adopted a vigil mechanism which would encourage our directors, employees and all other stakeholders to report any incidence of fraudulent financial or other information to the stakeholders, reporting of instance(s) of leak or suspected leak of unpublished price sensitive information, and any conduct that results in violation of the Company's code of business conduct, to the management (on an anonymous basis, if employees so desire). Further, your Company has prohibited discrimination, retaliation, or harassment of any kind against any employee who reports under the vigil mechanism or participates in the investigation.

Mechanism followed under policy is appropriately communicated within the Company across all levels and has been displayed on the Company's intranet and website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines. This policy of the Company was amended to align with the requirements under Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This meets the requirement under Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of Listing Regulations.

D. Policy for Preservation of Documents:

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved an Archival Policy prescribing the manner of retaining the Company's documents and the period up to which certain documents are to be retained.

E. Policy for Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace:

Your Company has constituted an Internal Complaints Committee, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has a policy and framework for employees to report sexual harassment cases at workplace. The Company's process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization. The below table provides details of complaints received/disposed during the financial year 2023-24.

Number of complaints pending at the beginning of the financial year	0
No. of complaints filed during the financial year	2
No. of complaints disposed during the financial year	2
No. of complaints pending at the end of the financial year	0

V. Other Disclosures

A. Disclosure of materially significant related party transactions:

All transactions entered into with the related parties as defined under the Companies Act, 2013, during the financial year were in the ordinary course of business and on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large.

In terms of Regulation 23 of the Listing Regulations, the Company has adopted a policy on Related Party Transactions and process for purpose of identification, monitoring and reporting of such transactions. The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on the Company's website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines.

None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company, other than the remuneration paid/payable to the Executive Directors and the Independent Directors. During the year 2023-24, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company and the concerned officials have given undertakings to that effect as per the provisions of the Listing Regulations. Register of Contracts or arrangements in which Directors are interested in terms of Section 189 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable.

B. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

The company listed its shares with National Stock Exchanges of India Limited and BSE Limited with effect from March 30, 2016. The Company has complied with all the requirements of the Stock Exchanges, SEBI and other statutory authorities on the matters related to Capital Markets, as applicable, since listing on the stock exchanges.

During the financial year 2023-24, there were no non-compliances by the Company on the matters related to capital markets resulting into any penalties being imposed by the Stock Exchanges or SEBI or any statutory authority.

During the financial year 2021-22, there was a delay of 10 days by the Company in filing the listing application for the allotment of equity shares on December 08, 2021. In this regard, both BSE and NSE have advised the Company to pay fine of INR 2,00,000 each excluding GST. Other than this, the Company has not been imposed with any penalty/fines in respect of non-compliance with regulations by Stock Exchanges or SEBI or any statutory authority related to capital markets during the period.

C. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy which is a channel for receiving and redressing of employees' complaints. No personnel in the Company have been denied access to the Audit Committee or its Chairman.

D. Policy for determining material subsidiary:

The Company has adopted a policy for determining a material subsidiary, in terms of which a subsidiary shall be considered as Material, if, the income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In terms of the said policy, HCG Medi-Surge Hospitals Private Limited has become a Material Subsidiary during FY 2019-20. Necessary compliances with regard to material subsidiaries have been adhered to. HCG Medi-Surge Hospitals Private Limited was incorporated on March 03, 2000 at Ahmedabad, Gujarat, India. B S R & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company on September 28, 2017 and reappointed on September 26, 2022 for a second term to hold office till the conclusion of the Annual General Meeting to be held in the year 2027.

For the purpose of appointing an Independent Director on the Board of the material non-listed subsidiary Company, "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth of the holding Company in the immediately preceding accounting year. The income or net worth of HCG Medi-Surge Hospitals Private Limited does not exceed 20% of the consolidated income or net worth of the holding Company.

The policy for determining material subsidiary is available on the Company's website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines.

E. Framework to Monitor Subsidiary companies:

All the subsidiaries of the Company are managed with their Boards having the rights and obligations to manage those subsidiary companies in the best interest of their stakeholders. The Company nominates its representatives on the Board of subsidiary companies and monitors performance of such subsidiaries, inter alia, by reviewing:

(i) financial statements, statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies forming part of the financials.

(ii) Minutes of the meetings of the board of unlisted subsidiary companies are placed before the Company's Board, as required under the Companies Act, 2013 and Listing Regulations.

F. Certificate on Compliance with norms of Corporate Governance:

The certificate issued by Mr. V Sreedharan, Partner, V Sreedharan & Associates, Practising Company Secretaries, forms part of this Annual Report and in compliance with corporate governance norms prescribed under the Listing Regulations.

G. Unclaimed Shares:

There are no shares in the DEMAT suspense account or the unclaimed suspense account.

The disclosure as required under Listing Regulations is given below:

(i) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year: Nil

(ii) Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year: Nil

(iii) Number of shares in respect of which dividend entitlements remained unclaimed for seven consecutive years and transferred from the Unclaimed Suspense Account to the IEPF: Nil

(iv) Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year: Nil

(v) Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year: Nil

(vi) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NA

H. Compliance with mandatory requirements and adoption of non-mandatory requirements:

Your Company has complied with all mandatory requirements of Listing Regulations with respect to Corporate Governance to the extent applicable to the company. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

As regards Discretionary Requirements specified in Part E of Schedule II of Listing Regulations, the Company has complied with clauses C and E therein.

I. The Company has not provided security and advances in the nature of loans to firms, limited liability partnerships, companies in which directors are interested or any other parties during the year.

J. Certificate by Practicing Company Secretary:

The Company has received certificate from Mr. V Sreedharan, Partner, V Sreedharan & Associates, Practising Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority. The certificate forms part of the Annual Report.

K. Code of Conduct for the Board Members and Senior Management

The Board of Directors and all Senior Management of the Company have a responsibility to understand and follow the Code of Conduct. They are expected to perform their work with honesty and integrity. The Code reflects general principles to guide employees in making ethical decisions. The Code outlines standards for fair dealing, honesty and integrity, health, safety and environment that need to be maintained for professional conduct. This Code has been displayed on the Company's website at https://www.hcgoncology.com/corporate-governance under the tab Policies and Guidelines.

L. Senior Management

There were no changes in senior management since the close of the previous financial year.

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Date: August 08, 2024
Place: Bangalore

DECLARATION AS REQUIRED UNDER REGULATION 34 (3) AND SCHEDULE V OF THE LISTING REGULATIONS

All Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2024.

Dr. B. S. Ajaikumar
Executive Chairman
DIN: 00713779

Date: August 08, 2024
Place: Bangalore

Raj Gore
Wholetime Director and CEO
DIN: 07505123

Date: August 08, 2024
Place: Miami

Annexure

General Shareholder Information

A. Corporate Identity Number (CIN)

Our Corporate Identity Number (CIN), allotted by Ministry of Corporate Affairs, Government of India is L15200KA1998PLC023489 and our Company Registration Number is 23489.

B. Annual General Meeting

The (26th) Annual General Meeting of the company is scheduled to be held as under:

The day, date and time : Wednesday, September 25, 2024, at 12 noon.

Venue : **Corporate Office:** Unity Building Complex, No. 3, Tower Block, Mission Road, Bengaluru –560027, Karnataka.

General Body Meetings

i. Details of last three Annual General Meetings

Particulars	Date & Time	Venue	Special Resolutions passed
For the Financial year ended March 31, 2023 – Twenty Fifth AGM	September 20, 2023 at 10.00 a.m.	Unity Building Complex, No. 3, Tower Block, Mission Road, Bengaluru – 560027, Karnataka. Meetings were held through VC/ OAVM.	None
For the Financial year ended March 31, 2022 – Twenty Fourth AGM	September 29, 2022 at 4.00 p.m.		None
For the Financial year ended March 31, 2021 – Twenty third AGM	September 29, 2021 at 3.00 p.m.		None

ii. Details of Special Resolutions passed in Extraordinary General Meetings/Postal Ballot during the last three years

Date	Agenda
Postal Ballot completed on April 22, 2021	Approval of HCG Employee Stock Option Scheme – 2021.
	Approval of grant of stock options to the employees of holding company and subsidiary company (ies) under HCG Employee Stock Option Scheme – 2021.
	Amendment to the terms of employment, including remuneration of Dr. B.S. Ajaikumar, as a Whole-time Director, considering the change in role as Executive Chairman, effective from February 01, 2021 till June 30, 2023.
	Appointment of Ms. Anjali Ajaikumar Rossi (DIN: 08057112) as Executive Director - Strategy of the Company.
Postal Ballot completed on May 06, 2022	Appointment of Mr. Jeyandran Venugopal (DIN: 07085479), as an Independent Director of the Company.
	Appointment of Mr. Pradip Manilal Kanakia (DIN: 00770347), as an Independent Director of the Company.
	Appointment of Mr. Meghraj Arvindrao Gore (DIN: 07505123) as a Whole-Time Director of the Company.

iii. Details of resolutions passed through postal ballot during Financial Year 2023-24 and details of the voting pattern:

The Company sought the approval of shareholders through notice of postal ballot during the Financial Year 2023-24 as detailed below:

Date of Postal Ballot Notice	Special/ Ordinary Resolution	Agenda	Date of announcement of results of Postal ballot
May 26, 2023	Special	Payment of Remuneration to the Independent Directors of the Company.	June 26, 2023
	Special	Reappointment of Mrs. Anjali Ajaikumar Rossi (DIN: 08057112) as Executive Director of the Company.	

Date of Postal Ballot Notice	Special/ Ordinary Resolution	Agenda	Date of announcement of results of Postal ballot
	Special	Revision of remuneration of Mr. Meghraj Arvindrao Gore (DIN: 07505123), Whole-Time Director and Chief Executive Officer of the Company.	
	Special	Reappointment of Dr. B. S. Ajaikumar (DIN: 00713779) as Executive Chairman of the Company.	
	Special	Appointment of Mr. Rajiv Maliwal, (DIN: 00869035) as an Independent Director of the Company.	
December 29, 2023	Special	Amendment to the Articles of Association of the Company	January 29, 2024

Mr. V. Sreedharan and in his absence Mr. Pradeep B. Kulkarni / Ms. Devika Sathyanarayana, Partners of V. Sreedharan & Associates, Practicing Company Secretaries, were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

SI No	Special Resolutions	No. of Votes Polled	No. of Votes Cast in Favour	No. of Votes Cast Against	% of Votes Cast in Favour	% of Votes Cast Against
1.	Payment of Remuneration to the Independent Directors of the Company.	10,96,62,482	10,85,86,750	10,75,732	99.02	0.98
2.	Reappointment of Mrs. Anjali Ajaikumar Rossi (DIN: 08057112) as Executive Director of the Company.	10,96,62,565	10,26,46,209	70,16,356	93.60	6.40
3.	Revision of remuneration of Mr. Meghraj Arvindrao Gore (DIN: 07505123), Whole-Time Director and Chief Executive Officer of the Company.	10,96,62,482	10,96,59,392	3,090	100.00	0.00
4.	Reappointment of Dr. B. S. Ajaikumar (DIN: 00713779) as Executive Chairman of the Company.	10,96,62,565	10,82,68,488	13,94,077	98.73	1.27
5.	Appointment of Mr. Rajiv Maliwal, (DIN: 00869035) as an Independent Director of the Company.	10,96,62,565	10,96,59,605	2,960	100.00	0.00
6.	Amendment to the Articles of Association of the Company	11,35,71,096	11,35,70,658	438	100.00	0.00

Procedure for Postal Ballot

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. In view of the COVID-19 pandemic, the MCA permitted companies to transact items through postal ballot as per the framework set out in General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No. 3/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 9/2023 dated September 25, 2023 wherein the shareholders were provided the facility to vote through remote e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available. The shareholders were also given a facility to register their e-mail id, in case the email id was not registered earlier. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

The Company proposes to seek approval of the shareholders through postal ballot for the resolutions as detailed below, as on the date of the report:

Special/Ordinary Resolution	Agenda
Special	Reappointment of Ms. Geeta Mathur (DIN: 02139552), as an Independent Director of the Company for a period of 5 years with effect from June 17, 2024.
Special	Reappointment of Mr. Rajagopalan Raghavan (DIN: 03627923), as an Independent Director of the Company for a period of 5 years with effect from August 12, 2024.

C. Means of Communication

i. **Means of Communication with Shareholders /Analysts:** We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the people at large. All our news releases and presentations made at investor conferences and to analysts are posted on the Company's website at https://hcgoncology.com/investor-relations. Our quarterly results are published in widely circulated newspapers such as The Business Standard (English), and Vijayawani (Kannada).

ii. **Website:** The Company's website contains a separate dedicated section "Investor Relations" where information sought by shareholders is available. The Annual Reports of the Company, press releases, quarterly reports of the Company apart from the details about the Company, Board of Directors and Management, are also available on the website in a user friendly and downloadable form at https://hcgoncology.com/investor-relations.

iii. **Annual Report:** Annual Reports containing audited standalone financial statements, consolidated financial statements together with Board's Report, Auditors Report and other important information are circulated to members entitled thereto.

D. Financial year of the company

The Financial year of the Company starts from 1st April of every year and ends on 31st March of succeeding year and the current financial year is from April 1, 2023, to March 31, 2024. The Company got its securities listed on BSE Limited and National Stock Exchange of India Limited on 30th March 2016.

E. Dividend

Keeping in view the growth strategy of the Company, the Board of Directors of your Company have decided to plough back the profits and thus do not recommend any dividend for the financial year under review.

F. Unclaimed Dividends

The Company has not declared dividend in the previous years and hence no amount was due for transfer of the unpaid or unclaimed dividend to the Investor Education and Protection Fund administered by the Central Government pursuant to Section 124 and 125 of Companies Act, 2013.

G. Listing on Stock Exchanges

As on date, the Company's Equity Shares are listed on the following Stock Exchanges:

(i) National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai-400051.

Website: www.nseindia.com

(ii) BSE Limited, Phiroze Jheejheebhoy Towers, Dalal Street, Fort, Mumbai-400001.

Website: www.bseindia.com

The Company has paid the Annual Listing Fees to both NSE and BSE and there are no outstanding payments as on date.

H. International Securities Identification Number (ISIN)

ISIN is an identification number for traded shares. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Our ISIN number for equity shares of the Company is INE075I01017.

I. Stock Code

Equity shares	Stock codes
BSE Limited	539787
National Stock Exchange of India Limited	HCG

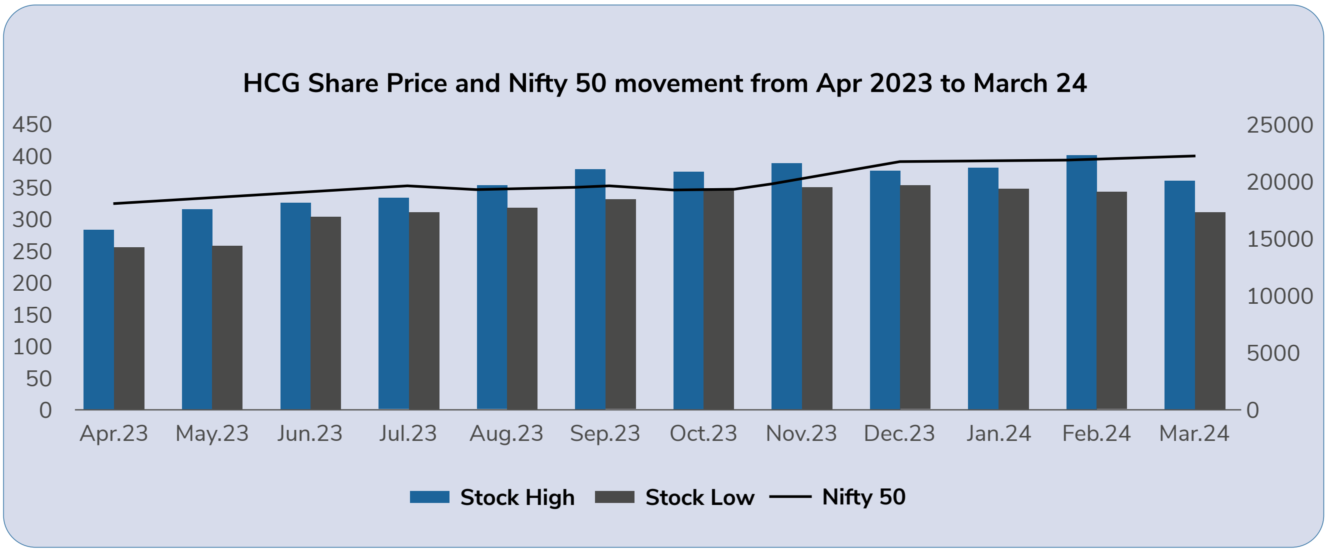
Distribution of shareholding as on March 31, 2024

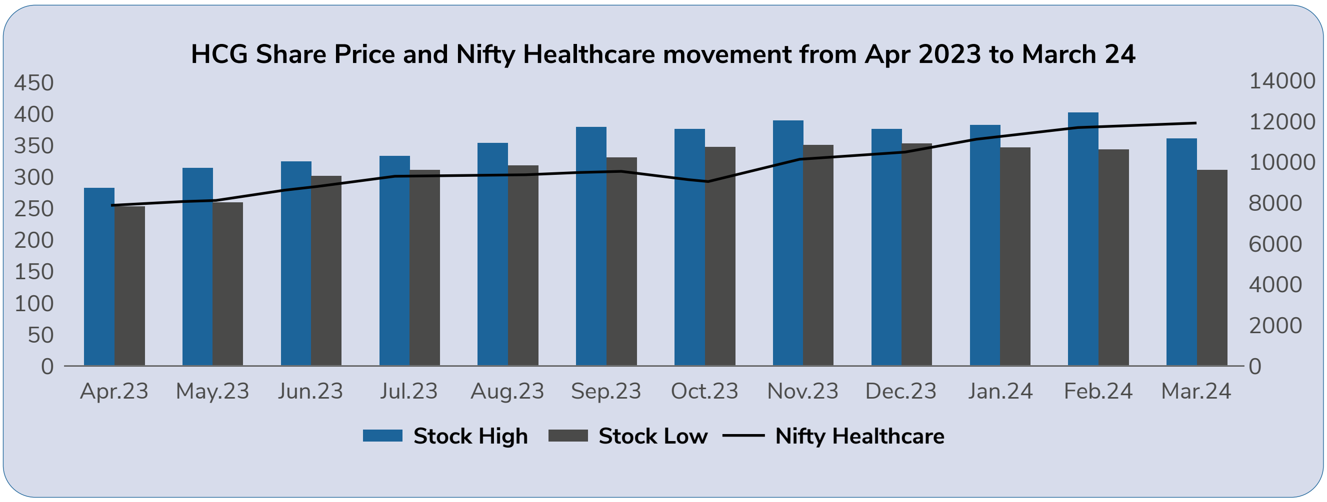
Sl. No	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 – 500	24,515	90.14	17,79,101	1.28
2	501 – 1000	1,160	4.27	8,86,679	0.64
3	1001 – 2000	646	2.38	9,57,718	0.69
4	2001 – 3000	236	0.87	5,96,058	0.43
5	3001 – 4000	131	0.48	4,60,801	0.33
6	4001 – 5000	74	0.27	3,37,562	0.24
7	5001 – 10000	166	0.61	11,77,860	0.84
8	10001 and above	267	0.98	13,30,93,908	95.55
	TOTAL:	**27,195**	**100.00**	**13,92,89,687**	**100.00**

J. Share Price Data

i. National Stock Exchange of India Limited

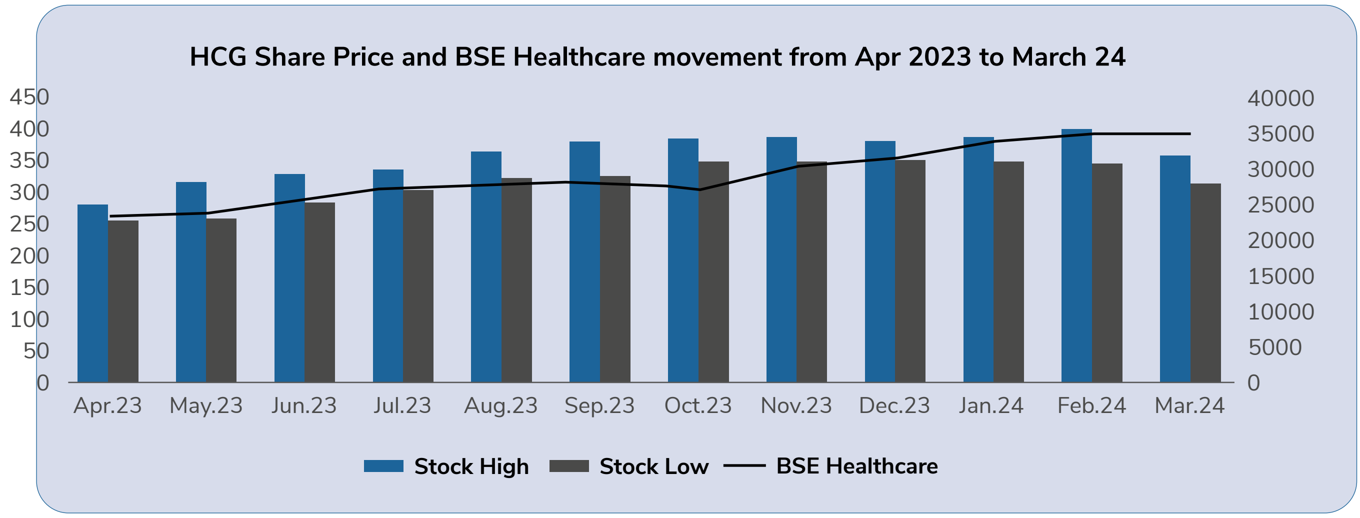
Month	Share Price (INR)				Turnover
	Open Price	High Price	Low Price	Close Price	(INR Million)
April-23	258.50	284.70	258.00	270.00	339.69
May-23	270.70	318.00	260.00	315.40	1,056.36
June-23	315.40	327.50	306.00	318.45	1,330.79
July-23	319.95	335.00	313.00	323.70	667.30
August-23	320.60	353.85	320.60	351.00	1,048.86
September-23	350.00	380.35	334.30	357.60	1,575.07
October-23	359.40	377.50	350.55	370.45	945.85
November-23	372.10	389.35	352.50	369.70	1,145.80
December-23	370.10	378.00	356.00	365.50	625.28
January-24	364.15	382.00	349.95	372.05	780.65
February-24	372.00	401.00	345.15	361.65	2,282.20
March-24	359.80	362.15	314.00	337.85	1,370.90

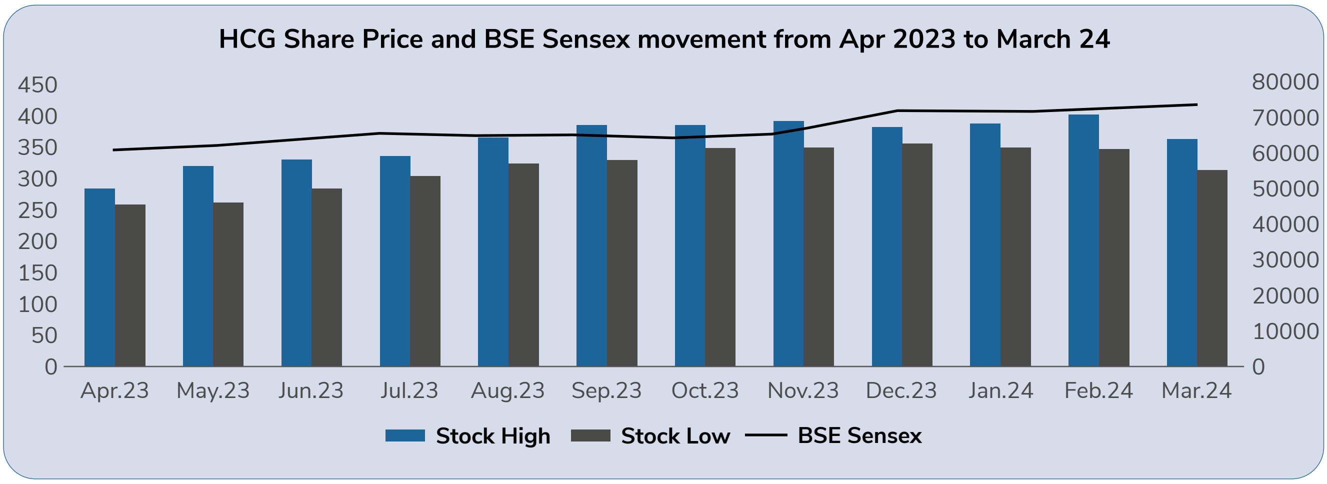




ii. BSE Limited

Month	Share Price (In INR)				Turnover
	Open Price	High Price	Low Price	Close Price	(INR Million)
April-23	269.30	281.90	256.35	268.35	34.31
May-23	268.35	318.70	262.10	314.95	169.04
June-23	314.95	329.80	286.00	318.65	75.25
July-23	317.60	335.25	306.10	323.55	48.76
August-23	323.30	364.85	322.95	349.75	73.51
September-23	353.75	382.90	330.00	357.90	108.43
October-23	355.05	384.90	350.25	370.75	55.87
November-23	371.00	389.30	352.00	370.30	62.83
December-23	370.30	379.80	355.10	365.65	35.55
January-24	369.00	388.00	350.05	371.15	46.67
February-24	374.55	401.00	346.00	362.35	95.80
March-24	358.95	361.75	312.95	338.20	90.36





K. Shareholding pattern – Physical Vs DEMAT

The pattern of shareholding in physical as against in DEMAT mode as on March 31, 2024, is as under:

Sl. No	Description	Cases	Shares	% Equity
1	PHYSICAL	113	3,84,646	0.28
2	NSDL	12,596	12,83,03,020	92.11
3	CDSL	14,828	1,06,02,021	7.61
	Total:	**27,537**	**13,92,89,687**	**100.00**

L. Registrar and Transfer Agents

The Company's Registrar and Share Transfer Agent is M/s. KFin Technologies Limited for handling the shares held in physical as well as dematerialised mode. The shareholders may address all their correspondence directly to the RTA.

Address for correspondence

The address of our Registrar and Share Transfer Agents is given below.

M/s. KFin Technologies Limited

Unit: HealthCare Global Enterprises Limited

Selenium, Tower B, Plot 31-32, Financial District,

Nanakramguda, Serilingampally Mandal,

Hyderabad – 500 032, Telangana

Toll free number - 1800-309-4001

Contact person name, designation, e-mail id:

Mr. Ganesh Chandra Patro, Asst. Vice President, einward.ris@kfintech.com

M. Share Transfer System and Reconciliation of Share Capital Audit

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

The Reconciliation of Share Capital Audit as stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 is carried out by a Practicing Company Secretary for every quarter to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and total issued and listed capital. The Reconciliation of Share Capital Audit Reports confirm that the total issued/paid up capital is same as the total number of shares in physical form and the total number of dematerialized shares held with the depositories. The reports for all the quarters have been filed with the stock Exchanges within the time stipulated under Listing Regulations.

N. Dematerialisation of shares and liquidity

The requests for dematerialization of shares are processed by RTA expeditiously and the confirmation in respect of dematerialization is entered by RTA in the depository system of the respective depositories, by way of electronic entries for dematerialization of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System. The rejected requests may be resubmitted with necessary documents, which are processed in the normal course once again.

O. Email based Query Redressal System

Members may utilize this facility extended by the Registrar & Transfer Agents for redressal of their queries. Please email your queries to einward.ris@kfintech.com.

Shareholders can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and shareholder grievance. The contact details are provided below:

For Shareholder Grievance Redressal

Ms. Sunu Manuel

Company Secretary and Compliance Officer

HealthCare Global Enterprises Limited

Registered Office: HCG Towers, No. 8, P. Kalinga Rao Road,

Sampangi Rama Nagar, Bengaluru – 560027

Corporate Office: Unity Building Complex, No. 3,

Tower Block, Mission Road, Bengaluru – 560027

Phone: 080-46607700, e-mail: investors@hcgel.com

P. Credit Ratings

The Company has been rated A+ Stable for Long Term Debt and A1+ for Short Term Debt by ICRA.

Q. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the year 2020-21, the Company had issued the securities on preferential basis as described below:

Name of allottee	Type of securities	No. of securities	Issue price (in INR)	Consideration received (in INR)
ACESO Company Pte Ltd	Equity shares	2,95,16,260	130	383,71,13,800
	Warrants Convertible to Equity Shares, and converted into equity shares during the year	70,57,195	130	91,74,35,350
	Warrants Convertible to Equity Shares	1,15,03,468	130	37,38,62,710
Dr. B. S. Ajaikumar	Warrants Convertible to Equity Shares	20,00,000	130	6,50,00,000

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation (INR in Million)	Modified allocation, if any	Funds Utilised (INR in Million)	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks, if any
The proceeds from the preferential issue of Equity Shares shall inter-alia be utilized to repay a significant portion of existing debt, meet other financial obligations, provide liquidity to support working capital needs of the business in the current environment and capital requirements.	NA	5,128	NA	5,128	NIL	NA

During the year 2021-22, the consideration on issue of securities on preferential basis is received as described below:

Name of allottee	Type of securities	No. of securities	Issue price (in INR)	Consideration received (in INR)
ACESO Company Pte Ltd	Convertible Warrants allotted during 2020-21 and converted into equity shares during the year upon receiving balance consideration	1,15,03,468	130	112,15,88,130
Dr. B. S. Ajaikumar	Convertible Warrants allotted during 2020-21 and converted into equity shares during the year upon receiving balance consideration	20,00,000	130	19,50,00,000

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation (INR in Million)	Modified allocation, if any	Funds Utilised (INR in Million)	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks, if any
The proceeds from the preferential issue of Equity Shares shall inter-alia be utilized to repay a significant portion of existing debt, meet other financial obligations, provide liquidity to support working capital needs of the business in the current environment and capital requirements.	NA	1316.588	NA	1316.588	NIL	NA

R. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

(INR in Million)

Payments to auditors	31 March 2024	31 March 2023
Audit fee, including limited review, excluding OPE and applicable taxes	15.4	13.2
Others	1.4	2.4
Total	**16.8**	**15.6**

S. Chairman and Managing Director / CFO Certification

The Executive Chairman, Whole-time Director & CEO and CFO have issued certificate pursuant to the provisions of Regulation 17 (8) of Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

T. Hospital units/locations

Your Company, with its subsidiaries provides healthcare services across India and Africa. Details of locations of units are available on our website at https://www.hcgoncology.com/cancer-centers/.

U. Outstanding GDR's/ ADR's or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued GDR's/ ADR's or any convertible instruments during the year under review.

V. Commodity price risk or foreign exchange risk and hedging activities

Refer Note on financial risk management of the financial Statements for details on commodity price risk, foreign exchange risk and hedging activities.

Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015

The Board of Directors
HealthCare Global Enterprises Limited
Bengaluru

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of HealthCare Global Enterprises Limited for the year ended 31st March, 2024 and to the best of our knowledge and belief:
    a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
    a. that there are no significant changes in internal control over financial reporting during the year;
    b. that there are no significant changes in accounting policies during the year other than those disclosed in the Notes to the financial statements; and
    c. that there are no instances of significant fraud of which we have become aware.

	Dr. B. S. Ajaikumar	**Raj Gore**	**Ruby Ritolia**
	Executive Chairman	Wholetime Director and CEO	Chief Financial Officer
Date: August 08, 2024	DIN: 00713779	DIN: 07505123	Place: Bangalore
	Place: Bangalore	Place: Miami	

Corporate Governance Compliance Certificate

Corporate Identity No : L15200KA1998PLC023489
Nominal Capital : INR 200 Crores

To
The Members,
HEALTHCARE GLOBAL ENTERPRISES LIMITED,

We have examined all the relevant records of **HEALTHCARE GLOBAL ENTERPRISES LIMITED (CIN: L15200KA1998PLC023489)** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

For V Sreedharan and Associates

V. Sreedharan
Partner
FCS: 2347; CP No.833
Date: August 08, 2024
UDIN: F002347F000927579
Place: Bengaluru
Peer Review Certificate No. 5543/2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
HEALTHCARE GLOBAL ENTERPRISES LIMITED
HCG Tower, No.8, P. Kalinga Rao Road,
Sampangi Rama Nagar, Bengaluru – 560027

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HEALTHCARE GLOBAL ENTERPRISES LIMITED,** having CIN L15200KA1998PLC023489 and having registered office at HCG Tower, No.8, P. Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru - 560027 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Dr. Basavalinga Sadasivaiah Ajaikumar	00713779	14/07/2006
2.	Mr. Amit Soni	05111144	28/07/2020
3.	Mr. Siddharth Tapaswin Patel	07803802	28/07/2020
4.	Mr. Pradip Manilal Kanakia	00770347	10/02/2022
5.	Ms. Geeta Mathur	02139552	17/06/2021
6	Mr. Rajagopalan Raghavan	03627923	12/08/2021
7.	Mr. Jeyandran Venugopal	07085479	11/11/2021
8.	Mr. Meghraj Arvindrao Gore	07505123	10/02/2022
9.	Ms. Anjali Ajaikumar Rossi	08057112	01/04/2021
10.	Mr. Rajiv Maliwal	00869035	25/05/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V Sreedharan and Associates

V. Sreedharan
Partner
FCS: 2347; CP No.833
Date: August 08, 2024
Place: Bengaluru
UDIN: F002347F000927535
Peer Review Certificate No. 5543/2024

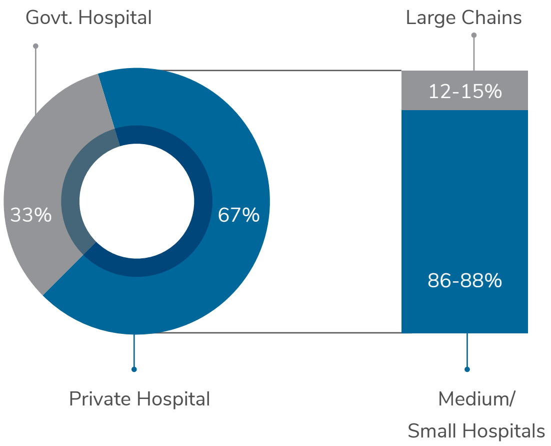
Management Discussion and Analysis Report

Indian healthcare market

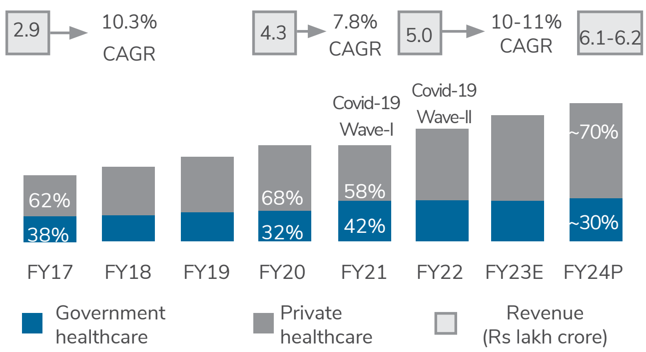
The overall economic development and rising population of the country has led the Healthcare sector to become amongst the largest sectors of the Indian economy, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services, and increasing expenditure by public as well private players. In recent years, medical tourism has also emerged as a promising prospect for the industry.

India's healthcare delivery system is categorised into two major components - public and private. The government, i.e., public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of Primary Healthcare Centers (PHCs) in rural areas. The private sector provides majority of secondary, tertiary, and quaternary care institutions with major concentration in metros, tier-I, and tier-II cities. Industry is dominated by private sector which contributes ~ 67% of the total hospital facilities.

Industry dominated by private hospitals

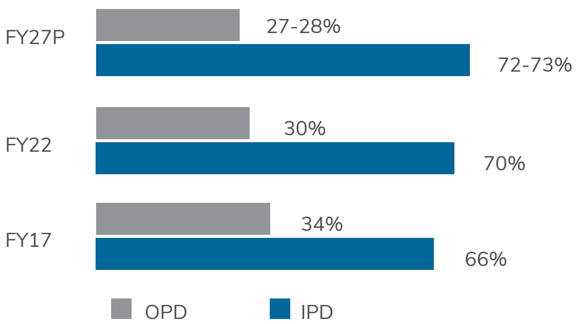


Private hospitals growth bounces back, will continue to outpace government hospitals



- Share of private hospitals to increase to nearly 70% by next fiscal on the back of higher growth
- In fiscal 2021, during the first wave of Covid-19share dropped to 58%; however, recovered to 65% thereafter
- Private hospitals to grow at a faster 11-12% between the urrent and next fiscals vis-à-vis 7-8% for government hospitals
- IPD (in-patient department) share to rise to 72-73% by fiscal 2027 from ~66% in fiscal 2017

Share of IPD steadily increasing over the years



Source CRISIL MISA Research Company annual reports

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

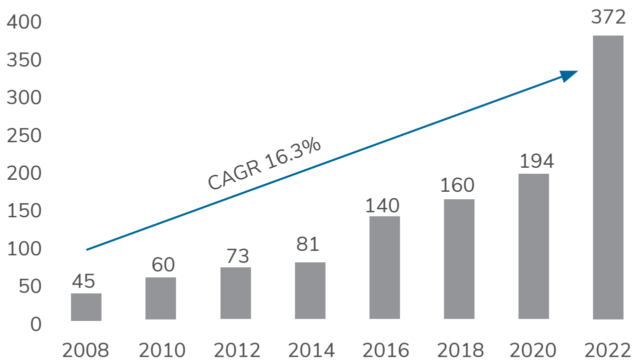
The healthcare market in India has drawn attention more than ever both from public and private service providers post Covid-19 pandemic. It continues to advance at a rapid pace owing to increased coverage, better facilities and greater participation by public and private players.

The growing prevalence of lifestyle diseases, demand for affordable healthcare delivery services and technical advances continue to drive this segment. Moreover, with the advent of telemedicine, accelerated penetration of health insurance and government measures such as e-health, healthcare has become easily accessible for a large majority of the Indian population. Over the past few decades, India witnessed a systematic shift in the healthcare industry as it continued to create more diagnostic centres, nursing homes, hospitals, health clubs, 24*7 pharmacies and blood banks.

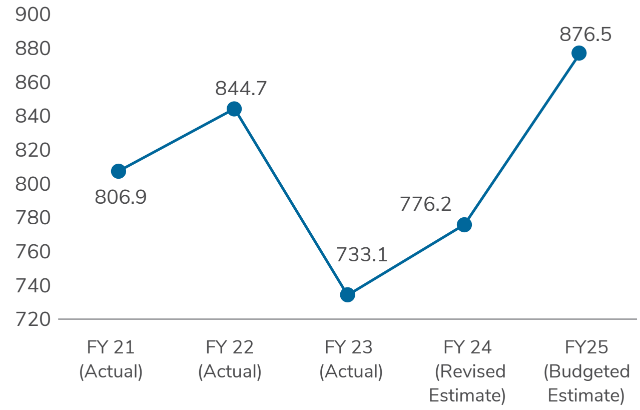
With rapid advancements in the medical industry, the quality of clinical care has improved significantly. It has also ensured cost efficiency and made India an attractive medical tourism destination. Many hospitals in India, today, meets international standards and deliver the expertise of highly qualified and trained medical professionals. It continues to boost the country's reputation as a favoured destination for patients from around the world.

The healthcare industry in India is expected to touch $372 Bn in 2022[1]. Out of the total size of the Healthcare Sector, the Hospital segment carve out an important share i.e.~ 35% contributing ~US$ 130 Bn.

Indian Healthcare Sector Market Size (US$ in Bn)



Budget Allocation for Healthcare and family Welfare (INR in Bn)



Major Industry Developments

- **New medical device policy will be a game changer for industry:** The Union Cabinet recently approved the new Medical Device Policy, 2023. This is anticipated to help the medical devices industry to increase from its current $11Bn to $50Bn by 2030. Experts believe that this new policy will reduce the countries reliance on importing high-end medical equipment and can potentially optimize innovations and boost the manufacturing of medical devices within the country. Currently India has about 70 to 80% import dependency on medical devices.

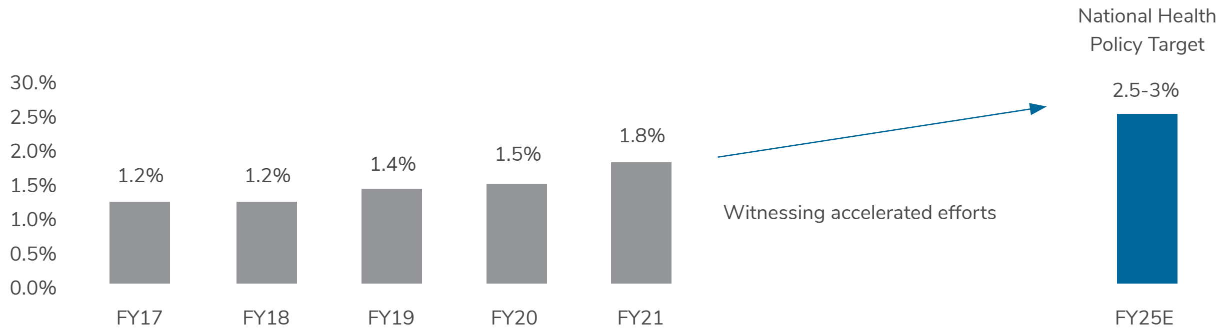
- **India emerging as favourable destination to conduct global clinical trials:** India has the potential to increase the global clinical trial in the country by 5 times in the coming years. There are significant opportunities for biopharma companies to leverage India's rich diversity and robust healthcare infrastructure to develop innovative treatments. The total number of investigators have more than doubled in the last three years, with the majority of the increase occurring in the internal medicine and oncology specialisations.

- **World bank to support India with $1Bn to boost public health infra:** The Government of India and the World Bank have signed two complementary loans of $500Mn each to support and enhance India's healthcare sector development. This amount will directly support India's flagship Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission (PM-ABHIM), launched in October 2021, to improve the public healthcare infrastructure across the country.

  India has one of the highest shares of out-of-pocket expenditure in healthcare; however, the government aims to increase public healthcare expenditure to 2.5-3% of GDP by 2025 from the current ~2%, as per the National Health Policy.

[1]India Brand Equity Foundation: Indian Healthcare Industry Analysis

Expenditure on health by center and state government as % of GDP in India (2017 onwards)



Source: National health profile, budget documents, CRISIL Research

Digital Transformation of Healthcare Sector

Digital transformation has pervaded all facets of society and it has also changed the way healthcare is delivered to a large majority of the population. The government's National Digital Health Mission is expected to augur the digital transformation of the country's healthcare sector and encourage the development of an interconnected environment that promotes universal healthcare coverage. Artificial Intelligence, Telemedicine, the use of remote technologies and many more systems are being constantly used in the healthcare arena since 2019 and it is expected to increase phenomenally over the next few years.

After the Covid-19 pandemic, telemedicine has emerged as an effective method for consultation. The Indian telemedicine market stood at US$1.3Bn in 2021 which is further forecasted to reach US$7.1Bn in 2026. GOI has promoted various initiatives to boost technology adoption in healthcare system; launched Ayushman Bharat Digital Mission (ABDM) and eSanjeevini, as per the Economic Survey 2020-21, eSanjeevani OPD (a patient-to-doctor teleconsultation system) has registered nearly a Mn consultations since its launch in April 2020. The COVID-19 pandemic has highlighted the importance of technology-enabled networks as a digital delivery mechanism for healthcare services. Given India's complex struggles to reach out to patients in different parts of the country, technology enabled services can provide a new dimension to the healthcare delivery system in India.

Outlook

Indian healthcare delivery market poised for robust growth in the medium term.

India is a land full of opportunities for players in the medical devices industry. The country has also become one of the leading destinations for high-end diagnostic services with tremendous capital investment for advanced diagnostic facilities, thus catering to a greater proportion of the population. Besides, Indian medical service consumers have become more conscious towards their healthcare upkeep. Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare is expected to boost healthcare services demand in the future. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

Breaching pre-covid level in FY22, CRISIL MI&A Research estimates the Indian healthcare delivery industry to post healthy 10-12% compound annual growth rate between fiscals 2022 and 2027, driven by long term structural factors, strong fundamentals, increasing affordability and potential of the Ayushman Bharat scheme.

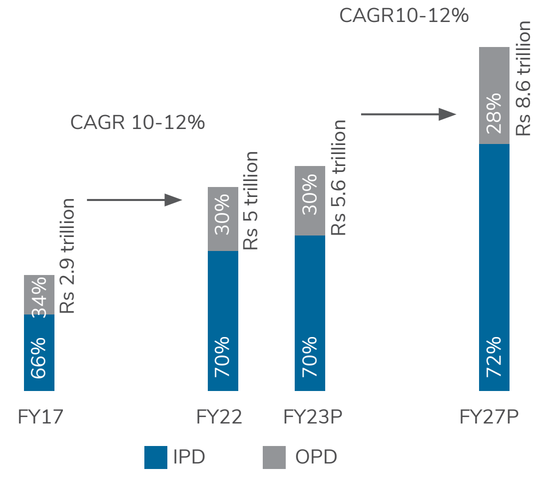
Healthcare delivery industry to grow 10-12% from FY22 to FY27

With long term structural factors supporting growth, renewed impetus from PMJAY and government focus shifting onto healthcare sector, the healthcare delivery market in India is expected to grow at 10-12% compound annual growth rate (CAGR) and reach INR 8.6 trillion in fiscal 2027.

From fiscal 2018 to fiscal 2022, major hospital chains have added supply (~2-3% of their incremental supply during the period). The supply was largely affected during the covid period as from fiscal 2020 to fiscal 2022, major hospital chains supply was declined by ~1-2%. The government is also expected to augment this via the Ayushman Bharat scheme which aims to create 1,50,000 Health and Wellness centers (~1,54,338 HWC's created till Dec 2022) for strengthening primary & secondary infrastructure in the country. The other contributors to the demand are more structural in nature, like, increase in lifestyle-related ailments, increasing medical tourism, rising incomes and changing demography.

In India, healthcare services are provided by the government and private players, and these entities provide both IPD and OPD services. However, the provision of healthcare services in India is skewed towards the private players (both for IPD and OPD). This is mainly due to the lack of healthcare spending by the government and high burden on the existing state health infrastructure. The share of treatments (in value terms) by the private players is expected to increase from 60% in fiscal 2018 to nearly 70% in fiscal 2027, the share only witnessing a slight dip in fiscal 2021. The skew is more towards the private players owing to the expansion plans of private players being centered on it, further buttressed by increasing reliance on private facilities till government infrastructure is properly put in place.

Overall Healthcare Delivery Market in India



Note: IPD stands for in-patient department and OPD stands for out-patient department. According to CRISIL MI&A Research out-patients are those who are not required to stay at the hospital overnight. It includes consultancy, day surgeries at eye care centres, and diagnostics, and excludes pharmaceuticals purchased from standalone outlets.

Source: CRISIL MI&A Research

Oncology

Global Overview

According to World Health Organization (WHO), cancer is growing at an unprecedented rate worldwide and stronger prevention measures are necessary for combating the disease. Cancer is the second major cause of deaths worldwide, accounting for almost 10 Mn deaths per year. The disease is responsible for almost 1 in every 6 deaths around the world[2]. These recent estimates send a clear message that urgent action is required to prevent its occurrence and improve treatment methods for better cure and care.

The growing rate of population, increasing consumption of tobacco and alcohol, unhealthy eating habits and sedentary lifestyles are some of the major factor's contributing to growing incidences of cancer around the world. These factors are also the shared risk factors for various other non-communicable diseases. In many cases, risks of certain cancers increase with age and an ageing population can be a cause of concern for the medical fraternity.

Since 2015, the worldwide oncology/cancer medicines industry has grown at a compound annual growth rate (CAGR) of 9.8 percent, reaching about $167.9Bn in 2019[3]. The oncology drugs industry is projected to shrink by 11 percent in 2020, from $167.9Bn in 2019 to $149.9Bn in 2020. The downturn is mostly attributed to the recent global economic crisis caused by the COVID-19 pandemic.

Patients with cancer are more vulnerable to serious infections, particularly after chemotherapy, stem cell transplants and surgeries. Oncology services have experienced severe implications after the pandemic in 2020. COVID-19 also delayed clinical trials for oncology drugs, production had been suspended in many parts of the world due to the lockdown and this has triggered supply chain issues of massive proportions. However, post successful vaccination drive across the globe, the oncology industry has returned to normalcy.

Strategic partnerships in the oncology drugs industry continues to produce better results. Companies are designing new products and exchanging skills and knowledge to stay afloat in a highly competitive environment. New developments and technological advances in cancer care are also gaining traction. The use of artificial intelligence in research and development and in 3D printing systems to simulate the human body for drug trials and testing have proved to be extreme.

India overview

Cancer is on the rise in India, a pattern that is coinciding with the overall rise in non-communicable diseases (NCDs). Cancer cases are estimated to touch 20 lakhs by 2040, up from about 11.6 lakh in 2018. In 2018, it was reported that India's cancer prevalence has more than doubled in comparison to the previous 26 years.

While incidences of cancer in India are lower than most Western countries, the sheer size of its population becomes a significant public health burden. In India, cancer is the second leading cause of death. Breast cancer, prostate cancer, oral cancer, gastric cancer, and cervical cancer are the most prevalent cancers affecting the country's population.

According to the National Cancer Registry Programme (NCRP) Report 2020, published by the ICMR and the National Centre for Disease Informatics and Research in Bengaluru, the number of cancer cases in 2020 was estimated to be 13.9 lakhs and it is projected to increase to 15.7 lakhs by 2025. The report also suggested that females are more prone to cancer than males, with 712,758 cases of cancer reported in females in 2020 and 679,421 in men. Moreover, the results indicate that one in 68 males (lung cancer), one in 29 females (breast cancer), and one in 9 Indians will grow cancer between the ages of 0-74.

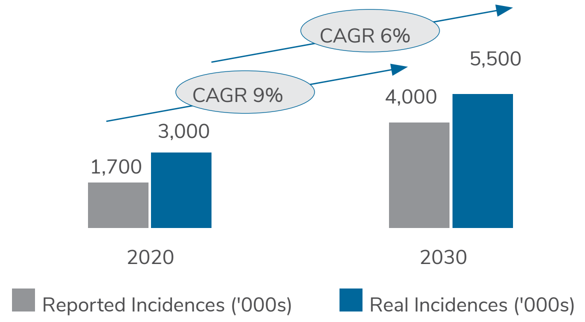
While lung, throat, stomach, and esophageal cancers are most common among men, breast and cervix uteri cancers are on the rise among women in India. Incidences of breast cancer have also touched alarming proportions. It continues to affect a larger proportion of women in metropolitan cities such as Hyderabad, Chennai, Bengaluru and Delhi, than in other parts of the country.

In 2022, around 19-20 lakh new cancer cases were estimated to be reported in India. However, real incidence of cancer is conservatively estimated to be 1.5-3 times higher than the reported incidence from cancer registries.

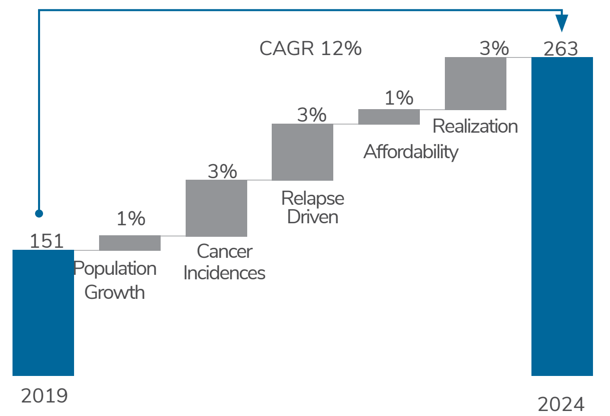
[2]https://www.who.int/news-room/fact-sheets/detail/cancer

[2]https://www.globenewswire.com/news-release/2020/10/06/2104100/0/en/Oncology-Market-Size-2020-Particularly-Prone-To-Disruption-DuringPandemic-In-The-Global-Oncology-Market.html

Increasing Cancer Incidences in India



Indian Cancer Care Industry (INR bn) - Projected Growth



Ageing Population

Population over the age of 50 years is expected to rise in India

Exposure to Risk Factors

Lifestyle changes like tobacco use, alcohol consumption, processed food, pollution etc

Rising Awareness

Growing awareness and greater public emphasis on screening

Affordability

Active roll out of government schemes, increased insurance penetration

Source: Globacan 2018, ICMR, Industry Reports

Incidence across countries

India faces a grave challenge of high cancer incidence which is growing at a faster pace as compared to other developing countries.

According to the 2020 WHO ranking on cancer burden, India ranks at the 3rd position after China & USA, respectively, in terms of new yearly cancer incidence being reported.

Based on the historical growth in reported cancer incidence (CAGR of 5% between 2012-16), India's cancer incidence crude rate is estimated to be 122 per lakh population and age specific incidence (ASR-W*) rate is estimated to be 116 per lakh population in 2020. While the estimated age-specific incidence rate (ASR rate) for India is lower compared to other geographies, India's real ASR rate is expected to be higher than Thailand and Indonesia, and comparable with China and Brazil (refer Chart below)

Despite the crude rate of incidence not being amongst the highest in India compared to other geographies, the total incidence burden is high due to the large population size of the country. Considering growth in population and crude rate, India's cancer incidence is estimated to be growing at a CAGR of 6.8% (2015 to 2020) which is significantly higher than other developing countries such as China (1.3%) (which has a comparable population size), Brazil (4.5%) and Indonesia (4.8%) as well as developed countries such as UK (4.4%).

In 2022, around 19 to 20 lakh new cancer cases were estimated to be reported in India. However, the real incidence of cancer is conservatively estimated to be 1.5 to 3 times higher than the reported incidence from cancer registries.

	Estimated#	Real	Reported - 2020					
	India		Brazil	Thailand	Indonesia	China	US	UK
Overall new cases (In 000s)	1,714	2,570 -3,430	475	131	397	4,569	2,282	458
Incidence CAGR (15-20)	6.8%		4.5%	7.8%	4.8%	1.3%	6.6%	4.4%
Estimated Incidence, 2020 (Crude rate)	122	182-242	279	273	145	316	689	675
Estimated incidence, 2020 (ASR-W*)	116	174-232	215	164	141	205	362	320

Source: NCRP 2020 Annual report, Global cancer observatory for Brazil, Thailand, US, UK, China and Indonesia

#Estimated incidence considering only population growth and crude rate CACR, without considering impact of changes in risk factors and improvement in diagnosis

*ASR-W is a weighted mean of the age-specific incidence rates. The weights are taken from the population distribution of the "world Standard Population defined by WHO, and the estimated incidence rate is expressed per lakh population for comparisons between different geographies.

*CAGR: Compound annual growth rate, measures the annual growth over multiple years by compounding over the time period.

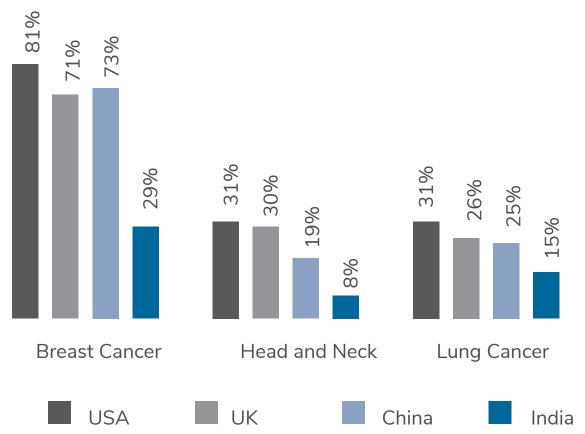
Head and Neck, Gastrointestinal and Lung contributes to 50% incidences in males and Breast, Cervix uteri and Gastrointestinal organs in case of females. Head and Neck, Prostate and Ovarian cancer are growing at a faster pace than other cancers.

- Out of ~14 lakhs Cancer cases in 2016 based on published estimates from national cancer registries, males contributed to 49% (47% in 2012) and females contributed to 51% (53% in 2012).
- Cancers of the Head and Neck and Gastro-intestinal organs constitute 21% and 18% respectively for males and 6% and 11% respectively for females out of the total incidence across the respective genders.
- Cancers of the Head and Neck are growing at highest overall CAGR (12-16) of 23% (CAGR of 25% in males, vs 16% in females). In males, it is followed by Prostate cancer at 19% while in females by ovarian and lung cancer at ~11%.
- Breast cancer is the highest contributor (29%) to total incidence among females in India in 2016 and the incidence has been rising among women at high CAGR of 8% between 2012-16.
- Cervix Uteri, which was one of the top contributing cancers in female (23% in 2012 compared to 11% in 2016) has seen a significant reduction with negative CAGR of 13% (2012-16) driven by screening, awareness programs and preventive measure.

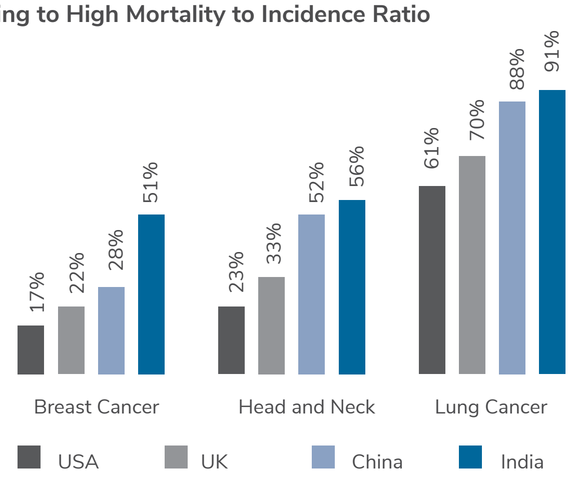
The issue of high disease burden is compounded with late stage detection caused mainly due to lack of awareness and poor screening programs

India has a poor detection rate across major cancer sites with only 29% & 15% of breast and lung cancers being diagnosed in stages 1 & 2, respectively, which is significantly lesser than that in China, UK and US.

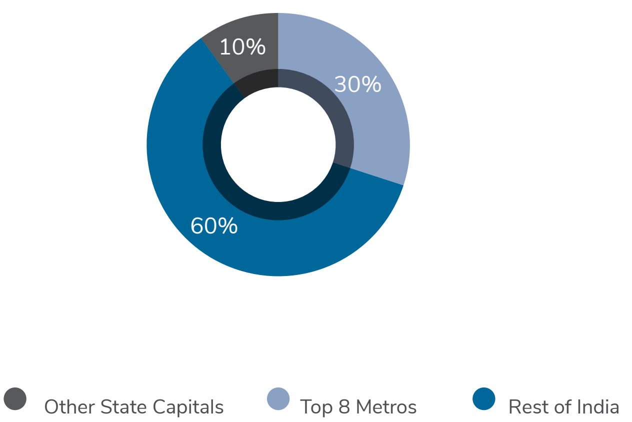
Low Early-stage Diagnosis in India...



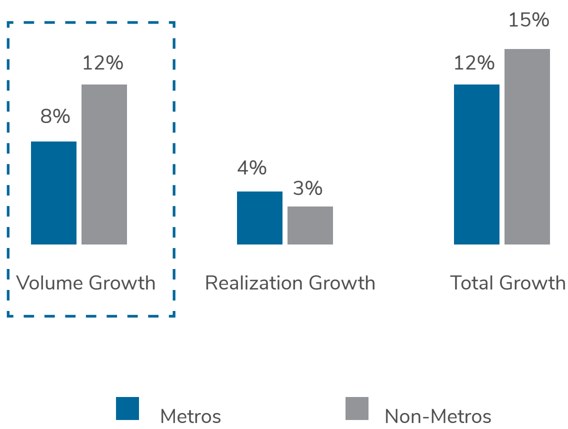
leading to High Mortality to Incidence Ratio



Majority of the Comprehensive Cancer Centers concentrated in Metros....



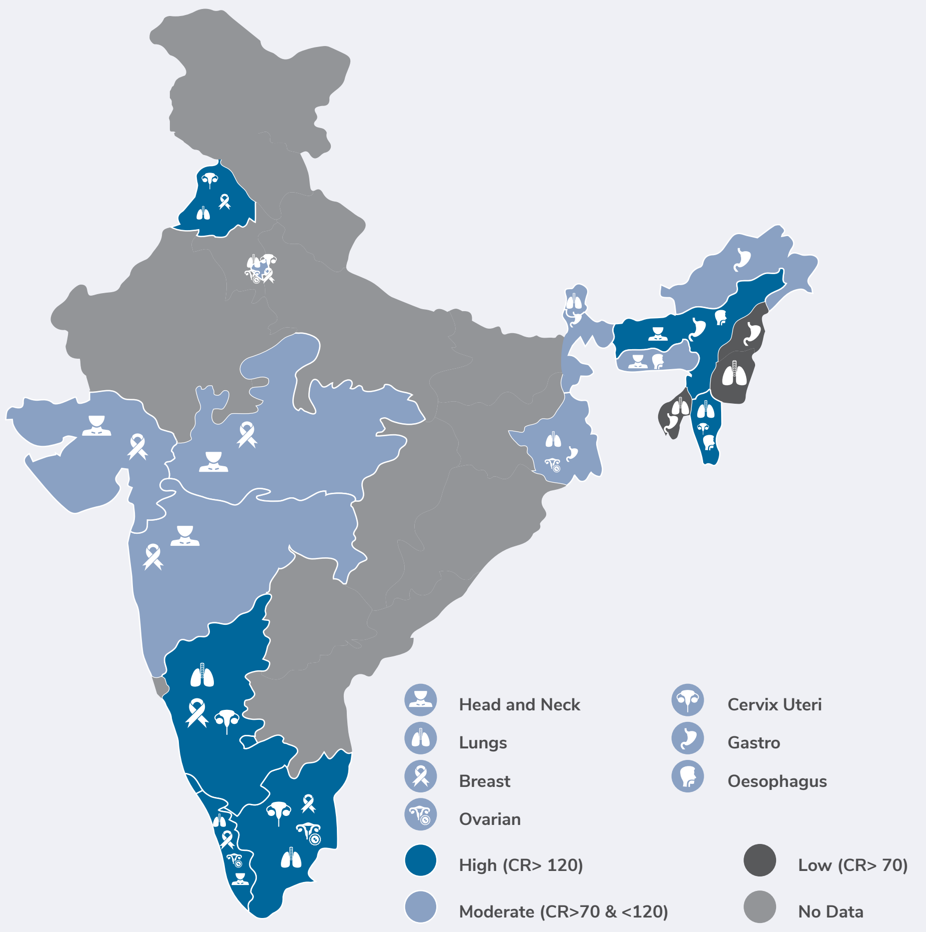
........but Non-Metros to Grow Faster than Metros mainly driven by Volume Growth (FY19-FY24)



Within India, out of the 17 states covered by population-based cancer registries (PBCRs), 13 states exhibit a rising cancer burden

Among all states and UTs covered by population-based cancer registries (PBCRs), Kerala, Mizoram, Tamil Nadu, Karnataka, Punjab, and Assam report the highest overall crude incidence rates of cancers (above 130 cases per lakh population) and have 23% share of the total cancer burden of the country.

Tamil Nadu, Karnataka, Punjab, and Maharashtra are the states where the crude incidence rate among females is significantly higher than male cancer incidence. Conversely, for Assam, Meghalaya & Nagaland, the crude incidence among males is much higher than female cancer incidence.



Source: NCRP annual reports, EY analysis

Key state wise projected crude incidence per lakh population (2020) and CAGR trend

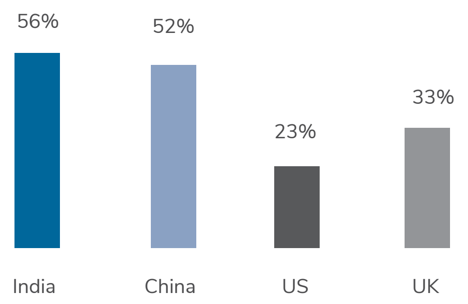
State/UT (No. of Registries)	Crude rate per lakh population					
		Overall		Male		Female
Kerala (2)	↑	181.6	↑	188.7	↑	175.4
Karnataka (1)	↑	151.7	↑	132.3	↑	172.6
Tamil Nadu (1)	↑	148.6	↑	135.4	↑	161.5
Punjab (1)	↑	144.0	↑	126.4	↑	163.7
Mizoram (1)	↑	141.7	↓	143.5	↑	139.9
Assam (3)	↑	138.6	↑	151.6	↑	125.8
Delhi (1)	↓	113.5	↓	111.7	↓	115.5
Maharashtra (6)	↑	97.2	↑	88.8	↑	106.2
Arunachal Pradesh (2)	↓	94.1	↓	91.0	↓	97.1
West Bengal (1)	↓	87.9	↓	94.1	↓	81.4
Madhya Pradesh (1)	↑	87.8	↑	85.3	↑	90.4
Gujarat (1)	↑	85.8	↑	92.6	↑	78.2
Meghalaya (1)	↑	79.5	↑	100.7	↑	58.4
Sikkim (1)	↓	70.5	↓	67.8	↓	73.5
Tripura (1)	↑	68.5	↑	76.7	↑	60.0
Nagaland (1)	↑	68.2	↓	74.1	↑	61.9
Manipur (1)	↑	56.2	↑	50.8	↑	61.6

The challenge of rising disease burden is further compounded by poor outcomes compared to global counterparts across all major organ types

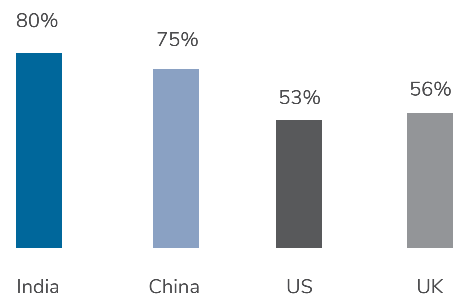
While at one hand incidence is rising, the mortality to incidence ratio for different cancer types in India is among the poorest compared to global counterparts. India has sub-optimal mortality to incidence ratio across almost all organ types compared to China, US and UK. Late-stage detection is one of the key factors impacting quality of outcomes in India compared to other countries.

Mortality to Incidence ratio comparison across countries

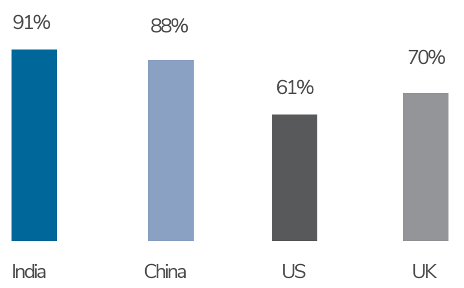
Head & Neck



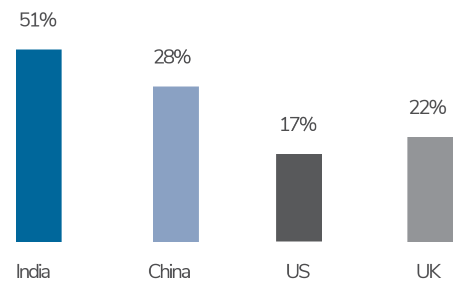
Gastrointestinal



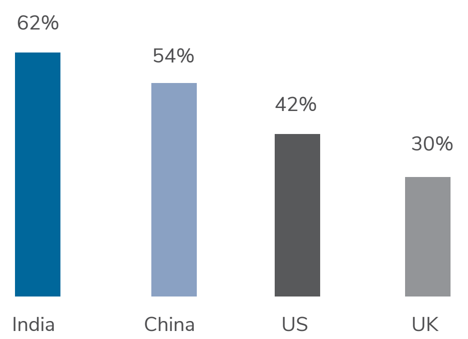
Lung



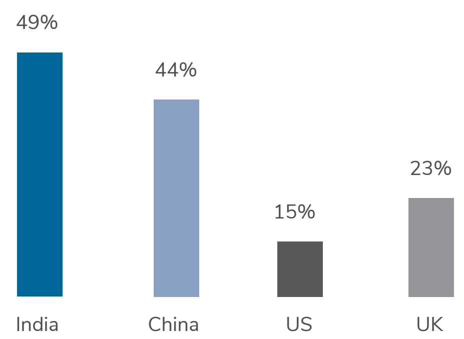
Breast



Cervix Uteri



Prostrate



[source: NCRP annual report 2020, Global Cancer Observatory, 2020]

Advancements in cancer treatment in India

With the rising incidence of cancer in recent years, India has significantly improved the processes for cancer diagnosis and treatment. Recent advancements have also transformed cancer care and has given hope to Mns of people.

- **Genomic guided Immunotherapy:** Immunotherapy, also known as biologic therapy, is widely used for cancer care and cure. It boosts the body's natural defence to help combat the disease. The treatment promises much better outcome for the cancer patients.
- **Liquid biopsy:** The sampling and examination of non-solid biological tissue, usually blood, is known as liquid biopsy or fluid phase biopsy. It's a ground-breaking method for detecting cancer at an early stage and determining the effectiveness of chemotherapy.
- **Artificial Intelligence (AI):** Recent advancements in artificial intelligence have largely enhanced the efficacy of various treatment methods. AI has helped medical practitioners to predict the effectiveness of cancer immunotherapy and is extremely useful for the diagnosis of different types of cancer.
- **Adaptive Radiation Therapy:** Through this new technology the treatment is adapted to account for internal anatomical changes as some organs in the body that require radiation therapy can change in size and shape over the days and weeks that a course of treatment can take.
- **Multiparametric-magnetic resonance imaging (mp-MRI) and Fluorescence lifetime imaging (FLI):** These imaging techniques aid in breast cancer detection. The scan shows signs of proteins that aid the growth of cancer cells and allows doctors to quickly diagnose and decide a clear path for treatment.

India, therefore, stands at the cusp of offering remarkable cancer care through numerous innovative and patient centric treatments. The country has achieved important breakthroughs in cancer research that help better care and treatment of cancer patients. Besides, the use of advanced technology has enabled caregivers to rely on innovative pathways for cancer detection

Fertility

India is the second-most populous country in the world accounting for 17.7% of the world's population. However, over the past few years, fertility rates have severely declined in India. The fertility rate in 2019 was 2.22 births per woman, a 0.89% fall from 2018. In 2020, the fertility rate further reduced to 2.2 births per woman, a fall of 0.9% from 2019[4].

Infertility is among the most prominent health issues faced by many young couples around the world. In India too, it has become a grave problem in recent years. Sedentary lives with little or no physical exercise, increasing stress levels, erratic sleep patterns and unhealthy lifestyle choices are some of the major factors causing infertility. As a result, artificial methods of conception have become quite popular in large metros as well as small towns.

Risk factors leading to high prevalence of infertility

PCOS	• PCOS incidence in India reported to range between 4% to 23% • Mean global prevalence rate of 5% to 10%
Endometrial Tuberculosis	• Endometrial TB causes endometrial and tubal damage resulting in infertility • Prevalence is estimated to be ~18% among infertile women in reproductive age in India vis-à-vis 1% in the USA
Obesity	• Prevalence of obesity in men has increased from 17% (2010) to 20% (2014) • Increased from 11% (1998) to 25% (2014) in women
Tobacco	• Tobacco prevalence in India estimated at 17% • Approaching the levels of use in the UK (21%) and the US (19%)
Alcohol	• Overall alcohol consumption per capita increased from 3.6 liters in 2005 to 4.3 liters in 2010
STD	• High prevalence of STDs • Estimated to range between 10-34%

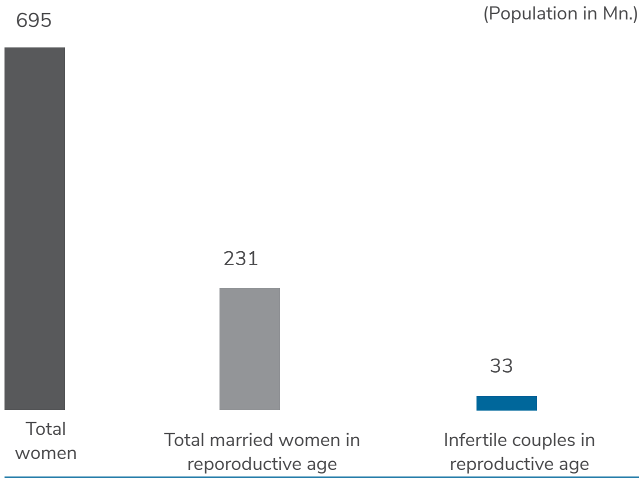
[4]https://www.macrotrends.net/countries/IND/india/fertility-rate#:~:text=The%20fertility%20rate%20for%20India,a%201.37%25%20decline%20from%202017.

The growing prominence of advanced research has opened up new avenues for infertility treatment in India. It has provided patients with safe and secure solutions including IUI (intrauterine insemination), IVF (in vitro fertilisation), and ICSI (Intracytoplasmic sperm injection). In India, the most common method of treatment is in-vitro fertilization and IVF clinics continue to report a very high number of successful conceptions.

The future of infertility treatment in India relies largely on the adoption of digital methods of treatment. With growing importance of artificial intelligence and machine learning in the field of medicine, infertility treatments are also expected to be remodelled in the coming years. The incorporation of AI in therapeutic Anti-retroviral therapy (ART) opens up promising possibilities in this field. It is not only expected to offer high efficacy rates, but is also anticipated to reduce treatment costs considerably. By processing and analysing more data accurately and in greater detail, AI is anticipated to distinguish high-quality embryos from chromosomally defective ones, a method that is intended to save healthcare practitioners enormous time and effort.

India is witnessing a high burden of infertility, with an estimated 32 to 34 Mn couples in the reproductive age suffering from lifetime infertility in 2021

Prevalence of Lifetime Infertility in India, 2021

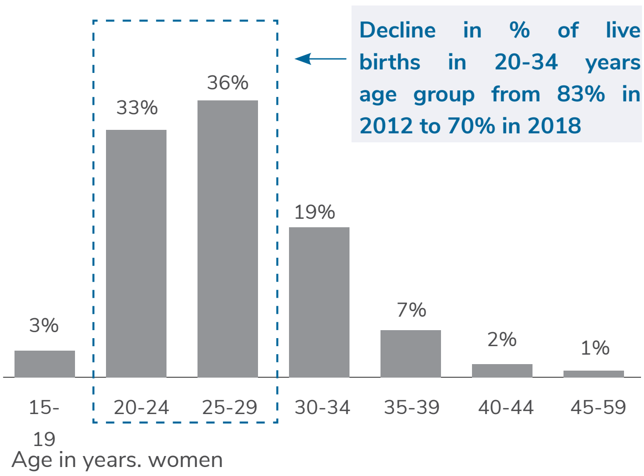


Source: Primary interviews with KOLs and leading pharmaceutical companies, Census of India 2001 and 2011, EY analysis, PLOS Medicine - Infertility trends since 1990 (December 2012)

In 2020, an increase in the proportion of women in the reproductive age (20-44 years), coupled with a skew towards those aged between 30-44 years has resulted in an increase in infertility prevalence

- In 2018, ~70% of live births occurred among married women in the age-group between 20-29 vis-à-vis 83% in 2012
- Fertility rates in women aged 30-49 are significantly lower than that of women aged 20-29 years
- Demographic changes in the population are forecast to increase the percentage of women in the reproductive age (20-44 years) by ~14% between 2010 to 2020
- The increase in the proportion of women is skewed towards those aged 30-44 years, and is forecast to increase by ~20% between 2010 to 2020. This shift is likely to increase the burden of infertility in India by 2020.
- Assuming the marital rate in 2021 is similar to the decadal growth rate observed between 2001 and 2011, the number of couples in reproductive age group (20-44 years) has increased from 193 Mn in 2011 to 231 Mn by 2021 (Source: Census data)

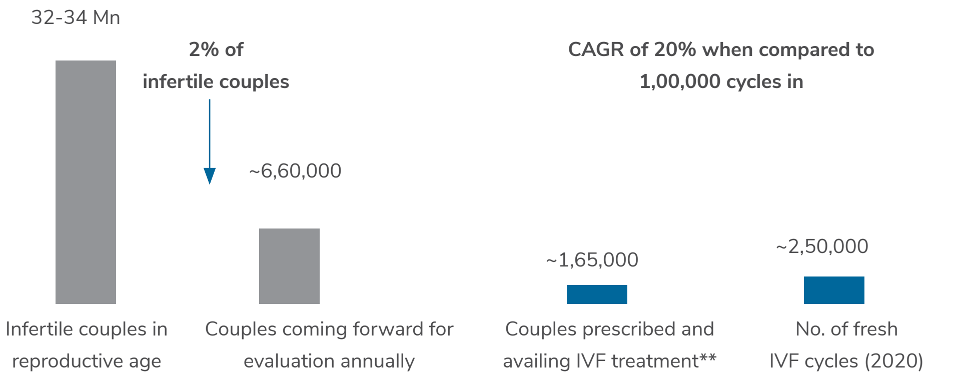
Percentage of live births per age-group (based on age-specific marital fertility rate, 2018)



Source: Sample registration survey 2018

Current Infertility market in India (No. of fresh cycles)

Current Infertility market in India (No. of fresh cycles): Current market for infertility is estimated at ~2,50,000 in-vitro fertilization (IVF) cycles with a 2% penetration rate which is low when compared to other countries



**In addition ~40,000 frozen embryo transfer cycles have been estimated to be performed in 2020

Source: Primary interviews with KOLs, leading pharmaceutical companies, IVF specialists, data analysis of a leading IVF centre, EY analysis

12%-15%

prevalence of infertility in India

2%

of the total infertile couples currently seek infertility treatment

20%-25%

of the total couples registering at an infertility centre undergo IVF

~1.5 IVF

cycles performed per couple (80% couples go for 2 cycles)

4-9%

couples coming forward for treatment annually as observed in developed nations, IVF cycles would be 2X-4X higher than current levels

Potential IVF market in 2027: With more infertile couples coming forward for treatment, the IVF market is estimated to grow by ~10-15% to 5-6 lac cycles by 2027. Between FY15 to FY22, share of organized players (corporate IVF chains and large doctor setups) has grown from 25% to ~45-50%; shift in share from un-organized to organized players expected to continue largely driven by increased regularisation of the sector with implementation of ART bill as well as shift in patient preference towards organised players post COVID

Our business

Oncology

The Company is the largest provider of cancer care in India under the "HCG" brand. It owns and operates comprehensive cancer diagnosis and treatment services (through radiation therapy, medical oncology and surgery). As of March 31, 2024, our HCG network consisted of 21 comprehensive cancer centres, including 1 centre in Africa. Each of our comprehensive cancer centres offers, at a single location, comprehensive cancer diagnosis and treatment services including radiation, medical oncology and multidisciplinary approach to cancer care across our HCG network, wherein specialist physicians from various disciplines collaborate to provide the best course of treatment for each patient. Our freestanding diagnostic centres and our day care chemotherapy centre offer diagnosis and medical oncology services, respectively.

We follow a multidisciplinary approach to cancer care across our HCG network, wherein specialist physicians from various disciplines collaborate to provide the best course of treatment for each patient. This allows us to share and develop best practices, build clinical expertise and adopt standardized protocols for diagnosis and treatment, thereby improving the quality of our cancer care services. We believe that as a result, we are able to better serve our patients and ensure consistent clinical outcomes.

In our HCG network, our specialist physicians adopt a technology- focused approach to diagnosis and treatment. For instance, we use advanced technologies, including molecular pathology and molecular imaging for accurate diagnosis and staging of cancer, which enable us to decide upon the appropriate course of treatment for each patient. We believe that owing to the relationships we enjoy with such medical technology vendors and pharmaceutical and biotechnology companies and our involvement with them in the areas of research and development, we have been able to introduce in India and adopt across our HCG network the latest advances in technology relatively early.

For instance, we were among the first healthcare providers in India to standardize molecular diagnostics technologies, including genomic testing and molecular imaging, including 128 slice PET-CT scans in the diagnosis and staging of cancer, as well as to introduce high intensity flattening filter free mode radiotherapy, stereotactic and radiosurgery and robotic radiosurgery, in the treatment of cancer in India. We were also the first healthcare provider in India to perform computer assisted tumour navigation surgery. We believe this gives us a distinct advantage relative to our competitors in delivering high quality and standardized cancer care to our patients. We also utilize targeted nuclear medicine therapies as well as advanced radiation treatments to minimize side effects and improve the outcome of treatments. By ensuring that we adopt these diagnostic and treatment technologies throughout our HCG network, we are able to provide consistent quality of care to all patients.

Given the large number of patient cases treated across our HCG network, we believe that we are able to efficiently utilize our equipment, technologies and human resources, thereby deriving economies of scale. Furthermore, efficiently utilise our equipment, technologies and human resources, thereby deriving economies of scale.

Through the adoption of a centralised drug and consumables formulary, we are able to lower the overall cost of drugs and consumables. We believe that our business model is scalable and when combined with efficient utilisation of resources, it enables us to operate within a competitive cost structure.

HCG key differentiators :

1) **Clinical outcomes a major driver in selecting doctor/hospital; survival rate a lead indicator of clinical outcome:** A Patient chooses a hospital based on clinical outcomes which are different in different hospitals based on the in-depth practice (specialization, sub-specialisation), research, machines, technology, tools, knowledge sharing, domain expertise and various such factors. One does not decide hospital on basis of multi-speciality or single speciality.

   HCG is the largest oncology focused hospital which does extensive research on cancer care which allows it to stay one step ahead compared to other hospitals. Based on the sheer volume that HCG caters our belief is that the clinical outcomes at HCG should be far superior compared to other hospitals when it comes to oncology and has higher success ratio/survival rate matters in case of oncology which is one of the major driving force when it comes to selecting HCG.

2) **Sub-specialization is need of the hour:** With ever increasing complexity of cancer and need for accurate treatment there are various sub-specializations which have emerged. There are over 50 different types and sub-types of cancer each requiring unique treatment & know-how. HCG has highest number of oncologists (400+) in the country with various sub-specialist oncologists which is a determining factor to choose hospital.

3) **Largest tumor-board in India:** Tumor board is a unique approach whereby group of oncologists meet every week to discuss critical case and decide what treatment needs to be given to a particular patient taking into account various factors. This helps in enhancing the accuracy level and outcome levels are far better. HCG has the largest tumor board in India which is a key differentiating factor in itself.

4) **Pioneers of research in India:** Very few institutes like HCG and Tata memorial in India are focused on R&D and academics. HCG has been at the forefront of Research and Development when it comes to cancer research. HCG till date has published close to 946 research papers.

5) **All modalities under one roof:** Most of the multi-speciality hospitals have one department for oncology but they lack comprehensive cancer care centres. HCG has dedicated 20 comprehensive cancer care centres in India and 01 in Kenya which provides all modalities (diagnostics, radiotherapy, medical, surgical oncology) under one roof.

6) **Largest gene sequencing in the country (Genomics Lab):** HCG has taken a leadership role in genomics-driven tumor boards and gene-profiling. HCG is First in Asia to complete 120+ Clinical runs (1000+patients) of Comprehensive Genomic Profiling (CGP). This has given insights into patient-centric approach, particularly for advanced and recurring tumors, not only from India, but from Africa and Middle East, making HCG a destination for cancer care. This approach helps in better outcome and indirect more patient referrals.

Fertility

milann THE FERTILITY CENTER

BACC Healthcare Private Limited, our wholly owned subsidiary, is the leading provider of fertility treatment under the brand "Milann". It owns and operates comprehensive reproductive medicine services including assisted reproduction, gynaecological endoscopy and fertility preservation. Milann has been Ranked No. 1 in India and first in the South India region continuously for 3 years in the fertility segment in the Times Health All India Critical Care Hospital Ranking Survey 2018. (Source: All India Critical Care Hospital Ranking Survey 2017, All India Critical Care Hospital Ranking Survey 2017, published on Times Health, Times of India on December 16, 2016).

Milann is led by a team of qualified and experienced fertility specialists with successful track record of providing fertility treatments. Our Milann fertility centres provide comprehensive reproductive medicine services, including assisted reproduction, gynaecological endoscopy and fertility preservation; and follow a multidisciplinary and technology focused approach to diagnosis and treatment. Our Milann network also operates on a model similar to our HCG network, wherein the various Milann fertility centres aim to provide medical services following established protocols with a focus on quality medical care across diagnosis and treatment.

Precision Diagnostics

Triesta Sciences is an integrated speciality diagnostics vertical of HCG with end to end capabilities in precision medicine through proprietary analytics, clinical research, genomic technologies, assay development and validation and a network of laboratories offering a broad menu of tests.

Triesta Sciences is a one- stop solution for oncology diagnostics, Genomics (Next Generation sequencing based diagnostics), biomarker and translational research, laboratory services, and clinical research services for several hospitals across India with a focus on innovation, quality and accuracy for better diagnosis and prognosis of Cancer.

Triesta offers proprietary data analytical engines for research and clinical applications for genomic testing, and also offers hospital laboratory management services by way of establishing and operating laboratory within the hospital premises. It also provides clinical reference laboratory services in India with specialization in oncology, rare diseases and reproductive health and its offerings include molecular diagnostic services and genomic testing. Triesta central reference laboratory is located in Bengaluru and is accredited by NABL in India, as well as by CAP for quality assurance of laboratory tests performed. Additionally, Triesta offers research and development services to pharmaceutical and biotechnology companies in the areas of clinical trial management and biomarker discovery and validation and is led by a team of specialist onychopathologies, molecular biologists and clinical researchers.

As part of clinical diagnostics, Triesta offers precision tests like Inherited Cancer Risk Analysis, Tumour Mutation Analysis for Precision Treatment, Liquid Biopsy Analysis for Precision Treatment, Response Monitoring, and Early Detection of Relapse, in addition to an entire gambit of traditional tests.

HCG operates three multi-speciality hospitals, under “HCG” brand in Ahmedabad, and Rajkot, in the state of Gujarat and one in Hubli in the state of Karnataka.

Multispecialty

HCG Multispecialty in Ahmedabad, Rajkot and Hubli are tertiary care hospitals with 103, 82 and 118 beds respectively, as of March 31, 2024. These hospitals provide comprehensive inpatient and outpatient treatments. Their key specialties include cardiology, neurology, orthopaedics, gastroenterology, urology, internal medicine and pulmonary and critical care. Suchirayu Health Care Solutions Limited, in Hubli, is a multi-speciality quarternary hospital. With 118 operational beds and capacity to go to 250 beds, the hospital offers state of the art facilities and infrastructure in the region.

Hospital Network

Existing HCG cancer centres in India

As of March 31, 2024, we operate a network of 20 comprehensive cancer centres across nine states in India and 1 centre in Nairobi, Kenya. All of these centres are owned and operated by the Company, with some of the centres in joint-venture with oncologists or healthcare groups where majority ownership is with the Company. The following table sets out our existing comprehensive cancer centres as on the date of this report and their facilities and service offerings:

Location of the comprehensive cancer centre	Commencement of operation (calendar year)	Facilities and services				
		Number of beds[3]	Number of RT-LINAC[6]	Number of operation theatres[7]	Number of PET -CT scanners	Laboratory
Karnataka Cluster						
Bengaluru — double road	1989	48	1	3		Yes
Shimoga [1]	2003	47	2	3		Yes[8]
Bengaluru- Kalinga Rao road[2]	2006	202	3	5	2	Yes
Hubli	2008	32	1	2	1[4]	Yes[8]
Gulbarga	2016	42	1	2		Yes
Gujrat cluster						
Ahmedabad [1]	2012	87	2	5	1	Yes
Baroda[1]	2016	99	1	3	1	Yes
Bhavnagar	2018	95	1	3		Yes
East India cluster						
Ranchi	2008	88	2	3	1	Yes
Cuttack	2008	116	2	3	1	Yes
Kolkata	2019	65	1	2	1[4]	Yes
Maharashtra cluster						
Nashik[1]	2007	97	1	4		Yes
Borivalil	2017	69	2	5	1	Yes
Nagpur*	2017	69	1	4	1	Yes
South Mumbai	2019	29	[2]	2	1	Yes
Nashik Phase II[1]	2018	75	2	5	1	Yes
Andhra Pradesh cluster						
Vijayawada	2009	95[5]	2	4		Yes
Ongole	2012	32[5]	1	2		Yes
Vishakhapatnam	2016	83[5]	1	3	1	Yes
Others						
Indore	2023	50	1	3		
Jaipur	2018	100	3	2	1	Yes

Notes

1. Operated through our Subsidiary.
2. Our comprehensive cancer centre located at Kalinga Rao Road in Bengaluru is our centre of excellence.
3. Number of beds includes ICU beds (as applicable).
4. We utilize PET-CT of our partner.
5. In addition, we have self-care beds of 70, 40 and 55 at our centres in Vjayawada, Ongole and Vizag respectively.
6. Includes a WBRRS system and Cyber Knife.
7. Includes major and minor operation theatres. Major operation theatres are used to perform complex surgeries and minor operation theatres are used to perform minor surgical procedures.
8. Lab services by Partner

As of March 31, 2024, we also had two freestanding diagnostic centres, of which one is located in Chennai and another in Vijayawada. Our freestanding diagnostic centres are equipped with PET-CT scanners and provide radiology and diagnostic services. We established some of these centres under partnership arrangements.

HCG cancer centres under development in India

New Centres

As on the date of this report we are in the process of establishing 1 new cancer Centre in Bangalore which is an extension to our Centre of Excellence and would primarily cater to cancer diagnostics, day-care radiation and chemotherapy services with limited surgical services. In addition, we are expanding our Centre in Ahmedabad with additional beds, OT's and associated facilities.

The table below sets out details of our cancer Centre under development in India as on the date of this report and their facilities and service offerings:

Location of new cancer care centres under development	Facilities and services				
	Number of beds	Number of RT-LINACs	Number of operation theatres	Number of PET-CT scanners	Laboratory
Bangalore (Whitefield)	20	1	2	1	Yes
Ahmedabad	200	-	7	-	-

Milann centres

The following table sets out our existing Milann fertility centres as of March 31, 2024 and their facilities and service offerings:

Units	Year	Beds	IVF	Endo OT	Embryo Lab	Neonatal ICU
Kumarpark	1989	25	✓	✓	✓	✓
MSR	2015	14	✓	✓	✓	✗
JP Nagar	2010	24	✓	✓	✓	✓
Sarjapur	2022	5	✓	✗	✓	✗
HSR	2023	7	✓	✗	✓	✗
Indiranagar	2012	6	✓	✓	✓	✗
Whitfield	2018	6	✓	✓	✓	✗
Chandigarh	2016	3	✓	✓	✓	✗
Delhi*	2016	4	✓	✓	✓	✗

* This centre discontinued its operation with effective from November 13, 2023.

Milann new centre in Whitefield was launched to strengthen presence and market share in Bengaluru region and has achieved break-even and continued to ramp-up.

Risks and concerns

Risks are integral part of any enterprise. Efficient management of business risks is a key factor that determines growth, profitability and at times, even survival. In the last few years, the healthcare industry in India has been witnessing increased consolidation even among the larger players. Further, Government intervention, by way of an active regulatory regime, be it in terms of price control or capping of margins on medicines has been stepped up. State and Central Healthcare coverage schemes are also impacting industry margins. The risks that might impact our business, prospects, financial condition and results of operations, inter-alia includes:

(a) Our results of operations in any given period can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including political and economic conditions, the timing of opening and the number of new centres, changes in the competitive landscape in which we operate, government policies which may affect the pricing of our medical services, the operation of medical equipment's, the licensing and operation of our centres and hospitals and the licensing of our medical staff, delays in executing our growth strategies due to a number of factors, delays in project execution resulting in significant time and cost overruns, delays or failure in receiving government approvals, unavailability of human and capital resources, or any other risks that we may or may not have foreseen etc.

(b) The success of our business is dependent on our ability to maintain our relationships with our partners, to identify suitable partners and acquisitions targets and to undertake new partnership arrangements and acquisitions. We may be unable to continue to operate our centres and hospitals if there are any conflicts or disputes with our partners or if our partnership arrangements are not renewed at the end of their respective terms.

(c) Our patients include patients who pay for their medical expenses themselves and patients who are beneficiaries of third-party payer agreements. If we do not receive payments on time from our payers, our financial condition, cash flows and results of operations may be materially and adversely affected. We make provisions for disallowances and doubtful trade receivables in our financial statements on account of the probability of not being able to collect the amounts billed to third party payers, based on our actual experience of disallowances and collection from each category of payers. Provisions for disallowances reduce our revenue from operations and provisions for doubtful trade receivables increase our expenses and thus reduce our profitability.

(d) We face intense competition from other healthcare facilities. If we are unable to compete effectively, our business and results of operations may be materially and adversely affected. Our ability to effectively compete with our competitors is dependent on our ability to achieve high success rates in diagnosis and treatment and reduce risks and side effects in providing cancer care and fertility treatment, enhance the brand image and marketability of our "HCG" and "Milann" brands, increase new patient registrations across our HCG network, attract and retain specialist physicians, physicians and other skilled persons etc.

(e) We are highly dependent on our promoters, key clinicians, partners and the members of our senior management team, including some who have been with us since the establishment of the first cancer centre in our HCG network, to manage our current operations and to meet future business challenges. The loss of the services of our senior management or key management personnel, including our senior specialist physicians and physicians, or if we are unable to find a suitable replacement for them, could seriously impair our ability to continue to manage and expand our business.

(f) We may not realise the value of our goodwill or other intangible assets. We expect to engage in additional transactions that will result in our recognition of additional goodwill or other intangible assets. We evaluate on a regular basis whether events and circumstances have occurred that indicate that all or a portion of the carrying amount of goodwill or other intangible assets may no longer be recoverable and is therefore impaired. Under the current accounting rules, any determination that impairment has occurred, would require us to write off the impaired portion of our goodwill or the unamortised portion of our intangible assets, resulting in a charge to our earnings. We have written off goodwill in the past, and any future write off could have a material adverse effect on our financial condition and results of operations.

(g) Currently, our Company conducts a portion of its operations through its subsidiaries. Further, a portion of our Company's assets is held by, and a part of its earnings and cash flows is attributable to, our subsidiaries. If earnings from our subsidiaries were to decline, our Company's earnings and cash flows would be materially and adversely affected. We cannot assure you that our subsidiaries will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to enable our Company to meet its obligations, pay interest and expenses or declare dividends.

(h) We rely on the financing arrangements with various banks and financial institutions to bridge the gap between cash flow from operating activities and investing activities (including put options of the partners). We cannot assure that the banks and financial institutions would fund us as per the planned timelines, and this could adversely affect our results of operations and financial condition.

The above risks can be considered as potential threats to the business of the Company. For information on opportunities, please refer to Industry section of the Management Discussion and Analysis Report.

We have revitalised our Risk Management framework with a detailed exercise aimed at a better and updated understanding of all our operational, financial, regulatory and strategic risks. Please refer to the section on Enterprise Risk Management forming part of the Management Discussion and Analysis Report to read more on the Risk Management framework.

Financial and operating highlights

Overview

HCG (the Company) stepped into the Financial Year 2024-25 ("Fiscal Year" or "FY"), after completing some key acquisitions and consolidating stake holding in some of the subsidiaries in the FY 24. Along with continued efforts to improve operational efficiency and drive better margins, increased occupancy levels and better capacity utilisation, revenue for FY 2024 grew at 13% over FY 2023 and the EBITDA grew by 10.34%

Overview of key regions

Karnataka cluster

Karnataka cluster had operated 5 Cancer centres and 1 multi-speciality centres operating through-out the year. Revenue from Karnataka cluster increased to INR 6,015 million in FY 2024 from INR 5,693 million in FY 2023 with a 6% YoY growth. Oncology centres registered a growth of 5%, with centre of excellence growing at 8%. Multispecialty centre registered a growth of 9%. Share of Karnataka region as a percentage of total revenues for HCG Centres (excluding Fertility) was at 33% in FY 2024 with only a marginal reduction by 2% from FY 2023.

Gujarat cluster

During the year, Gujarat cluster had 5 operational centres. At a cluster level, revenue grew by 15% from INR 4,165 million in FY 2023 to INR 4,785 million in FY 2024. Oncology centres grew at 15% and multispecialty centres also grew at 15%. Share of Gujarat region as a percentage of total revenues for HCG Centres (excluding Fertility) remains at 26%.

East India cluster

East India cluster had 3 operational centres during the year and revenue increased by 25% in FY 2024 to INR 2,106 million from INR 1,688 million in FY 2023, with Kolkata growing at 40% driven by medical oncology.

Andhra Pradesh cluster

During the year under review, Andhra Pradesh cluster had 3 operational centres. The revenues of the cluster have shown an increase of 14% to INR 1,378 million in FY 2024 from INR 1,205 million in FY 2023. We continue to strengthen our position in state of Andhra Pradesh, with continuing focus on improving revenue mix.

Maharashtra

Our centres in Borivali in Mumbai and in Nagpur, both amongst the largest new centres launched in the last few years, are continuing to ramp up in volumes and revenues. We also added another LINAC at Borivali during the year. South Mumbai centre was fully operationalised in FY 2021 and is one of the most advanced new cancer centres with substantial investment in radiation technology.

Overall Maharashtra cluster clocked revenue of INR 2,871 million during FY 2024 as against revenue of INR 2,409 million in FY 2023 registering a year-on-year growth of 19%. We continue to strengthen our position and scale, remain extremely positive about this region.

North India

North India revenue grew by 12% from INR 755 million in FY 2023 to INR 844 million in FY 2024. We also added another LINAC at Jaipur during the year. We acquired an oncology centre in Indore in October 2023. Our new centre in Indore is fully integrated into HCG Group and shows tremendous promise. The center registered 987 new patients in only 6 months of operations under HCG group.

Milann Centres

Milann continues to be one of the leading IVF brands in India with strong focus on clinical excellence, training and education as well. Milann revenue stayed flat at INR 674 million in FY 2024 up only by 2% from INR 663 million in FY 2023. Lower growth during the year is attributed to regulations around surrogacy which has eased out in Karnataka and the volumes are expected to pick up.

Financial Performance

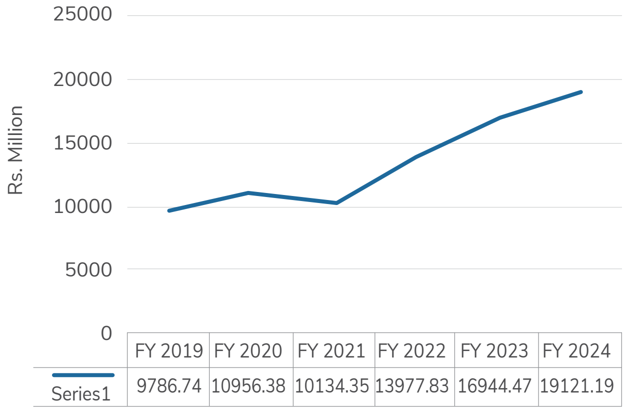
The financial statements of HealthCare Global Enterprises Limited and its subsidiaries (collectively referred to as “HCG” or the Group) and its joint venture are prepared in compliance with the Indian Accounting Standards (“Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The discussions herein below relate to consolidated statement of profit and loss for the year ended March 31, 2024, consolidated balance sheet as at March 31, 2024 and the consolidated cash flow statement for the year ended March 31, 2024. The consolidated results are more relevant for understanding the performance of HCG.

In accordance with the Companies (Indian Accounting Standards), Rules, 2015 of the Companies Act, 2013, HCG adopted Indian Accounting Standards (Ind AS) for preparation of its financial statements from April 1, 2016.

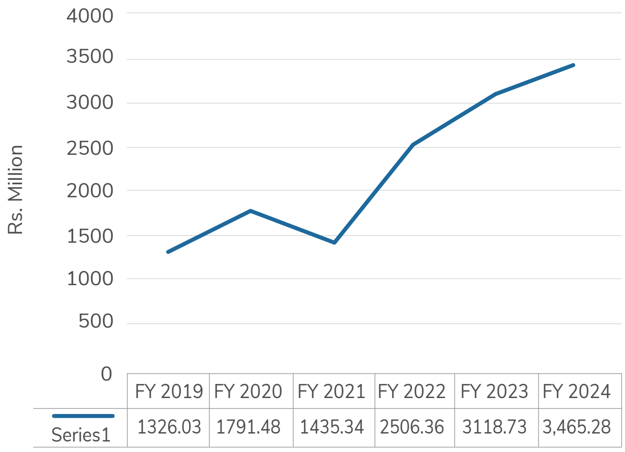
Significant accounting policies used for the preparation of the financial statements are disclosed in the notes to the consolidated financial statements for the year ended 31 March 2024.

Operating revenue *



* including income from Govt grant

Operating EBITDA



including other income

Particulars	For the fiscal year ended March 31, 2024 (INR In million)	For the fiscal year ended March 31, 2024 % of Revenue	Growth vis-a`-vis FY2023 In %	For the fiscal year ended March 31, 2023 (INR In million)	For the fiscal year ended March 31, 2023 % of Revenue
REVENUE					
Revenue from operations					
Income from medical services	17,961.47	93.11%	12.82%	15,920.81	93.23%
Income from sale of medical and non-medical items	937.61	4.86%	11.67%	839.66	4.92%
Other operating revenues	179.63	0.93%	16.89%	153.67	0.90%
Total Revenue from Operations	**19,078.71**	**98.90%**	**12.80%**	**16,914.14**	99.05%
Income from government grant	42.48	0.22%	40.06%	30.33	0.18%
Other income	169.42	0.88%	28.50%	131.84	0.77%
Total Revenue	**19,290.61**	**100.00%**	**12.97%**	**17,076.31**	**100.00%**

Particulars	For the fiscal year ended March 31, 2024		Growth vis-a`-vis FY2023	For the fiscal year ended March 31, 2023	
	(INR In million)	% of Revenue*	In %	(INR In million)	% of Revenue*
EXPENSES					
Purchases of stock in trade	4,793.66	25.07%	10.87%	4,323.75	25.52%
(Increase)/ decrease in stock-in-trade	(39.49)	-0.21%	-52.50%	(83.14)	-0.49%
Employee benefits expense	3,082.42	16.12%	12.04%	2,751.24	16.24%
Finance costs	1,087.36	5.69%	5.06%	1,035.02	6.11%
Depreciation and amortization expense	1,743.56	9.12%	6.66%	1,634.73	9.65%
Other expenses	7,988.74	41.78%	14.69%	6,965.73	41.11%
Total Expenses	**18,656.25**	**97.57%**	**12.20%**	**16,627.33**	**98.13%**
Profit/ (loss) before tax and exceptional items and share of loss of an associate/ joint venture	634.36	3.32%	41.29%	448.98	2.65%
Exceptional Items	39.05	0.20%	100%	-	0.00%
Share of profit/(loss) of equity accounted investees	3.88	0.02%	-	(0.18)	0.00%
Profit/ (loss) before tax	**677.29**	**3.54%**	**50.91%**	**448.80**	**2.65%**
TAX EXPENSE					
(1) Current tax	343.15	1.79%	123.13%	153.79	0.91%
(2) Deferred tax	(79.20)	-0.41%	-166.72%	118.71	0.70%
Net tax expense/ (credit)	**263.95**	**1.38%**	**-3.14%**	**272.50**	**1.61%**
Profit/ (loss) for the year	**413.34**	**2.16%**	**134.45%**	**176.30**	**1.04%**
Share of loss of minority interest	**(68.21)**	**-0.36%**	**-41.80%**	**(117.19)**	**-0.69%**
Net Profit/ (loss) for the year	**481.55**	**2.52%**	**64.08%**	**293.49**	**1.73%**

* excluding other income

Revenue

Revenue from operations

The revenue from operations (other than revenue from government grants) increased by INR 2,164.57 million, or by 12.80%, from INR 16,914.14 million in Fiscal Year 2023 to INR 19,078.71 million in Fiscal Year 2024. The increase is primarily attributable to increased patient footfalls addition of beds, addition of radiation and robotic machines resulting in increased capacity in Fiscal Year 2024.

During the Fiscal Year 2024, Our, Karnataka, Gujarat, Maharashtra, East India, Andhra Pradesh, North India and Tamil Nadu clusters contributed to a revenue of: (a) Karnataka: INR 6015 million, (b) Gujarat: INR 4,785 million, (c) MH: INR 2,871 million, (d) East India: INR 2,106 million; (e) Andhra Pradesh: INR 1,378 million (f) North India INR 844 million and (g) Tamil Nadu INR 270 million respectively. All the centres registered year on year growth in revenues.

Existing cancer centres registered a year-on-year growth of 11%, new centres registered a year-on-year growth of 21%.

Income from government grants

Income from government grants represents amortized deferred income earned from availing export promotion capital goods scheme (“EPCG”). It stood at INR 42.48 million in FY 2024 against INR 30.33 million in FY 2023.

Other income

Our other income increased by INR 37.58 million, from INR 131.84 million to INR 169.42 million in Fiscal Year 2024. Increase in other income was primarily on account of Gain on termination of lease and Payables no longer required written-back aggregating to INR 24 million.

Expenses

Our total expenses increased by INR 2,028.90 million, or by 12.20%, from INR 16,627.33 million in Fiscal Year 2023 to INR 18,656.25 million in Fiscal Year 2024. Increase in cost of consumption, employment cost and other operating expenses is in line with increase in revenue and operations.

Cost of consumption

Cost of consumption comprises of our expenses related to purchases of medical and non-medical items and changes in inventories of medical and non-medical items. Cost of consumption related to usage of drugs, medical and nonmedical consumable items increased by INR 513.56 million and stood at INR 4,754.17 million in Fiscal Year 2024 up from INR 4,240.61 million in Fiscal Year 2023.

Cost of consumption as a percentage of our total revenue including government grant & other income is 25% for Fiscal Year 2024 and Fiscal Year 2023.

Employee benefits expense

Our employee benefits expense increased by INR 331.18 million, or by 12.04%, from INR 2,751.24 million in Fiscal Year 2023 to INR 3,082.42 million in Fiscal Year 2024. This increase in Fiscal Year 2024 is attributed to increase in head count due to increase in volume of operations, increments during the year,additional insurance cover for employees and revision in Minimum wages.

Finance costs

Our finance costs increased by INR 52.34 million, or by 5.06%, from INR 1,035.02 million in Fiscal Year 2023 to INR 1,087.36 million in Fiscal Year 2024. This marginal increase is primarily due to increased rate of interest as compared to previous year and incremental debt taken.

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by INR 108.83 million, or by 6.66%, from INR 1,634.73 million in Fiscal Year 2023 to INR 1,743.56 million in Fiscal Year 2024.

Depreciation on PPE and intangible assets increased by Rs. 61.34 million and right of use assets during current and later part of previous year by Rs. 47.49 million. Impact of assets added from acquisition of Indore and NCHRI Pvt Ltd amounts to Rs. 17.63 million

Other expenses

Our other expenses increased by INR 1,023.01 million, or by 14.69%, from INR 6,965.73 million in Fiscal Year 2023 to INR 7,988.74 million in Fiscal Year 2024. Increase in other expenses is mainly on account of medical consultancy charges marginal increase is due to higher fixed consultant costs pursuant to investment in new doctors in Mumbai, Kolkata and multi-speciality and in line with increase in revenue and operations, increase in usage of Radiation equipment which is on pay per use basis, expenses towards health camps, hoarding, marketing online and print media, etc have been increased QoQ and on loss allowance on trade receivable on account of recovery of bad debts of Delhi unit which was written-off in the earlier years . Overall, the other expenses constituted approx. 41% of total revenue for both the Fiscal Years.

Profit / (loss) before tax and exceptional items and share of loss of associate/joint venture

Our profit before tax and exceptional items and share of loss of associate/joint venture was INR 634.36 million in Fiscal Year 2024 as compared to a loss before tax amounting to INR 448.98 million in Fiscal Year 2023, as a result of significant revenue growth during the current year.

Exceptional items

Project abandoned / temporarily suspended:

The Company had been engaged in construction of greenfield project at leased premises in Gurugram ("project") since 2017. While the project was initially scheduled to be operational as of 2020, it was delayed due to changes in management's plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. During the budgeting process in the year ended 31 March 2022, the Management decided to focus on increasing marketing activities and driving operational efficiencies and further invest in the upgrading and consolidating the existing footprint. As a result, the management decided not to pursue the project. The Company then had about two years of non-cancellable lease of the said premise. Accordingly, as at 31 March 2023, the Company had recognized impairment charge aggregating to Rs. 835.46 million of assets relating to this project (comprising impairment of CWIP Rs. 760.48 million, capital advances Rs. 58.99 million, right of use asset Rs. 10.94 million and security deposit Rs. 5.05 million), after considering minimum lease payable and other committed costs of the project.

During the current year, the underlying lease agreement has been terminated and the project has been written-off. Further, the management concluded that the committed project cost of Rs. 39.05 million which was accrued as creditors for capital goods is no longer required and has accordingly been written back during the year.

There were no exceptional items in the Fiscal Year 2023 at the consolidated level.

Share of (loss) of equity accounted investees

Share of Profit / (loss) from Joint Venture represents the share from a Joint Venture in kenya.

Tax expense

We recorded current tax of INR 343.15 million and deferred tax of INR -79.20 million in Fiscal Year 2024 as a result of which total tax expense for FY 2024 was INR 263.95 million. We recorded current tax of 153.79 million and deferred tax of INR 118.71 million in Fiscal Year 2023 as a result of which total tax expenses for FY 2023 was INR 272.50 million.

Profit / Loss for the year

Our profit after tax before share of loss of non-controlling interest was INR 413.34 million in Fiscal Year 2024 as compared to a profit of INR 176.30 million in Fiscal Year 2023.

Share of profit/ (loss) of non-controlling interest

Non-controlling interest's share of loss was INR (68.21) million in Fiscal year 2024 as compared to a loss of INR (117.19) million in fiscal year 2023.

Profit/loss for the year attributable to owners of the Company

As a result of the foregoing, our net profit for the year attributable to owners of the Company was INR 481.55 million in Fiscal year 2024 as compared to a net profit attributable to owners of the Company amounting to INR 293.49 million in Fiscal Year 2023.

Assets

Particulars	As at 31 March	
	2024	2023
Non-current assets		
(a) Property, plant and equipment	10,146.94	9,718.25
(b) Capital work-in-progress	831.84	181.78
(c) Right-of-use assets	4,906.61	3,812.71
(d) Goodwill	2,229.35	1,812.34
(e) Other intangible assets	298.71	186.73
(f) nvestments in equity accounted investee	33.60	28.51
(g) Financial assets		
(i) Investments	69.65	68.38
(ii) Other financial assets	486.15	542.55
(h) Deferred tax assets (net)	70.58	52.74
(i) Other tax assets (net)	769.69	574.40
(j) Other non-current assets	433.34	378.43
Total non-current assets	**20,276.46**	**17,356.82**
Current assets		
(a) Inventories	426.68	382.86
(b) Financial assets		
(i) Trade receivables	2,940.26	3,025.11
(ii) Cash and cash equivalents	2,726.13	1,746.19
(iii) Bank balance other than cash and cash equivalents above	304.60	220.20
(iv) Loans	19.43	17.69
(v) Other financial assets	67.80	72.08
(c) Other current assets	313.62	339.22
Total current assets	**6,798.52**	**5,803.35**
TOTAL ASSETS	**27,074.98**	**23,160.17**

We had property, plant and equipment amounting to INR 10,146.94 million as of March 31, 2024, and INR 9,718.25 million as of March 31, 2023. Our property, plant and equipment assets primarily consist of medical equipment, buildings, land, leasehold improvements, furniture and fixtures and vehicles.

Increase in our property, plant and equipment assets is on account of net additions of INR 1,361.28 million which is offset by depreciation charge of INR 932.59 million during the fiscal year 2024.

Our Capital Work-in-progress, which was INR 181.78 million as of March 31, 2023, has increased to INR 831.84 million as of 31 March 2024. primarily on account of investment in the enhanced facility at our new Ahmedabad Cancer centre which is under construction.

The Right-of use assets increased by INR 718.92 million on account of new leases during the year ended March 31, 2024 and further increased by INR 746.57 million due to remeasurement of lease liabilities pursuant to change in lease rentals for certain lease premises and increased by INR 251.17 million due to acquisition through business combination. The Right-of use assets decreased by INR 563.11 million on account of depreciation (net) and further decreased by INR 59.65 million due to termination of lease, disposal and foreign currency translation adjustments.

We had goodwill amounting to INR 2,229.35 million as of March 31, 2024 and INR 1,812.34 million as of March 31, 2023. Our goodwill mainly relates to our acquisition of Milann fertility centres, City Cancer Centre in Vijayawada and Diagnostic business acquired from Strand Life Sciences and our acquisition of controlling interest in Suchirayu Health Care Solutions Limited. We had acquired the controlling interest in Cancer Care Centre in Indore and the goodwill has increased by INR 416.89 million during the current fiscal year.

Increase in our other intangible assets from INR 186.73 million as of March 31, 2023 to INR 298.71 million as of March 31, 2024 was mainly on account of net additions of INR 175.15 million (mainly relating to Syngo carbon - Enterprise imaging and reporting solution for radiation treatment, data lake and CRM projects), Indore acquisition - INR 13 million and amortisation of INR 77.25 million.

Investments in equity accounted investee relate to investment made in Joint Venture - Advanced Molecular Imaging Limited, Kenya. We had non-current investments of INR 69.65 million as of March 31, 2024, and INR 68.38 million as of March 31, 2023.

We had other non-current financial assets of INR 486.15 million as of March 31, 2024, and INR 542.55 million as of March 31, 2023. This primarily comprises of Term Deposits and security deposits.

Our Deferred Tax Assets increased from INR 52.74 million as of March 31, 2023, to INR 70.58 million as of March 31, 2024. Our other tax (income tax) assets increased from INR 574.40 million as of March 31, 2023 to INR 769.69 million as of March 31, 2024 which is primarily on account of Advance tax and Tax Deducted at Source by our customers, net of tax provisions pending assessments and refunds in our holding company and our subsidiaries.

We had other non-current assets amounting to INR 433.34 million and INR 378.43 million as at 31 March 2024 and 2023 respectively. The increase is mainly on account of increase in our capital advances by INR 130.50 million and there was a decrease in prepaid expenses by INR 75.59 million.

We had inventories of INR 426.68 million and INR 382.86 million as of March 31, 2024 and 2023 respectively. Our net trade receivables decreased from INR 3,025.11 million as of March 31, 2023 to INR 2,940.26 million March 31, 2024. Our trade receivables comprise receivables from government payors, corporate bodies, insurers, and patients who pay directly to us.

We had other current financial assets (including Bank balance other than cash and cash equivalents) of INR 372.40 million as of March 31, 2024 and INR 292.28 million as of March 31, 2023.

We had other current assets of INR 313.62 million as of March 31, 2024, and INR 339.22 million as of March 31, 2023, which primarily comprised of prepaid expenses, advances to vendors, taxes paid under protest and receivable from revenue authorities.

Liabilities and Indebtedness

Liabilities

The following table sets forth the principal components of our liabilities as at March 31, 2024 and 2023:

Liabilities

Particulars	As at 31 March	
	2024	2023
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,853.01	3,617.41
(ii) Lease liabilities	5,588.16	4,530.61
(b) Provisions	156.62	131.86
(c) Deferred tax liabilities (net)	60.75	123.66
(d) Other non-current liabilities	328.21	359.27
Total non-current liabilities	**10,986.75**	**8,762.81**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,874.56	375.94
(ii) Lease liabilities	427.87	488.02
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	62.12	48.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,748.53	2,435.60
(iv) Other financial liabilities	1,636.51	1,403.81
(b) Other current liabilities	482.62	755.07
(c) Provisions	182.86	171.14
(d) Current tax liabilities (net)	21.98	24.68
Total current liabilities	**7,437.05**	**5,703.20**
Total liabilities	**18,423.80**	**14,466.01**

A significant portion of our liabilities comprise of non-current borrowings and lease labilities. We had non-current borrowings amounting to INR 4,853.01 million and INR 3,617.41 million as of March 31, 2024, and 2023 respectively. Non-current lease liabilities amounted to INR 5,588.16 million and INR 4,530.61 million as of March 31, 2024, and 2023 respectively.

Our other non-current liabilities primarily comprise of Deferred Government grant of INR 328.21 million as of 31 March 2024.

We had outstanding trade payables amounting to INR 2,810.65 million and INR 2,484.54 million as of March 31, 2024, and 2023 respectively. This primarily comprised of payables towards purchase of drugs, consumables, various services including medical consultancy charges, legal and professional fees, housekeeping charges and security charges.

We had other current financial liabilities amounting to INR 1,636.51 million and INR 1,403.81 million as of March 31, 2024, and 2023 respectively. These primarily comprised of liability on put options amounting to INR 1,060.00 million and accrued salaries and benefits amounting to INR 370.06 million.

Our other current liabilities amounted to INR 482.62 million and INR 755.07 million as of March 31, 2024, and 2023 respectively. This primarily comprised of advance from customers amounting to INR 181.87 million and 241.50 million and statutory dues amounting to INR 107.83 million and INR 109.78 million as at March 31, 2024 and 2023 respectively. We also had a contingency provision for custom duty amounting to INR 155.84 million as on March 31, 2024 as against INR 374.87 million as on March 31, 2023.

Liabilities – borrowings

Particulars	As at 31 March	
	2024	2023
Secured loans		
- Term loans from banks	5,320.31	3,728.17
- Term loans from other parties	-	-
- Vehicle Loans	-	-
- Working capital loans (bank overdraft)	1,065.95	34.37
Total secured loans	**6,386.26**	**3,762.54**
Unsecured loans		
- Deferred payment liabilities	303.34	222.53
- From Other parties	37.97	8.28
Total unsecured loans	**341.31**	**230.81**
Total borrowings	**6,727.57**	**3,993.35**

To fund our working capital and capital expenditure requirements, we have entered into various loans and facility agreements with various financial institutions. All of our indebtedness outstanding as of March 31, 2024 was denominated in Indian Rupees except for INR 214.34 million (US$ and Euro denominated loans) outstanding loans taken from various equipment vendors and Working capital and term loan taken in Kenya.

Summary of cash flow statement:

Particulars	For the fiscal year ended	
	31-Mar-24	31-Mar-23
Net cash generated from operating activities	2,845.79	2,515.91
Net cash generated from / (used in) investing activities	(2,257.27)	(1,330.32)
Net cash (used in) financing activities	(640.16)	(1,400.67)
Net cash flows generated for the year	(51.64)	(215.08)

Cash generated from operating activities

For the fiscal year ended March 31, 2024, we had profit before tax of INR 677.29 million and our operating profit before working capital changes was INR 3,591.35 million. Our cash generated from operations after adjusting for changes in working capital was INR 3,319.47 million.

After adjusting for changes in working capital and net income taxes paid amounting to INR 473.68 million, our net cashflow generated from operating activities was INR 2,845.79 million for the fiscal year ended in March 2024.

Cash used in investing activities

For the fiscal year ended March 31, 2024, our net cash outflow in investing activities was INR 2,257.27 million, mainly relating to acquisition of property, plant and equipment aggregating INR 1,856.80 million. Substantial additions to these relate to plant and medical equipment.

Cash used in financing activities

For the fiscal year ended March 31, 2024, our net cash outflow in financing activities was INR 640.16 million. This includes repayment of lease liabilities and interest thereon aggregating to INR 961.76 million and net repayment of loan and interest aggregating to INR 724.11 million (net).

Particulars	For the fiscal year ended March 31	
	2024	2023
Ratio Leverage		
Debt/Equity	0.81	0.46
EBIDT/interest *	3.19	3.01
Ratio Profitability		
**Operating Profit Margin % ** **	17.96%	18.26%
Net Profit Margin%	2.50%	1.70%
Return on equity %	5.70%	3.40%
RoCE %	8.40%	8.42%

Particulars	For the fiscal year ended March 31	
	2024	2023
Ratios Operations		
Inventory Turnover Ratio	11.70	12.40
Current Ratio	0.90	1.01
Ratio - Per Share		
EPS	3.43	2.1
P/E	98.22	124.98
Market Capitalisation/Total Revenue ***	2.43	2.14

*EBITDA includes other income

**Operating profits includes other income and income from govt. grants

***Based on closing share price as on 31 March 2024 on NSE

Notes to key ratio:

(i) Return on Equity: PAT/Average Shareholder's Equity

(ii) RoCE: EBIT/Capital Employed

(iii) Inventory Turnover Ratio: COGS/ Average Inventory of FY 24 and FY 23

(iv) Current Ratio: Current Assets/ Current Liabilities

(v) EPS: PAT post minority interest/ Nos. of diluted shares outstanding

(vi) P/E: Closing share price as on 31 March 2024, on NSE/EPS

(vii) EBIDTA/Interest: Interest includes Interests on lease liability.

(viii) Net profit margin: Profit / (loss) for the year/ Revenue from operations

'Please refer to Note 49 of standalone financial statements for other relevant ratios and explanatory notes.

Credit Rating:

The long-term credit rating of HCG for FY 24 is retained at A (+) by ICRA. (Associate of Moody's Investor's services) 'A' Rating for Instruments signifies adequate degree of safety regarding timely servicing of financial obligations. The outlook on the long-term rating is Stable.

Internal Control System and Their Adequacy

At HCG, management has the overall responsibility to design, implement and monitor an effective process and control environment that is aligned to the inherent risk profile of the organization. Management is responsible for the identification, evaluation and management of significant risks. The Company has institutionalized a framework to focus on key risks that might impact achievement of business objectives. The framework entails a structured process to identify, assess and monitor the risks and initiate suitable mitigation strategies for effective risk management. The Board monitors exposure to these risks with the assistance of various committees and senior management.

The internal control framework is designed to manage and mitigate the risks faced by the Company. The company has designed and Implemented an entity level control framework setting the control philosophy and principles which guide the organization policy and operating process framework.

The organizational role, responsibility and accountability structures with appropriate performance oversight processes are defined and aligned to provide an enabling environment to the business units and functions to operate as per the design control environment. Review and oversight procedures are designed to monitor effective adherence as per design.

The internal control system commensurate with the nature of business, size and complexity of operations and has been designed to provide reasonable assurance on the achievement of objectives in effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

As a part of overall governance mechanism around financial reporting and as stipulated under the Companies Act, 2013, Internal Controls over Financial Reporting (ICoFR) framework have been institutionalized. The adequacy and operating effectiveness of the internal controls affecting financial reporting is assessed by the management.

The internal control framework is supplemented with an internal audit program that provides an independent view of the efficacy and effectiveness of the process and control environment and supports a continuous improvement program. The internal audit program is managed by an Internal Audit function with direct reporting to the Audit and Risk Management Committee of the Board.

The scope and authority of the Internal Audit Function is derived from the Audit Charter approved by the Audit Committee of the Board. The Internal Audit function develops an internal audit plan to assess control design and operating effectiveness, as per the risk assessment methodology

The Internal Audit function provides assurance to the Board and management that a system of internal control is designed and deployed to manage key business risks and is operating effectively

Management provides action plans to address the observations noted from the internal audit reviews and action plans are monitored towards resolution under the supervision and guidance of the Audit Committee.

The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of internal audit observations

Enterprise Risk Management

HCG operates in a business environment that is characterized by increasing competition and market uncertainties. It is exposed to a number of risks in ordinary course of business. This is inevitable, as there can be no entrepreneurial activity without the acceptance of risks and associated profit opportunities.

Accordingly, risk management activities at HCG are not aimed at eliminating all risks in their entirety, but rather at helping to identify and assess the risks the company encounters in its daily business. This allows the company to manage the risks in an efficient manner to take informed decisions, to exploit the opportunities available and thereby enhance the value of the company and its stake holders.

Risk Management Framework:

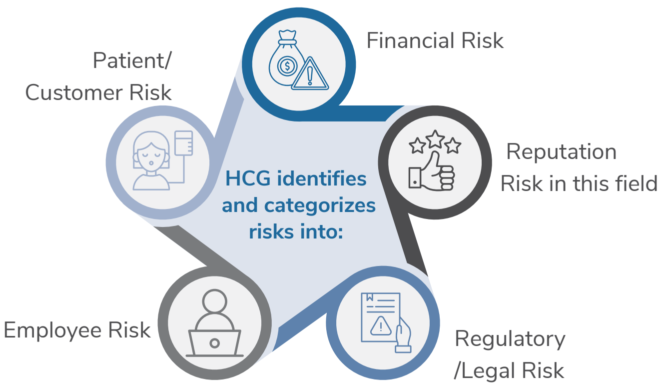
The Risk Management framework has been developed and approved by senior management in accordance with the business strategy.

The key elements of the framework include Risk Strategy, Risk Structure, Risk Portfolio, Risk Measuring & Monitoring and Risk Optimizing. The implementation of the framework is supported through criteria for risk assessment and categorization, risk escalation matrix, Risk forms & MIS.

The overall objective of risk management process is to optimize the risk-reward relationship.

Risk Categorization:

Risk Categorization into different buckets help to prioritize risks, within an entity. It assists management in ensuring that they have captured all categories of organizational risks, not just traditional, financial hazards.



The Risk Management Committee of the Board considers a number of factors for risk categorization during risk identification and assessment.

Risk Measuring and Monitoring

A risk review involves the re- examination of all risks recorded on the risk assessment repository to ensure that the current assessments remain valid and review the progress of risk reduction actions.

Risk Communication and Escalation need to be embedded in the culture of an organization to make it effective. At HCG, the Board of Directors drive the Risk Management Process through its Risk Management Committee by adopting the following communication and escalation procedure: Employees continuously identify needs to update / modify the risks and escalate them to their respective Unit / Functional Head.

The respective Unit/ Functional Head or designated personnel collate the identified risks/ modifications and forward the same to the respective Risk Coordinator for collation and escalation to Risk Management Committee. Standard forms for identification/ modification/ deletion of risks are used for this purpose.

The Risk Coordinator collates the risks and forwards the same to the Risk Management Committee on a periodic basis. The Risk Management and Steering Committee (RMSC) is responsible for reviewing and validating the risks/ modifications for all departments. The RMSC categorizes and rates the risks (using the risk appetite). Risk Owners for each risk are identified and approved by RMSC.

Risk Owners may be at any level in the organization depending on the nature and categorization (e.g. strategic, operational, compliance or reporting) of the risk.

Designated Risk Coordinator updates the Risk Assessment Repository on the basis of the approvals obtained from the RMSC.

RSMC, through the Chief Risk Officer, provides half yearly updates to the Chairman & Board of Directors for key risks, their assessment and status of action plans for mitigating these risks.

The escalation of key risk information will assist in ensuring that significant risks identified at the line level are available for consideration in the context of the overall operations of the business.

Risk Management Organization

A robust organizational structure for managing and reporting risks is a prerequisite for an effective risk management process. The organization structure needs to be supported by clearly defined non - overlapping roles and responsibilities which are communicated and understood.

In order to ensure that this policy is followed in letter and spirit, a Risk Management and Steering Committee (RMSC) is constituted comprising of Key personnel nominated from the following departments:

- Operations
- Finance
- Compliance
- Legal
- Procurement & Pharmacy
- IT
- HR

Quality Control and Audit

Monitoring the quality of our patient care is one of our prominent focus. We take action to identify and eliminate the recurrence of any expected or adverse incidents. As part of that, we embrace patient feedback, self-examination and peer review. We use these benchmarks to help us deliver high quality patient care in a safe environment and look at ways to continually improve our patient experience.

We review and publish our inpatient services performance against a number of important measures including hygiene, infection rate and patient satisfaction. We use these benchmarks to help us deliver high quality patient care in a safe environment and look at ways to continually improve our patient experience.

We are subject to various internal and external audits, incident reporting and feedback monitoring processes. Internal audits are carried out by members of our staff at each cancer centre on a half-yearly basis. Our internal audits are based on standard requirements set out by NABH and may impose corrective and preventive actions, as necessary, for any non-compliance with such requirements. The quality department of each cancer centre reviews all feedback received from patients daily and takes measures to appropriately address such feedback. Incident reports are collected and analysed by the quality departments weekly and appropriate remedial measures are undertaken.

External audits are carried out by NABH at our centre of excellence in Bengaluru and at HMS. External audits by NABL and CAP had been carried out at Triesta central reference laboratory. External audits by NABH, NABL and CAP are based on the standards set out by these bodies and are voluntary. The external accrediting bodies also set out certain quality standards, which are monitored by our internal quality departments and a monthly report of quality indicators is presented to our corporate quality team, which oversees the quality functions of our Company. Further, our internal quality teams document the policies and procedures mandated by the accrediting bodies. The accrediting bodies verify these policies and procedures. Our corporate quality team also develops specific quality indicators to monitor clinical outcomes based on documented clinical procedures.

In addition to the above, HCG has also developed case specific clinical protocols for the majority of the oncology cases that we see in the HCG Network. This standardization has helped us in achieving optimum level of care in all units without having to compromise.

Each cancer centre also has other committees which are responsible for quality control, such as hospital infection control committees, pharmacy and therapeutics committees, employee grievances committees and ethics committees.

From time to time, AERB also conducts audits at our cancer centres relating to quality assurance of radiation equipment, radiation safety measures taken by our cancer centres, any changes in the representations made by our cancer centres while obtaining the AERB approval and the adequacy of the skills and number of manpower and resources at each cancer centre.

We also have a quality management system structured as per the ISO9001:2008 guidelines for quality management systems across our Milann fertility centres. The key quality assurance practices at our Milann fertility centres include standardised treatment and management protocols, service delivery by experts in reproductive medicine, globally accepted medical equipment, regular calibration and maintenance of key equipment, quality control processes such as standardised processes for tests and audits.

Our Milann fertility centres undertake weekly clinical audits aimed at enhancing clinical outcomes, patient safety and care. The clinical audit process reviews and evaluates medical management in line with clinical and scientific best practice standards, clinical success rates, possible causes and courses of action for unsuccessful outcomes, quality metrics for clinical, embryology and laboratory outcomes and policies and action plans for continuous quality improvement.

Employee surveys are carried out twice a year by the human resource departments of each cancer centre and the results of such surveys are shared with the quality departments and the management team of each cancer centre for remedial measures.

Clinical Excellence

Clinical excellence is the core premise around which our healthcare operations are structured. Our Group continues to deliver the highest standards of clinical outcomes across all our business verticals. Our standardised clinical protocols for diagnosis and treatment of cancer patients have allowed us to manage the large volume of patient cases across our HCG network with successful clinical outcomes. The five-year survival rate for breast cancer patients at our HCG network is comparable to U.S. benchmarks. We believe that we are able to attract and retain highly skilled specialist physicians due to our reputation for clinical excellence, our technology-focused approach, the exposure and experience we provide in relation to clinical best practices and the training programmes we offer for their ongoing development. We believe that the abilities and expertise of our team of specialist physicians differentiate us relative to our competitors.

Department of Clinical excellence at HCG has been instrumental in synergizing the clinical functions at all HCG hospitals. This department under quality and strategy aims to improve the quality of clinical care and usher in uniform standards of care across all HCG centres. This has been facilitated through a systematic change in people, process, and function. Credentialing and privileging have been synergized with the functions and quality indicators of each department thereby ushering a sense of accountability. Identifying training needs and skill development has ensured improvement at the people level. At the process level upgradation of medical record departments, registry, implementation of uniform documentation practices across centres, clinical audits and deficiency monitoring has helped set high standards of clinical practice. Mapping our own clinical outcomes and constantly evolving HCG treatment guidelines has paved way for standardization of clinical pathways and improvement in the functioning of the departments. Research leveraged with genomics has ushered in an era of precision medicine at HCG. Biorepository specimens and the accompanying clinical repository is a treasure trove for novel drug targets and discovery. The department of clinical excellence strives towards an improvement in clinical care and health of the patients transcending beyond oncology. The vision is to make people's lives better than what they had before a cancer diagnosis using caring hands, clinical expertise, and high-end technology.

The Department of Clinical Excellence facilitates:

- Implementation of Uniform documentation standards
- Implementation of Uniform treatment protocols and clinical pathways
- Centralized Cancer registry
- Centralized Biorepository
- R&D activities and Investigator
- Centralized Clinical repository
- Initiated Trials
- Documentation of outcomes
- Development of clinical audit standards across departments
- Developments of clinical forms

Human Resources

The Human Resources (HR) department at HCG is driven by the mission to help HCGians realize their potential – to develop, grow and achieve their purpose, build the right culture and capabilities to enable us to serve our patients and to make HCG the best place to work for passionate, innovative people who want to make a difference.

We believe that we are able to attract and retain highly skilled specialist physicians due to our reputation for clinical excellence, our technology - focused approach, the exposure and experience we provide in relation to clinical best practices and the training programmes we offer for their ongoing development. We believe that the abilities and expertise of our team of specialist physicians differentiate us relative to our competitors. Several of our specialist physicians have received accolades and awards in recognition of their contribution to their respective fields of medicine.

Our senior management team has extensive experience in the management of healthcare businesses. We believe the experience, depth and diversity of our management team, complemented by the clinical expertise and relationship base of our physician Promoter, is a distinct competitive advantage in the complex and rapidly evolving healthcare industry in which we operate.

In order to maintain the quality of care we offer to our patients; our physicians and other medical staff must pursue a rigorous programme of continuing education. We offer a wide range of health education sessions and seminars on-site at our centres and hospitals to our physicians and medical staff, as well as to healthcare professionals outside our network of centres and hospitals. The sessions are led by expert physicians and other healthcare professionals from our network of centres and hospitals, who have first- hand knowledge of the latest clinical developments and research. We believe that these sessions provide an important forum to discuss recent developments to improve patient care and teach our physicians and medical staff new skills. In addition, we believe that they also provide an important opportunity for us to showcase the capabilities of our centres, hospitals and physicians and allow our physicians to grow their referral networks.

We also offer physicians the opportunity to consult with each other on challenging cases and treatments. For example, at our weekly tumour board discussions, we discuss selected complex cases from across our HCG network. This allows knowledge sharing and enables us to develop best practices and protocols which are implemented across our HCG network. We also evaluate the clinical activities of each centre and hospital as part of our annual evaluations to ensure that high quality treatments or services are provided to patients.

Furthermore, we have a dedicated learning and development department, which continuously monitors the learning and development activities and ensures that a high quality of service is provided to our patients, thereby improving patient satisfaction. Our learning and development department provides continuing education for quality improvement to our employees. It identifies areas in which training is required, and develops an employee development plan for each employee, pursuant to which employees are provided various skill enhancement trainings.

At our centre of excellence in Bengaluru, we offer a Diplomate of National Board medical residency programme for radiation oncology, medical oncology and pathology, in affiliation with the National Board of Examination.

In addition, we offer various certificate medical and nursing courses on oncology, a paramedical course on advanced radiotherapy technology, a laboratory research course and various other medical and non-medical courses for our employees.

Our Milann fertility centres also offer a post-graduate fellowship programme in reproductive medicine services to fertility specialists, in affiliation with the National Board of Examination. Additionally, our Milann fertility centres offer training programmes in IVF for fertility specialists and embryologists. We believe that these education and training programmes are critical capabilities that we have and these enable us to develop an in house trained team of specialist physicians.

Forward Looking Statement

Except for the historical information contained herein, statements in this discussion contain contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy, future business plans, our growth and expansion in business, the impact of any acquisitions, our financial capabilities, technological implementation and changes, the actual growth in demand for our services, cash flow projections, our exposure to market risks as well as other general risks applicable to the business or industry.

The Company undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof. These discussions and analysis should be read in conjunction with the Company's financial Statements included herein and the notes thereto.

Business Responsibility & Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

1. Details of the listed entity

Corporate Identity Number (CIN) of the Listed Entity	L15200KA1998PLC023489
Name of the Listed Entity	**HealthCare Global Enterprises Ltd.**
Year of Incorporation	12/03/1998
Registered Office Address	HCG Towers, No.8, P. Kalinga Rao Road, Sampangi Rama Nagar, Bangalore, Karnataka, India – 560027
Corporate Address	No 3, G-Floor, Tower Block, Unity Buildings Complex, Mission Road, Bangalore, Karnataka, India - 560027
E-mail	investors@hcgel.com
Telephone	+91-80-4660 7700
Website	www.hcgoncology.com
Financial Year for which Reporting is being done	2023-24
Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange of India Ltd. (NSE)
Paid-up Capital	INR 1,39,28,96,870
Name and Contact Details (telephone, email address) of the Person who may be contacted in case of any queries on the BRSR	Sunu Manuel- Company Secretary investors@hcgel.com +91-80-4660 8700
Reporting Boundary	Consolidated[1]

2. Products/services:

Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Medical and Healthcare	Medical and Healthcare	100

3. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product / Service	NIC Code	% of total Turnover contributed
1.	Medical and Healthcare	8610	99.09

4. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	43	4	47
International	1	4	5

Note: This represents units and offices managed by the Company and its subsidiaries, which include 20 Comprehensive Cancer Centres (2 centres in Vijayawada and Nashik respectively) in India and 1 in Kenya; 4 multi-specialty hospitals (including Bhavnagar), 6 Day Care Clinics, 2 PET-CT facilities located at Chennai (including Cyclotron) and Vijayawada, and 8 fertility centres operating under the Milann brand.

[1] The Report covers all the Units operated by the Company and its subsidiaries. More details on the entities covered are provided as response to Q.8 (a) 'Names of holding / subsidiary / associate companies / joint ventures. The reporting timeline for this Report is 1st April 2023 to 31st March 2024. For Advanced Molecular Imaging Limited (HealthCare Global (Kenya) Private Limited holds 50% of the share capital) the reporting timeline has been considered as January to December 2023.

5. **Markets served by the entity:**

a. **Number of locations**[2]

Locations	Number
National (No. of States)*	10
International (No. of Countries)	1

*This excludes the Milann IVF unit at Chandigarh. Other than the IVF unit, HCG does not have any presence in Chandigarh.

b. **What is the contribution of exports as a percentage of the total turnover of the entity? –**

The contribution of exports as a percentage of the total turnover for FY 2023-24 is 3.79%[3].

c. **A brief on types of customers**

The Company provides health services to both insured and non-insured patients. The customer base includes those covered by different Indian government-sponsored schemes (such as CGHS, ECHS, and state government health schemes). The Company also caters to patients covered under social security options, sponsored by international institutions or organizations.

6. **Employees Details as at the end of Financial Year:**

a. **Employees and Workers* (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		Employees				
1.	Permanent	6,150	3,116	51%	3,034	49%
2.	Other than Permanent	1,440	852	59%	588	41%
3.	**Total Employees**	**7,590**	**3,968**	**52%**	**3,622**	**48%**

*The Company does not have any workers as defined in the BRSR Guidance Note.

b. **Differently abled Employees and Workers***

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		Employees				
1.	Permanent	5	3	60%	2	40%
2.	Other than Permanent	0	0	_	0	_
3.	**Total Employees**	**5**	**3**	**60%**	**2**	**40%**

*The Company does not have any workers as defined in the BRSR Guidance Note.

7. **Participation/Inclusion/Representation of Women**

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20
Key Management Personnel	2	2	100

8. **Turnover Rate for Permanent Employees and Workers***

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	31%	33%	32%	30%	34%	32%	38%	48%	43%

*The Company does not have any workers as defined in the BRSR Guidance Note.

[2] The Company provides services to patients from various states, including those who travel to HCG for specialized cancer care from different parts of the country. Moreover, HCG offers its services not only in Kenya but also to patients from other international regions such as Africa, the Middle East, SAARC nations, and CIS countries as part of medical tourism to India.

[3] This represents the International business revenue on a consolidated basis. Please refer to note 2 above.

9. Holding, Subsidiary and Associate Companies (including joint ventures)

Sr. No.	Name of the Holding/ Subsidiary/ Associate/ Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by Listed Entity	Does the Entity indicated at column A, participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)
1.	HCG Medi-Surge Hospitals Private Limited	Subsidiary	74.00%	Yes
2.	Malnad Hospital & Institute of Oncology Private Limited	Subsidiary	70.25%	Yes
3.	HealthCare Global Senthil Multi Specialty Hospitals Private Limited	Subsidiary	100.00%	Yes
4.	Niruja Product Development and Healthcare Research Private Limited	Subsidiary	100.00%	Yes
5.	BACC HealthCare Private Limited	Subsidiary	100.00%	Yes
6.	HealthCare Diwan Chand Imaging LLP	Subsidiary	75.00%	Yes
7.	Nagpur Cancer Hospital and Research Institute Private Limited	Subsidiary	100.00%	Yes
8.	HCG Oncology Hospitals LLP (along with the Shareholding of Niruja Product Development and Healthcare Research Private Limited) (previously known as APEX HCG Oncology Hospitals LLP)	Subsidiary	100.00%	Yes
9.	HCG NCHRI Oncology LLP (along with the shareholding of Nagpur Cancer Hospital and Research Institute Private Limited)	Subsidiary	100.00%	Yes
10.	HCG Oncology LLP	Subsidiary	74.00%	Yes
11.	HCG EKO Oncology LLP (along with the Shareholding of Niruja Product Development and Healthcare Research Private Limited)	Subsidiary	100%	Yes
12.	HCG Manavata Oncology LLP	Subsidiary	51.00%	Yes
13.	HCG SUN Hospitals LLP (along with the shareholding of Niruja Product Development and Healthcare Research Private Limited)	Subsidiary	100.00%	Yes
14.	HCG (Mauritius) Pvt. Ltd. (along with the shareholding of Niruja Product Development and Healthcare Research Private Limited)	Subsidiary	100.00%	Yes
15.	Healthcare Global (Africa) Pvt. Ltd.	Subsidiary	100.00%	Yes
16.	HealthCare Global (Uganda) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd)	Subsidiary	100.00%	Yes
17.	HealthCare Global (Kenya) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd)	Subsidiary	100.00%	Yes
18.	HealthCare Global (Tanzania) Private Limited (Wholly Owned Subsidiary of Healthcare Global (Africa) Pvt. Ltd)	Subsidiary	100.00%	Yes
19.	Cancer Care Kenya Limited (Subsidiary of HealthCare Global (Kenya) Private Limited)	Subsidiary	81.63%	Yes
20.	Suchirayu Health Care Solutions Limited	Subsidiary	78.60%	Yes
21.	Advanced Molecular Imaging Limited (HealthCare Global (Kenya) Private Limited holds 50% of the share capital)	Subsidiary	50.00%	Yes

10. CSR Details

a. **Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) -** Yes, CSR is applicable to the Company.

b. **Turnover (in INR.):** 19,121.19 million

c. **Net worth (in INR.):** 8,257.80 million

11. Transparency and Disclosures Compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees	Yes	5	0	NA	5	0	NA
Customers	Yes	6	0	NA	15	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA

12. Overview of the Entity's Material Responsible Business Conduct Issues

Material Responsible Business Conduct and Sustainability Issues pertaining to Environmental and Social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity
1.	Patient Satisfaction and Wellbeing	Opportunity	**Opportunity:** As a health sector company, our primary imperative is to provide our patients with high quality care and improve their quality of life. Fostering positive patient experience is essential to the ethos of the Company. We are committed to providing for a culture of care that prioritizes the wellbeing of our patients and provides them with easy access to holistic healthcare.		Positive: Enhanced patient experience and high levels of patient satisfaction favorably impacts brand value. It also enhances our reputation and trust of stakeholders and society in the Company.
2.	Medical Quality and Safety	Risk and Opportunity	**Risk:** Medical quality is a critical aspect that can have a significant impact on the Company's reputation and performance. Non-adherence to high standards of quality and safety can lead to compromised patient safety, regulatory noncompliance and legal and financial risks.	The Company understands the criticality of providing services that are of high quality and prioritize patient safety. As such, stringent quality protocols have been established to ensure that all services are provided in a manner that is safe and efficient. All facilities of the Company have been provided with	Positive: Providing safe and high-quality healthcare services to all patients will enhance business growth as well as brand value. Additionally, it also ensures that the Company is aligned with regulatory body requirements in the provision of safe medical care for all patients

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity
			Opportunity: The central ethos of the Company focuses on providing for a culture of care for all patients. This culture is significantly dependent on the quality and safety of services provided. As a health sector company, it is imperative to provide our patients with services that are safe and can increase their quality of life.	state-of-the-art facilities for a holistic patient experience. Further, all personnel are equipped with necessary skills and also receive training to ensure proper treatment and care.	**Negative:** Non-compliance with quality and safety standards may have an adverse impact on the Company's reputation. Further, it may also result in financial or legal consequences and loss of accreditation status.
3.	Energy Management	Risk and Opportunity	**Risk:** Ineffective management of Energy and the Company's environmental footprint may expose the Company to climate related physical and transition risks which might lead to disruption of operations and affect business continuity. **Opportunity:** Adapting new low carbon technologies may unlock opportunities for more efficient processes and will contribute towards business resilience.	The Company has committed to a transition to renewable energy and several initiatives have been implemented for the same. This includes installation of solar panels with the potential to offset 3,300 tons of carbon emissions annually. Additionally, the company has also installed LED lights across facilities for greater energy efficiency.	**Positive:** Working towards efficient energy management may offer businesses opportunities to take advantage of emerging technologies and more efficient means of production. **Negative:** Failure to effectively manage the Company's energy consumption could have adverse impacts on business resilience. Further, it could also lead to loss of stakeholder trust and reputation.
4.	Waste Management	Risk	**Risk:** Management of waste is a critical issue for the Company to create a positive environmental footprint. Focused efforts for reduced waste generation and proper disposal are imperative to demonstrate the Company's commitment to a sustainable future and a healthy planet. This is particularly important with respect to bio-medical and radioactive waste generated across our hospitals. Proper treatment and safe disposal of the same is imperative to protect human and planet health.	The Company has developed robust Waste Management Manuals containing detailed information on the manner and mode of waste disposal. These Manuals ensure that strict alignment is maintained with regulatory requirements for the proper disposal of waste. Moreover, the Company continues to explore opportunities of increased recycling of waste, enabling a reduction in waste generation and a positive impact on the environment.	**Negative:** Improper management and disposal of waste can have adverse consequences for human health and the planet. It can also lead to financial losses and legal consequences in the event of non-compliance with laws and regulations. Further, brand value may be severely impacted.

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity
5.	Data Security	Risk and Opportunity	**Risk:** Data security related risks and threats have an adverse consequence on the security and integrity of the IT system across the Company. **Opportunity:** The productivity and growth of the Company can be strongly supported through a robust governance mechanism for data integrity, technology and digitization that provides for a secure IT network.	In order to avoid data breaches and loss of confidential information, the Company undertakes regular reviews of the vulnerability and the threat of breaches to our IT system on a regular basis. Employees are also provided with cybersecurity training and awareness. Periodic information mailers are also shared to generate awareness on safe IT practices and behavior.	**Positive:** Front-line data privacy principles and practices integrated across the Company ensures compliance with data privacy related laws and regulations. Additionally, it provides for a protective environment against breaches, and fosters improved productivity, ultimately leading to sustainable growth. **Negative:** Lack of a robust data integrity and security mechanism could increase the rate of data breaches and result in the loss of valuable data that may have an adverse impact on the business. Breach of patient/stakeholder data may potentially expose us to litigations, fines and penalties.
6.	Health and Safety	Risk	Risk: Occupational health and safety is a vital component of the Company's commitment towards providing a safe and secure working environment. Ineffectiveness of the current Health and Safety management programs may lead to a large number of health and safety incidents.	The Company has developed a robust Employee Health and Safety Policy, applicable to all staff, to foster a safe working environment. It provides detailed information on process and procedures for a safe working environment and preventive measures to be instituted to mitigate potential risks. Employees are also provided with focused training on health and safety to promote safe working behavior. All services provided by the Company undergo Hazard Identification and Risk Assessment (HIRA). Compliance with standards and regulatory requirements is also regularly monitored through strict Quality Audits.	**Negative:** Frequent health and safety incidents will have a negative influence on the Company's performance in terms of both safety and workforce well-being. This will impact the brand image, reputation and the Company's ability to attract and retain talent.

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity
7.	Business Ethics and Compliance	Risk and Opportunity	**Risk:** Failure to adhere to the highest standards of corporate governance and business ethics can result in regulatory repercussions, financial and / or reputational loss. **Opportunity:** Maintaining and demonstrating good governance practices and ethical behavior will enable long term value creation for all stakeholders.	The Company undertakes proactive and regular interactions with regulatory organizations across facilities to reduce the risk of noncompliance. Further, strict compliance with internal policies and regulatory requirements is ensured via training for all employees on business ethics and code of conduct.	**Positive:** The Company's commitment to and demonstration of ethical business practices will be viewed favorably by all stakeholders. It will enhance brand value and stakeholder's trust. **Negative:** Reputation and business continuity of the Company may be adversely impacted due to non-compliance with regulatory standards.
8.	Water Management	Risk	**Risk:** Effective water management is imperative for a positive environmental impact. Given the nature of business, water is extensively consumed across our hospitals. Focused initiatives for higher water efficiency and reduced water consumption is therefore critical to prevent risks to business growth and adverse impacts on the environment.	The Company ensures regular and focused monitoring of water usage across locations. Water meters have been installed at all discharge sites to proactively monitor levels of water consumption. The Company has also adopted cutting-edge technologies for optimal water usage through enhanced recycling and reuse of water.	**Negative:** Ineffective management of water usage can lead to water scarcity, severely impacting business continuity and growth. It can also lead to loss of brand value and reputation.
9.	Human Rights	Risk and Opportunity	**Risk:** Absence of a protective environment for Human Rights can lead to increased incidences of discrimination and creation of a hostile work environment. It can also negatively impact the Company's reputation and lead to loss of societal value. **Opportunity:** As a responsible corporate citizen, it is the Company's duty to protect and promote human rights. It will further foster a positive image, increase stakeholder trust and strongly demonstrate the Company's commitment to social responsibility.	Enshrined in the Code of Conduct, the Company's commitment to protecting and promoting human rights aims to provide for a supportive and robust governance structure. All employees are provided with training on these principles and are mandated to ensure strict adherence with the same. The Company is an equal opportunity employer and has a zero-tolerance approach to any form of discrimination and violation of human rights. Furthermore, focused efforts are also made to encourage value chain partners to uphold human rights across their operations.	**Positive:** Focused alignment with human rights principles boosts the Company's social value. It also reflects the integration of these principles within the business model to provide for a holistic approach. **Negative:** Absence of a strong governance system for the protection of human rights could lead to employee dissatisfaction and loss of productivity, thereby impacting the Company's business performance in the long run. Further, an ineffective grievance redressal system increases the risk of non-compliance which can lead to financial, legal and / or reputational consequences.

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to Adapt or Mitigate	Financial Implications of the Risk or Opportunity
10.	Sustainable Supply Chain and Responsible Procurement	Risk and Opportunity	**Risk:** Disruptions to the Company's supply chain will cause significant delays in the delivery of essential health services to all patients. Non-substitutable suppliers also pose a risk in terms of continued availability of critical supplies. **Opportunity:** Supply chain plays a determining role in the sustainability of an organization. Integrating suppliers into the ESG journey helps the Company to develop a resilient supply chain and cascade a virtuous cycle of environmentally and socially responsible behavior across the value chain.	The Company has developed long-term business relationships with dependable and reputable suppliers for a robust supply chain. Strong emphasis is placed on supplier knowledge, reputation and ethical values during supplier selection. Additionally, during onboarding, all suppliers are expected to submit a self-declaration on their social and environmental performance. Furthermore, focused monitoring is undertaken to ensure that all suppliers are compliant with the ESG principles adopted by the Company.	**Positive:** Effective redressal of supply chain disruptions as a result of unforeseen circumstances is ensured through responsible supply chain practices. Furthermore, adherence to responsible sourcing is a strong demonstration of the Company's commitment to its ESG performance. **Negative:** Long-term commercial partnerships with suppliers may be impacted if standards related to various social, environmental and safety aspects are not complied with by suppliers, leading to loss of business value.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Processes										
1.	**Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes								
	Has the policy been approved by the Board? (Yes/No)	Yes								
	Web Link of the Policies, if available	https://www.hcgoncology.com/policies-and-guidelines/								
2.	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes								
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Select policies like our Anti-Fraud policy, Anti-Bribe, Anti-Corruption policy, Whistleblower policy, ICW/POSH Policy extend to our value chain partners.								
4.	**Name of the national and international codes certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.**	1. ISO 15189 Medical Laboratory Accreditation 2. College of American Pathologists (CAP's) Laboratory Accreditation Program 3. National Accreditation Board for Testing and Calibration Laboratories (NABL) 4. National Accreditation Board for Hospitals & Healthcare Providers (NABH) 5. ISO Certification 27001:2022 on Information Security Management System								

5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	The Company has currently not undertaken any specific commitments, goals and targets. Efforts are underway for goal setting and establishment of an implement and achievement plan. Reporting on the same will be undertaken in subsequent financial years.
6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	

Governance, Leadership and Oversight

7. Statement by Director responsible for the Business Responsibility and Sustainability Report, highlighting ESG related challenges, targets and achievements.

Sustainability and fostering a positive impact for all stakeholders is a central focus area at HCG. Our operational and strategic approach promotes both business growth and long-term value creation. A cornerstone of our business model is ethical business practices and providing for transparent and accountable communication. Our third annual BRSR provides critical details on our efforts to foster sustainability and positive impacts within our everyday operations while providing a holistic view of our social, environmental, and economic performance. Driven by a robust corporate governance structure, we are able to consistently deliver on our commitment to positive outcomes for all stakeholders. This is further supported by our culture and commitment to providing accessible, affordable and high-quality healthcare to positively improve the lives of all our patients.

Our people form the cornerstone of our success. We strongly recognize our responsibility to provide them with a working environment that champions their potential and empowerment. Focused efforts are implemented to provide adequate opportunities of professional growth and advancement for all employees, while also prioritizing their personal wellbeing. Centered in our culture of care, we also undertake targeted CSR and social impact activities to engage with and support our local communities.

We are also cognizant of our duty to minimize all adverse environmental impacts from our operations. Regular and significant investments have been made to implement initiatives focused on energy conservation, water saving and safe waste management. This includes increased usage of renewable energy through solar plants, rainwater harvesting, usage of biodegradable bags to reduce usage of plastic, e-billing to prevent waste of paper, among others.

The success of our Sustainability Strategy relies on our commitment to continuous improvement. Our future will demand increased focus towards climate resilience and responsible business operations. We will continue to remain focused on integrating our sustainability priorities into our long-term business strategy. We will also proactively engage with our stakeholders, seek their feedback, and collaborate with industry peers and other experts to identify opportunities to drive positive change.

8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies**	The Chief Executive Officer (CEO) is the highest authority responsible for implementation and oversight of the Business Responsibility policies.
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	The Risk Management Committee of the Board provides direct oversight with respect to all ESG issues and processes. The Committee further offers guidance to the business and management for effective management of sustainability in all strategic initiatives, budgets, and action plans of the Company.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
Performance against above policies and follow up action	Performance against above mentioned policies and follow up action is reviewed by the Board of Directors, Nomination and Remuneration Committee, Risk Management Committee and Audit Committee, as applicable. The periodicity of these reviews is once in every three years or whenever an update is required due to change in applicable laws.	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company maintains a proactive approach in monitoring and fulfilling its compliance obligations within the prescribed timelines. In the event of any non-compliances, they are promptly reported to both the Audit Committee and the Risk Management Committee for appropriate action and resolution.	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

Internal auditors review the policies on a periodic basis and evaluate working of the same and assess the adequacy and effectiveness in terms of best practices followed by other organizations of repute. For FY 2023-24, no external agency has undertaken an assessment/evaluation.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

1 PRINCIPLE

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BOD) Key Managerial Personnel (KMPs)	1	• Human Resources – Engagement, development, and retention process • Business model – verticals, major units/clusters • Operation of units • Strategy - our approach, methodology and execution • Financials, key metrics & drivers/ Banking arrangements etc. • Policies and compliance monitoring mechanism	100%
Employees other than BoD and KMPs	9,712	• Employee Induction- HCG Connect • Code of conduct • Anti-bribery and Anti-corruption policy • Whistleblower policy • Prevention of Sexual Harassment • Employee Rights and Responsibilities • Advanced Life Support and Basic Life Support • Emergency codes and mandatory policies	94%

*The Company does not have any workers as defined in the BRSR Guidance Note.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NA	NA	0	NA	NA
Settlement	NA	NA	0	NA	NA
Compounding fee	NA	NA	0	NA	NA

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

The Company is committed to upholding the highest standards of ethical governance and responsible business conduct. The Anti-bribery and Anti-corruption policy, applicable to all employees, subsidiaries, joint ventures and affiliated entities, provides detailed guidance and requirements to ensure the protection of stakeholder interests is carried out with integrity, fairness, accountability and transparency.

Further details can be found at: https://www.hcgoncology.com/wp-content/uploads/2022/01/HCG-ANTI-BRIBERY-AND-ANTI-CORRUPTION-Main-02.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0

*The Company does not have any workers as defined in the BRSR Guidance Note.

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables	81.82	79.34

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties in the following format:

Parameter	Metrics		FY 2023-24	FY 2022-23
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	0	0
	b.	Number of trading houses where purchases are made from	0	0
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	0	0
	b.	Number of dealers / distributors to whom sales are made	0	0
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	0	0
	b.	Sales (Sales to related parties / Total Sales)	0.07	0.08
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d.	Investments (Investments in related parties / Total Investments made)	70.11	0

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

All value chain partners of the Company are provided with training and awareness sessions on critical components of the principles during onboarding, evaluation and periodic review meetings. Furthermore, all suppliers are mandated to sign and acknowledge the Company's Code of Conduct and abide by the same.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.**

The Company's Code of Conduct for the Board and the Senior Management provides comprehensive information on practices of ethics, integrity and honesty and provides details on mechanisms to manage conflict of interests. All Board Members are mandated with ensuring prevention of any conflict of interest and must make full disclosure to the Board or any other Committee as identified in case of any conflict.

Further details can be found at: https://www.hcgoncology.com/wp-content/uploads/2022/01/Code-of-Conduct-for-the-Board-and-the-Senior-Management.pdf

2 PRINCIPLE

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R & D	0	0	NA
Capex	0	0	NA

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

All goods and services procured by the Company is done through empaneled vendors, subject to robust and strict protocols and regulations. The Company demonstrates a preference of sourcing through vendors who demonstrate sustainable practices and are aligned with the Company's ESG agenda. Further, utilizing a life cycle cost analysis approach, the Company continues to procure energy efficient supplies. Long term relationships with technology vendors, suppliers and other value chain partners have been cultivated, enabling provision of quality healthcare for all patients and sustainable value creation for all stakeholders.

b. **If yes, what percentage of inputs were sourced sustainably?**

The Company is committed to responsible sourcing and engaging with partners who demonstrate a strong commitment to sustainable and ethical practices. These efforts are evolving, and necessary efforts are being undertaken to bring about a holistic approach to sustainability across the value chain. Quantification of sustainability sourced inputs will be undertaken and reported on in subsequent financial years.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Waste reduction at the source is a critical element of the Company's waste management strategy. Focused efforts are continually made to enhance recycling efforts and ensure safe handling of waste for disposal. Detailed Waste Management Manuals have been developed containing clear guidance for effective waste management.

- Safe and proper disposal of **E-waste** is undertaken in line with the guidelines of the E-waste Management Manual. All E-waste is disposed of only through authorized take back collection centers. The Manual includes Standard Operating Procedures (SOPs) for collection, storage and transportation of the E-waste in accordance with E-waste (Management) Rules 2022 and amendments thereof. It also provides details on safety procedures to be followed while storing, handling and transportation of E-waste and procedures for records retention.

- All **Hazardous Waste** generated is handled with careful precision and as per the Hazardous Waste Management Manual developed by the Company. This Manual includes applicability of Authorization and Grant from State Pollution Control Board (SPCB) under the Hazardous and Other Waste (Management & Transboundary Movement) Rules, 2016. Procedures for collection, storage and transportation of hazardous waste and procedures for records retention have also been specified.

- **Other waste:**

  - **Bio-medical waste** is handed over to the Common Bio Medical Waste Treatment Facility, authorized by SPCB as per Bio-Medical Waste Management Rules, 2016 Rules and amendments thereof.

  - **Used radiopharmaceutical products and vials** are disposed of through consulting manufacturers and other disposal options as per applicable regulations. A generator-return service offered by some manufacturers, enables disposal of generators through radioactive materials facilities for breakdown, lead-recycling, and radioactive- component disposal.

  - **General waste** is stored in a secured area and cleared regularly as per local municipality rules before collection by Municipal Authorities.

- Disposal of **battery waste** is undertaken through a buy back system with the supplier, covered through a PO/ MOU/Agreement. A Batteries Waste Management Manual has been developed for greater clarity of processes and procedures. It includes SOPs for collection, storage and transportation of the battery waste, safety procedures to be followed while storing, handling and transportation of waste and procedures for records retention.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   The Company has not conducted Life Cycle Perspective/ Assessments (LCA) for any of its services in FY 2023-24.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

   Not Applicable

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not Applicable

3 PRINCIPLE

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees.**

Category	Total (A)	% Of Employees Covered By									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	3,116	3,116	100	3,116	100	0	0	3,116	100	0	0
Female	3,034	3,034	100	3,034	100	3,034	100	0	0	3,034	100
Total	**6,150**	**6,150**	**100**	**6,150**	**100**	**3,034**	**49**	**3,116**	**51**	**3,034**	**49**
Other than Permanent Employees											
Male	852	852	100	852	100	0	0	0	0	0	0
Female	588	588	100	588	100	588	100	0	0	588	100
Total	**1,440**	**1,440**	**100**	**1,440**	**100**	**588**	**41**	**0**	**0**	**588**	**41**

*The Company does not have any workers as defined in the BRSR Guidance Note.

b. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.**

Particulars	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.3	0.2

2. **Details of retirement benefits.**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	0	Y	100%	-	Y
Gratuity	100	0	NA	100%	-	NA
ESI	24%	0	Y	30%	-	Y

*The Company does not have any workers as defined in the BRSR Guidance Note.

3. **Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, all premises and offices of the Company are accessible to differently abled employees. To promote a culture of accessibility supported with inclusivity, necessary steps have been taken to bring about integration of relevant accessibility standards within all physical spaces.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.**

As provided for in our Code of Conduct, the Company is proud to be an equal opportunity employer. This commitment is integrated in all employment processes, including recruitment, hiring, promotion, and termination. The Company strongly upholds the merit-based principle and presents a zero-tolerance approach to discrimination based on race, color, religion, creed, caste, economic or social status, gender, nationality, citizenship, age, sexual orientation, physical disability, pregnancy, childbirth, marital status, medical condition, ancestry, language, or any other characteristic. This commitment is also extended to any other protected classes as defined by applicable law.

Further details can be found at: https://www.hcgoncology.com/wp-content/uploads/2022/01/HCG-Code-of-Conduct-Policy.pdf

5. **Return to Work and Retention Rates of Permanent Employees and Workers that took parental leave.**

Permanent Employees		
Gender	Return to work rate	Retention Rate
Male	87%	13%
Female	85%	15%
Total	**86%**	**14%**

*The Company does not have any workers as defined in the BRSR Guidance Note.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

The Company provides for a robust Grievance Redressal policy to provide for an effective, equitable and secure management of grievances. All employees are provided with easy access to a safe channel of communication, wherein anonymity is offered to any complainant. The purpose of the system is to remedy grievances in a timely and satisfactory manner, while protecting the aggrieved.

The policy provides clear guidance on the nature of grievances, the manner and mode of raising complaints and a clear escalation matrix. Further details can be found at: https://www.hcgoncology.com/wp-content/uploads/2022/01/GreviancePolicy.pdf

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

The Company does not recognize any employee associations.

8. **Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Health and Safety Measures		Skill Upgradation		Total (D)	Health and Safety Measures		Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	3,116	3,116	100	2,957	95	3,071	3,071	100	2,950	96
Female	3,034	3,034	100	2,828	93	3,060	3,060	100	2,810	91
Total	**6,150**	**6,150**	**100**	**5,785**	**94**	**6,131**	**6,131**	**100**	**5,760**	**93**

*The Company does not have any workers as defined in the BRSR Guidance Note.

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	3,116	2,689	86	3,071	2,523	82
Female	3,034	2,499	82	3,060	2,452	80
Total	**6,150**	**5,188**	**84**	**6,131**	**4,975**	**81**

*The Company does not have any workers as defined in the BRSR Guidance Note.

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?**

Central to the Company's culture is its commitment to providing a safe and healthy workplace, prioritizing the wellbeing of its employees. A comprehensive Employee Health and Safety Policy, applicable to both clinical and nonclinical staff, has been formulated to ensure a secure work environment for all. This policy underscores management's dedication to employee health and safety and recognizes the link between employee wellbeing and business performance.

The policy delineates the responsibilities of both employer and employee in upholding occupational health and safety, outlining preventive measures. It addresses various aspects including workplace hazards, infection control protocols, medical screenings, employee training on health and safety, radiation safety, and healthcare benefits.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company's services undergo Hazard Identification and Risk Assessment (HIRA), covering facility and gas cylinder safety. This method is uniformly applied across all HCG centers, emphasizing the significance of raising awareness among employees and management. Regular audits by the Quality department ensure adherence to these standards.

The Quality Indicator Programs of the Company incorporate an incident management process, delineating the required actions for users during safety incidents. Additionally, the program details the Company's procedures for recording and monitoring each workplace occurrence.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

The Company does not have any workers as classified in the BRSR Guidance Note. Details on processes available to employees for reporting of work-related hazards have been provided above.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

The Company offers its employees access to medical and healthcare services unrelated to their job responsibilities. Mediclaim coverage is provided to all employees except those already covered by ESIC. ESIC-covered employees receive medical benefits according to ESIC regulations. Additionally, all employees are eligible for discounted treatment at HCG Centers.

11. Details of safety related incidents, in the following format

Safety Incident /Number	Employee	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Male	The Company tracks LTIFR on an internal basis. The same will be made publicly available in subsequent financial years.	
	Female		
Total recordable work-related injuries	Male	0	16
	Female	0	24
No. of fatalities	Male	0	0
	Female	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Male	0	0
	Female	0	0

*The Company does not have any workers as defined in the BRSR Guidance Note.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has implemented various measures to ensure employee safety and wellbeing in the workplace. These measures include regular training sessions covering general health and safety practices as well as specific job-related hazards. The Company utilizes the Hazard Identification and Risk Assessment (HIRA) method to pinpoint potential risks related to facility safety, job safety, chemical safety, fire safety, equipment safety, gas cylinder safety, among others. Efforts are made to minimize exposure to radiation for both employees and patients, with qualified personnel conducting regular risk assessments.

Furthermore, designated safety supervisors conduct periodic fire drills to enhance emergency readiness. The Company also arranges periodic medical check-ups for employees based on their work area's risk profile or relevant regulations.

13. Number of complaints on the following made by employees and workers.

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	2	0	NA
Health & Safety	0	0	NA	7	0	NA

*The Company does not have any workers as defined in the BRSR Guidance Note.

14. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The Safety Masters (TSM) (Life & Fire Safety) have audited 11 centres that includes HCG Cancer Centre, KR (Bengaluru); HCG Cancer Centre, Ahmedabad (old & new premises); HCG Cancer Centre, DR (Bengaluru); HCG NMR Cancer Centre (Hubli); Suchirayu, Hubli; HCG Cancer Centre, Jaipur; HCG Hospitals, Ahmedabad; HCG Cancer Centre, Vadodara; HCG Hospitals, Bhavnagar; HCG Cancer Centre, Gulbarga; and HCG Hospitals, Rajkot. In all these centres, the common remedial actions suggested are as follows:

- Installation of glow luminous signage/indications for the fireman lift in floor areas
- Provision of inter-communication equipment in the lifts to communicate with the control room
- Placement of rubber mats in front of electrical panels in accordance with ISO 15652
- Ensuring quality of the fire system infrastructure for an effective and timely response
- Conducting an illumination study of the site
- Implementing staircase pressurization for the staircases

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Yes, life insurance and other compensatory packages are offered to bereaved family members in the event of the demise of an employee. The objective of these provisions is to ensure family members receive timely support that prioritizes their safety and wellbeing.

   *The Company does not have any workers as defined in the BRSR Guidance Note.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   Payment of statutory dues is included as a contractual requirement with all value chain partners.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2023-23
Employees	0	0	0	0

   *The Company does not have any workers as defined in the BRSR Guidance Note

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   No, the Company does not provide transition assistance programs to facilitate continued employability and management of career endings. However, throughout an employee's tenure with the Company, ample opportunities for skill and development are provided.

5. **Details on assessment of value chain partners:**

Safety Incident /Number	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	75%
Working conditions	90%

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

4 PRINCIPLE

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company proactively interacts with stakeholders, meticulously identifying significant material issues, and pledges to meet stakeholder expectations effectively. As a conscientious entity, we are resolute in our dedication to fostering robust and significant connections with stakeholders. We have identified and assessed a range of stakeholders, both internal and external, including the workforce, clients, investors, government and regulatory entities, non-governmental organizations, academic institutions, local communities, shareholders, and suppliers.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	• Website • Newspaper • Email	Quarterly/ annually / event based	• Perceptions and viewpoints regarding regulatory shifts. • Impending legislation • Compliance with applicable laws.
NGOs	Yes	Antardhwani, a Company-led initiative, engages informally with various social organizations to seek expert guidance tailored to the specific needs and requirements of each project. The Antardhwani website serves as a reliable and up-to-date source of information for all communication related to these partnerships, and regular email updates are also sent out to keep stakeholders in the loop. This collaborative effort allows us to leverage the collective expertise and resources of both the private and social sectors, resulting in meaningful and impactful initiatives that make a real difference in the communities we serve.		
Academia	No	• Social Media • Emails • Corporate Website	With external members for the purpose of admissions - Twice a year. For internal Stakeholders - there is engagement on a daily basis	• For External - For the purpose of admissions, sharing details of dates of admissions, fees charged, Program Director, Affiliation etc. • For Internal- Communication regarding course, updates required, approvals sought, timelines to be met, examination and class details etc
Employees	No	• E-mail • SMS • Meetings • Notice Board • Website • IntraNet (Spider) Communications	Annually/ Half yearly/ Quarterly/ Monthly	• Business Communication • Employee Policy & Benefits • Regular Company updates / Training Needs
Customers	Yes	• Website • Newspaper • Email • SMS • Pamphlets • Helpline Desk	Quarterly/ annually/ event based	• Treatment Reports/Offerings.
Suppliers	No	• Digital Meetings • In person meetings • E-mail	Quarterly/ Half Yearly/ Annually with Strategic vendors & with other vendors once in a year / need basis	• Performance feedback • Updation about change in regulation and terms and conditions pertaining to supplies/services.
Local community	No	• Community Meetings	Annual/Half Yearly / Quarterly	• Developmental /Educational needs as part of the Company's CSR obligation
Investors	No	• Website • Newspaper • Email • Meetings	Quarterly/ half yearly/ annually/ event based	• Financial Results / other Corporate Announcements as per applicable laws
Shareholders	No	• Website • Newspaper • Email • Meetings	Quarterly/ annually/ event based	• Financial Results / other Corporate Announcements as per applicable laws

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company acknowledges the importance of targeted stakeholder engagement in promptly identifying and addressing environmental and social issues pertinent to its operations. Following an extensive stakeholder engagement process conducted in FY 2022-23, material issues were identified and presented to the highest governing member and the Board for consideration in guiding strategy and decision-making. As part of its ongoing commitment to engaging with both internal and external stakeholders, the Company periodically reviews the stakeholder engagement process to ensure continuous interaction and identification of significant material issues impacting them.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   In FY 2022-23, the Company conducted a thorough materiality assessment involving key stakeholders, including patients, government bodies, employees, suppliers, investors, and society. This assessment facilitated the identification and prioritization of social and environmental issues that significantly affect the business. Through ongoing engagement with these stakeholders, the Company ensures prompt recognition and responsible addressing of expectations, fostering effective communication and alignment.

3. **Provide details of instances of engagement with, and actions taken, to address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company's comprehensive Corporate Social Responsibility (CSR) Policy guides its engagement with vulnerable and marginalized stakeholder groups. CSR initiatives prioritize the holistic empowerment of all community members, ensuring accessible and equitable opportunities for development. Key focus areas of the Company's social empowerment efforts include nutrition, health and wellness, education, gender equality, environmental sustainability, rural development, and preservation of national heritage, art, and culture. Before implementing CSR programs, thorough needs assessments are conducted to understand community needs and expectations. Additionally, all programs undergo rigorous monitoring to track their effectiveness, and upon completion, impact assessments are conducted to evaluate achieved outcomes compared to desired impact. Further details may be found at: https://www.hcgoncology.com/wp-content/uploads/2022/10/HCG-CSR-Policy.pdf

5 PRINCIPLE

Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	6,150	5,781	94	6,131	2,981	49
Other than permanent[4]	1,440	0	0	1,294	0	0
Total	**7,590**	**5,781**	**76.16**	**7,425**	**2,981**	**40**

*The Company does not have any workers as defined in the BRSR Guidance Note.

[4]The Company ensures that all other than permanent employees are familiarized and adhere to the Code of Conduct and other applicable Company policies. However, no formal trainings on Human Rights were provided to other than permanent employees.

2. Details of minimum wages paid to employees and workers.

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
				Employees						
Permanent	**6,150**	**0**	**0**	**6,150**	**100**	**6,131**	**0**	**0**	**6,131**	**100**
Male	3,116	0	0	3,116	100	3,071	0	0	3,071	100
Female	3,034	0	0	3,034	100	3,060	0	0	3,060	100
Other than permanent	**1,440**	**0**	**0**	**1,440**	**100**	**1,294**	**0**	**0**	**1,294**	**100**
Male	852	0	0	852	100	736	0	0	736	100
Female	588	0	0	588	100	336	0	0	336	100

*The Company does not have any workers as defined in the BRSR Guidance Note.

3. a. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	20,00,000	2	73,41,497
Key Managerial Personnel (KMPs)	1	93,22,567***	2	73,02,951**
Employees other than BoD and KMPs	3,114	3,00,966	3,032	2,62,098

*The Company does not have any workers as defined in the BRSR Guidance Note.

**This includes remuneration paid to Ms Ruby Ritolia (CFO) effective from August 21, 2023. (Part of the year)

*** This pertains to payments made, to Mr Srinivas Raghavan including all benefits, during the year. Mr Srinivas Raghavan has ceased to be the CFO of the Company with effect from August 20, 2023.

b. Gross wages paid to females as a % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as a % of total wages	39.14	40.01

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company prioritizes safeguarding and protecting human rights. According to our Code of Conduct, employees are required to behave responsibly and respectfully, strictly following these guidelines. Additionally, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013, we have set up an Internal Complaints Committee to address concerns related to sexual harassment with sensitivity and care.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All human rights complaints are handled according to our comprehensive Grievance Policy. This policy outlines the procedure for lodging a complaint and the subsequent resolution process. Throughout the complaint process, we ensure that all individuals involved are treated with sensitivity and confidentiality. For more information, please visit: https://www.hcgoncology.com/wp-content/uploads/2022/01/GrevIancePolicy.pdf

6. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	5	0	All complaints were resolved in the stipulated time	5	0	All complaints were resolved in the stipulated time

Category	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights-related issues	0	0	NA	0	0	NA

*The Company does not have any workers as defined in the BRSR Guidance Note.

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	5	5
Complaints on POSH as a % of female employees / workers	0.14%	0.15%
Complaints on POSH upheld	5	5

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company is firmly dedicated to protecting the identity of individuals who raise concerns about discrimination and harassment, ensuring they are shielded from any negative repercussions. Through our policies, such as the Whistleblower Policy, Code of Conduct, and Grievance Policy, we offer anonymity to those who come forward and protect them from any adverse outcomes. We place great emphasis on maintaining the confidentiality of complainants during the investigation phase. Additionally, we provide regular human rights training to all employees to promote awareness and foster a culture that values inclusivity and protection.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes, aligned to the Code of Conduct, human rights requirements form a critical component of all business agreements, contracts and purchase orders of the Company.

10. **Assessments of the year**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Upholding of Human Rights is critical to the Company's business. Strict internal vigilance is maintained to ensure prevention of discrimination and conduct our operations in a fair and transparent manner, aligned with all national and international standards of Human Rights.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

    Not Applicable

Leadership Indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

   The Company conducts regular evaluations of its policies and business procedures, making updates as needed to align with regulatory modifications or internal needs. These reviews are conducted every 2 to 3 years.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

   The Company undertakes vulnerability mapping for respective areas of business and will undertake due diligence shortly.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   All of the Company's offices and facilities are designed to accommodate visitors with disabilities, ensuring accessibility for all.

4. **Details on assessment of value chain partners:**

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced/involuntary labour	95%
Wages	100%

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

6 PRINCIPLE

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Renewable Sources			
Total electricity consumption (A)	GJ	18,784.99	6,970.77
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	**18,784.99**	**6,970.77**
Non-renewable Sources			
Total electricity consumption (D)	GJ	1,42,545.01	1,10,379.41
Total fuel consumption (E)	GJ	538.38	41,423.52
Energy consumption through other sources (F)	GJ	0	33.31
Total energy consumed from non-renewable sources (D+E+F)	GJ	**1,43,083.39**	**1,51,802.93**
Total energy consumed (A+B+C+D+E+F)	GJ	**1,61,868.38**	**1,58,773.70**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/INR	0.0000084654	0.0000093703[5]
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/INR adjusted for PPP	0.000298	0.000212
Energy intensity in terms of physical output	GJ/Sq. Ft.	**0.089**	**0.089**

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not Applicable

[5] The intensity figures have been calculated based on the revenue from operations of the respective financial years.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	2,86,678.04	3,88,053.59
(iii) Third party water (Municipal water supplies)	82,699.86	31,226.55
(iv) Seawater / desalinated water	0	0
(v) Others	22,479.42	27,552.72
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**3,91,857.32**	**4,46,832.86**
Total volume of water consumption (in kiloliters)	**3,54,376.42**	**4,15,538.88**[6]
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR)	0.0000185332	0.0000245237[7]
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (KL/INR adjusted for PPP)	0.000652	0.000555
Water intensity in terms of physical output (KL/Sq. Ft.)	0.196	**0.233**

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	27,430	31,236
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	29.20	33.28
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	21.7	24.7
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	**27,480.90**	**31,293.98**

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   No, the Company has not implemented a mechanism for Zero Liquid Discharge.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Metric tonnes	2.50	2.42
SOx	Metric tonnes	1.30	1.29
Particulate matter (PM)	Metric tonnes	11.75	11.75
Persistent organic pollutants (POP)	Metric tonnes	0	0
Volatile organic compounds (VOC)	Metric tonnes	0	0
Hazardous air pollutants (HAP) Carbon Monoxide	Metric tonnes	0.80	0.78
Others – Ozone Depleting Substances (HCFC - 22 or R-22)	Metric tonnes	0	0

[6] In line with BRSR Guidance, water consumption has been calculated as water withdrawal minus water discharge for the respective financial years.

[7] The intensity figures have been calculated based on the revenue from operations of the respective financial years.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23[8]
Scope 1	Metric tonnes of CO2 equivalent	981.24	2,929.13
Scope 2	Metric tonnes of CO2 equivalent	34,088.95	21,769
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per INR	**0.0000018341**	**0.0000014576[9]**
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Metric tonnes of CO2 equivalent per INR adjusted for PPP	**0.000065**	**0.000033**
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent per Sq. Ft.	**0.019**	**0.014**

8. **Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.**

The company is dedicated to minimizing its energy usage and reducing Greenhouse Gas (GHG) emissions. We meticulously track and monitor energy consumption throughout the company to ensure effective energy management, with internal limits set to control usage within acceptable bounds.

We are actively working to decrease our reliance on fossil fuels and transition to low-carbon energy sources. As part of this effort, we have installed solar panels on our facilities to promote sustainable energy adoption. For instance, a 2.25-megawatt solar plant has been set up in Jagaluru Village, Karnataka's Davangere district. This plant is projected to produce 45 lakh units of clean energy annually, offsetting around 3,300 tons of carbon emissions each year. Additionally, it is expected to reduce our energy costs by approximately 70%.

Furthermore, we have replaced conventional lights with LED lights to enhance energy conservation and promote a greener energy footprint.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tons)		
Plastic waste (A)	595.54	1.54
E-waste (B)	0.59	0.64
Bio-medical waste (C)	380.73	301.16
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0.82
Radioactive waste (F)	0	0
Other Hazardous waste (G) • DG set oil	0.79	0.74
Other Non-hazardous waste generated (H) • Metal waste • Paper and carton box waste	5,725.71	51.91
Total (A+B + C + D + E + F + G + H)	**6,703.36**	**356.81**
Waste intensity per rupee of turnover	0.0000003506	0.0000000211
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.000012	0.00000048
Waste intensity in terms of physical output	0.0037	0.0002
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	324	297.65
(ii) Landfilling	57	5.69
(iii) Other disposal operations	6,322	53.46
Total	**6,703**	**356.8**

[8]The Company has undertaken public reporting of Scope 1 and Scope 2 emissions from FY 2022-23

[9]The Company has calculated intensity figures based on revenue from operations for the financial year.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

    The company prioritizes waste reduction at the source as a key part of its waste management strategy. All waste disposal is conducted in compliance with relevant regulations. We have developed comprehensive Waste Management Manuals to guide proper waste treatment throughout the organization.

    Our internal manuals provide detailed guidelines for the disposal of hazardous waste generated by the company. This includes obtaining authorization and approval from the State Pollution Control Board (SPCB) under the Hazardous and Other Waste (Management & Transboundary Movement) Rules, 2016. Furthermore, we ensure safe disposal of all biomedical waste through proper segregation in accordance with the Bio-Medical Waste Management Rules 2016. Additionally, used radiopharmaceutical products and vials are safely managed in compliance with relevant regulations through their respective manufacturers.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

    Not Applicable. The Company does not have operations/offices in/around ecologically sensitive areas.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    The Company has not undertaken any environmental impact assessments for the financial year 2023-24.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

    Yes, the Company is compliant with all applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):**

   The Company does not have any units in areas of water stress.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

   Efforts are underway to track and record this data and it will be made available in the subsequent years.

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   The Company has no operations/offices in/around ecologically sensitive areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative Undertaken	Details of the Initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1.	Installation of solar rooftop	In an effort to conserve energy and promote green initiatives towards sustainable healthcare and decreased carbon footprint, the Company has installed a 2.25MW Solar Power Plant in Karnataka's Jagaluru Village, situated in the Davangere district. The newly installed power plant is spread across 7.2 acres of land. The project is HCG's contribution towards improving environmental and social factors through energy optimization and an attempt to achieve zero emissions. As a phase 1 initiative solar power project is implemented at HCG's flagship center in Bengaluru KR Road and HCG Suchirayu Hospital in Hubli.	• Optimize energy usage • Expected power generation of 1,040 lakh units over a period of 25 years, leading to reduction of carbon emissions by approximately 76,200 metric tons • Enable annual savings of up to INR 4.2 Crore

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the company has established a business continuity and disaster management plan for all essential software services and systems. This plan offers vital guidance to maintain business operations in the face of unexpected events at the primary site. It includes regular backup and restoration processes to facilitate swift and structured recovery from disasters. The plan undergoes an annual review through simulated drills, with findings documented to pinpoint areas needing enhancement. The disaster recovery drill is conducted mid-financial year.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   No significant adverse impact to the environment has been identified from the Company's value chain.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   The Company places significant emphasis on promoting sustainability throughout its value chain by collaborating with partners who adhere to sustainable operating practices. It actively assesses opportunities for conducting environmental impact assessments, considering the potential effects on the environment.

7 PRINCIPLE

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   The Company is not affiliated with any trade or industry chambers/associations.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

   Not Applicable

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   Not Applicable

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1.	The Antardhwani Leadership programme to create rural and urban communities that are informed, resilient and responsible Individuals with the right skills to lead and transform their communities that are apolitical, participative, question public representatives, and vote consciously.	Antardhwani mega leadership conclaves in Mysuru (Karnataka) in November 2023 & January 2024 hosted thousands of students, youths and rural women. Antardhwani also rolled out its membership drive that aims to create true future leaders. Around 1,000 youths and women have enrolled so far	Yes	Periodic review/ Need-basedS	https://antardhwani-theinnervoice.org/leadership-conclave1.php https://antardhwani-theinnervoice.org/leadership-conclave-jan-2024.php

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
2.	Podcast with Antardhwani brings stimulating topics and some stunning people to talk at the comfort of your homes. Listen to exceptional ideas and experiences, interact, enrich yourself and become a better individual and professional.	Live Podcasts	Yes	Periodic review/ Need-based	https://antardhwani-theinnervoice.org/podcast_live.php
3.	What India Needs (WIN) series: A Series on Shaping the Future of India. WIN Series will bring India's finest minds sharing their 5-point vision of WIN to become future ready. WIN Series is already up on Antardhwani website as well as its social media handles.	Vision points for India (articles) by eminent people	Yes	Periodic review/ Need-based	https://antardhwani-theinnervoice.org/geeta-ramanujam.php
4.	Alternative Tobacco Farming	Antardhwani is helping tobacco farmers in Hunsur (Mysore), India's major tobacco hub, to switch to growing ethically and financially viable crops. Fifty tobacco farmers of the region are part of this pilot project and have stopped growing tobacco in one acre of their respective land. They have been provided high grade saplings of sandalwood and seasonal fruits free of cost. Farmers have been availing expert guidance in the initiative.	Yes	Periodic review/ Need-based	https://antardhwani-theinnervoice.org/healthcare.php

8 PRINCIPLE

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

In the reporting year, the Company has not undertaken any Social Impact Assessments of projects.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

None of the Company's operations or units have resulted in community displacement. As a result, no project required Rehabilitation and Resettlement (R&R) in the reporting year.

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company is committed to protecting the local communities in and around operational areas. Strong emphasis is given on minimal adverse impact on local communities and timely redressal in the event of an unforeseen impact. Proactive measures are taken to prevent adverse consequences for local communities. Moreover, the Company adheres to an open-door policy that promotes transparency and accountability, providing a platform for community members to voice any grievances they may have.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	18%	3.6%
Sourced directly from within the district and neighboring districts	82%	96.4%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Parameter	FY 2023-24	FY 2022-23
Rural	0	0
Semi-urban	0	0
Urban	90.51%	89.65%
Metropolitan	9.49%	10.35%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Company has not undertaken any CSR projects in designated aspiration districts for FY 2023-24.

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

The Company does not have a preferential procurement policy.

b. **From which marginalized /vulnerable groups do you procure?**

Not Applicable

c. **What percentage of total procurement (by value) does it constitute?**

Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable

6. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1	Women Leadership	520 Women	90% of the women belong to Below Poverty Line (BPL) households
2	Experiential Learning for Students	441 students	45%
3	Skill development	• 1,000 students completed orientation program for GDA, of which 36 students have taken admission and certificate have been issued • 1,500 students completed orientation program for Office Administration course, of which 98 Students are taken admission and certificate have been issued to 19 students	• 80% underprivileged youth • 50% of youth belonging to Scheduled Caste (SC) and Scheduled Tribe (ST) population groups

9 PRINCIPLE

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The Company has implemented a robust system for receiving and handling consumer complaints and feedback. Each center has dedicated team responsible for managing feedback related to patients' hospital experience. This feedback is reviewed in daily huddle meetings and weekly quality meetings involving relevant department heads and unit COOs, with detailed minutes recorded.

To further enhance responsiveness to consumer feedback, the Company utilizes Konnect Insights, a tool that swiftly gathers online complaints and feedback from platforms like Facebook, Google listings, and LinkedIn. Upon receipt of a complaint, a dedicated resource is promptly notified who escalates the issue to the respective unit COOs for resolution. Resolution timelines vary depending on the severity of the complaint, typically ranging from 24 to 48 hours.

Moreover, the Ahmedabad Hello HCG team gathers patient feedback, and discharged patients receive follow-up calls within 48 hours. Patients also receive SMS links for providing feedback, and a centralized email ID are monitored for patient feedback. Additionally, any feedback from outpatient department (OPD) and other patients are integrated into the Company's feedback mechanism. These measures enable the Company to address consumer concerns promptly and effectively, continually enhancing the quality of its services.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Not Applicable

3. **Number of consumer complaints in respect of the following:**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Delivery of essential services	2	2	Pending material disputes being contested before the court of law/ appropriate authority	2	2	Pending material disputes being contested before the court of law/ appropriate authority
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA

4. **Details of instances of product recalls on account of safety issues:**

   Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   The Company has established a comprehensive cybersecurity framework aligned with ISO 27001:2022 standards, aimed at safeguarding sensitive information and addressing data privacy risks. This framework encompasses various policies, including the HCG ISMS Information Security Policy, the HCG ISMS Physical and Environmental Security Policy, and the HCG ISMS Data Privacy Policy. Proactive measures have been implemented to protect valuable assets, utilizing perimeter devices and monitoring network devices and server logs in a Security Operations Center (SOC) equipped with a Security Information and Event Management (SIEM) solution, ensuring continuous and real-time monitoring. These policies are easily accessible to all employees through the Company's intranet portal.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches:** Nil

   b. **Percentage of data breaches involving personally identifiable information of customers:** Nil

   c. **Impact, if any, of the data breaches:** Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   All information about the Company is available on the corporate website: https://www.hcgoncology.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company offers consultation sessions and provides educational materials to patients to inform them about the services that are available to them.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company ensures that consumers are informed about any possible interruption or cessation of essential services by incorporating pertinent details into patient consent forms. These forms comprehensively outline procedures, potential risks, benefits, and alternative options available to patients. Furthermore, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is obliged to promptly notify the Stock Exchanges of any significant events that could affect its operations.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   Not Applicable

Independent Auditor's Report

To
The Members of **HealthCare Global Enterprises Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of HealthCare Global Enterprises Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 on the standalone financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

The key audit matter	How the matter was addressed in our audit
Impairment evaluation of investment in subsidiaries, related loans and goodwill **A. Impairment of investment in subsidiaries and related loans** Refer note 3(s), note 8, note 9 and note 31 to the standalone financial statements. Investments in subsidiaries and related loans are significant item on the balance sheet for which the Company assesses at each reporting date if there is an indication, based on either internal or external sources of information, that investments in subsidiaries / loans may be impaired. Where such indicators exist, the Company performs impairment testing. In performing such impairment assessment, the Company compares the carrying value of investments and related loans, where applicable, with their respective recoverable values to determine whether any impairment loss should be recognised. This involves using key assumptions including estimates of revenue growth rate, profitability, discount rate and terminal growth rate. Any changes to these assumptions could result in different recoverable values. In view of the significance of the carrying amounts of these assets and significant judgments required to compute recoverable values, we have determined this to be a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of accounting policy for impairment of investment in subsidiaries, related loans and goodwill as per relevant accounting standards. • Evaluated the design and implementation of key internal financial controls relating to impairment process and tested the operating effectiveness of such controls. • Evaluated the assessment of impairment indicators with respect to investments in subsidiaries and related loans considering internal or external sources of information, as performed by the Company. • We assessed the adequacy of the level of impairment by: - evaluating with the help of our valuation specialists, where required, appropriateness of the valuation methodology and of key assumptions, specifically those relating to revenue growth rates, profitability, discount rates and terminal growth rates with reference to our understanding of their business and industry, historical trends and underlying business strategies and growth plans;

The key audit matter	How the matter was addressed in our audit
B. Impairment of Goodwill Refer note 3(i), note 3(n)(ii), note 7, and note 7(A) to the standalone financial statements. Goodwill is a significant item on the standalone balance sheet for which the Company performs impairment testing at least annually. In performing such impairment assessments, the Company compares the carrying value of each of the identifiable Cash Generating Units ("CGUs") to which the goodwill has been allocated with its respective recoverable values, to determine whether any impairment loss should be recognised. The Company's process of assessment of impairment of goodwill involves using key assumptions including estimates of revenue growth rate, profitability, discount rate and terminal growth rate. Any changes to these assumptions could result in different carrying value. goodwill and significant judgments required to compute recoverable values, we have determined this to be a key audit matter.	- performing sensitivity analysis of the key assumptions. • Assessed the adequacy of disclosures in the standalone financial statements in accordance with the relevant accounting standards.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

- Obtain an understanding of internal 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 the Management and Board of Directors.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

ii. The feature of recording audit trail (edit log) facility was not enabled at the application level for certain non-editable fields/ tables and at the database level to log any direct data changes, for the accounting software used for maintaining the books of account relating to revenue and consumption records.

iii. In respect of the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger, the feature of recording audit trail (edit log) facility was not enabled (a) at the database level to log any direct data changes; (b) at the application level for certain tables relating to various processes (c) at the application level for certain tables relating to various processes for a part of the year since it was enabled in a phased manner from December 2023 to January 2024 and (d) at the application level for certain changes performed by users having privileged access rights.

iv. In the absence of reporting on compliance with audit trail requirements in the independent auditor's report of a service organization for an accounting software used for maintaining the books of account relating to payroll master, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions recorded in the software.

v. In respect of two accounting software used for maintaining books of accounts relating to the acquired business by the Company (operated from 3 October 2023 to 31 December 2023), did not have the feature of recording audit trail (edit log) facility.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHQA1094

Place: Bangalore
Date: 29 May 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of HealthCare Global Enterprises Limited for the year ended 31 March 2024

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

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Amount in INR Millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company.Also indicate if in dispute
Ahmedabad		HCG Medi-surge Hospitals Private Limited	-	Since 12 years	These entities were merged with the Company.
- Freehold land	27.09				
- Building on above land	129.77				
Bengaluru		Banashankari Medical and Oncology Research Centre Private Limited	-	Since 15 years	
- Freehold land	73.23				
- Building on above land	216.82				
Vijayawada		Healthcare Global Vijay Oncology Private Limited		Since 10 years	
- Freehold land	31.75				
- Building on above land	140.80				

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and limited liablity partnerships and granted loans to limited liability partnerships or any other parties in respect of which the requisite information are as below. The Company has not made any investments in firms and not granted loans to companies and firms.

(a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to its subsidiaries as below:

Particulars	Loans (In INR million)
Aggregate amount during the year – Loans to its subsidiaries	395.00
Balance outstanding as at balance sheet date – Loans to its subsidiaries	356.65

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to other parties as below:

Particulars	Loans (In INR million)
Aggregate amount during the year – Other parties	17.22
Balance outstanding as at balance sheet date – Other parties	8.96

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and loans given during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of the loan of ₹ 180.61 million given to Niruja Product Development and Healthcare Research Private Limited and the loan of ₹ 1.02 million given to Healthcare Global Senthil Multi-Speciality Hospital Private Limited given in the earlier years and these loan and interest thereon are repayable on demand. The Company has not demanded repayment of the loan of ₹ 180.61 million given to Niruja Product Development and Healthcare Research Private Limited and the loan of ₹ 1.02 million given to Healthcare Global Senthil Multi-Speciality Hospital Private Limited during the year and these amounts were fully provided for by the Company in the earlier years. The Company has also not demanded the interest on the aforesaid loans. During the year, the Company has given loans of ₹ 395 million to wholly owned subsidiaries and the repayment of principal and payment of interest has been stipulated. The repayment of loan during the year and interest thereon has not fallen due. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans and guarantee given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with. The Company has not provided any security as specified under Section 185 and Section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Service Tax, Duty of Excise, Sales Tax and Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (In INR million)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty	15.20 (0.60)*	April 2009 to March 2014	Central Excise, Customs and Service Tax Appellate Tribunal (CESTAT)
The Central Excise Act, 1944	Excise duty	13.14	March 2013 to June 2015	Commissioner (Appeals) of Central Excise
The Karnataka Value Added Tax Act, 2003	Value Added Tax	29.90 (29.90)*	Financial year 2012-13 to financial year 2014-15	Karnataka Appellate Tribunal, Bengaluru
The Central Sales Tax Act, 1956	Value Added Tax	9.46 (14.59)*	Financial year 2014-15 to financial year 2016-17	Deputy Commissioner of Commercial Taxes, Bengaluru
The Karnataka Value Added Tax Act, 2003	Value Added Tax	3.12 (3.12)*	Financial year 2015-16 to financial year 2016-17	Joint Commissioner, Department of Commercial Taxes, Bengaluru
Gujarat Value Added Tax Act 2003	Value Added Tax	12.94 (1.30)*	Financial year 2014-15 to financial year 2016-17	Deputy Commissioner of State Tax, Ahmedabad
Andra Pradesh Value Added Tax, 2005	Value Added Tax	2.50 (0.40)*	Financial year 2011-12 to financial year 2014-15	High Court of Andhra Pradesh
Goods and Services Tax Act, 2017	Goods and Services Tax	6.94 (0.35)*	Financial year 2017-18	Joint Commissioner of Commercial Taxes

*Represents amount paid under protest

Amount disclosed above includes interest and penalties demanded, where applicable.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained except term loans amounting to ₹1,200 million remain unutilized as at 31 March 2024 because the funds were received towards the end of the year. The Company has temporarily invested such unutilised balance in fixed deposits as at 31 March 2024.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture company (as defined under the Act).

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

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

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

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

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

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

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHQA1094

Place: Bangalore
Date: 29 May 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of HealthCare Global Enterprises Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

Opinion

We have audited the internal financial controls with reference to financial statements of HealthCare Global Enterprises Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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 and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHQA1094

Place: Bangalore
Date: 29 May 2024

Standalone Balance Sheet

as at 31 March 2024

(₹ in million)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	5,412.95	5,228.51
(b) Capital work-in-progress	5	364.88	92.20
(c) Right-of-use assets	6	2,310.19	1,534.58
(d) Goodwill	7	1,379.49	962.60
(e) Other intangible assets	7	278.12	150.59
(f) Financial assets			
(i) Investments	8	5,063.25	4,749.34
(ii) Loans receivable	9	362.37	-
(iii) Other financial assets	10	847.48	235.44
(g) Other tax assets (net)	32.4	542.32	436.58
(h) Other non-current assets	11	187.18	182.06
Total non-current assets		**16,748.23**	**13,571.90**
Current assets			
(a) Inventories	12	210.18	212.17
(b) Financial assets			
(i) Trade receivables	13	2,041.66	2,123.71
(ii) Cash and cash equivalents	14	2,226.00	703.06
(iii) Bank balance other than cash and cash equivalents above	14.1	147.33	100.59
(iv) Loans receivable	9	11.28	11.68
(v) Other financial assets	10	225.27	286.68
(c) Other current assets	11	268.96	287.29
Total current assets		**5,130.68**	**3,725.18**
TOTAL ASSETS		**21,878.91**	**17,297.08**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,392.90	1,391.16
(b) Other equity	16	10,492.95	10,060.06
Total equity		**11,885.85**	**11,451.22**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,605.25	1,127.23
(ii) Lease liabilities	6	3,206.07	1,992.47
(iii) Other financial liabilities	18	17.22	39.67
(b) Provisions	20	111.32	95.00
(c) Deferred tax liability	32.3	58.93	102.76
(d) Other non-current liabilities	19	259.91	280.75
Total non-current liabilities		**6,258.70**	**3,637.88**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	1,349.63	87.74
(ii) Lease liabilities	6	238.71	264.46
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		41.43	26.30
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,282.27	1,063.74
(iv) Other financial liabilities	18	451.35	349.91
(b) Other current liabilities	19	201.33	253.50
(c) Provisions	20	147.66	140.35
(d) Current tax liabilities (net)	32.4	21.98	21.98
Total current liabilities		**3,734.36**	**2,207.98**
TOTAL EQUITY AND LIABILITIES		**21,878.91**	**17,297.08**
Material accounting policies	3		

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

As per our reports of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
I Income			
Revenue from operations	22	10,992.90	10,055.73
Income from government grant	23	32.84	20.21
Other income	24	135.95	87.98
Total Income (I)		**11,161.69**	**10,163.92**
II Expenses			
Purchases of medical and non-medical items		2,450.79	2,402.00
Changes in inventories	25	6.30	(39.15)
Employee benefits expense	26	1,971.47	1,750.27
Finance costs	27	479.73	414.88
Depreciation and amortisation expense	28	941.97	889.72
Other expenses	29	4,601.83	4,139.99
Total expenses (II)		**10,452.09**	**9,557.71**
III Profit before exceptional items and tax (I- II)		**709.60**	**606.21**
IV Exceptional items, net (loss)	31	(160.95)	(30.00)
V Profit before tax (III+IV)		**548.65**	**576.21**
VI Tax expense			
(1) Current tax	32.1	251.91	70.00
(2) Deferred tax expense / (credit)	32.1	(42.85)	104.30
Total tax expense		**209.06**	**174.30**
VII Profit for the year (V-VI)		**339.59**	**401.91**
VIII Other comprehensive income/ (loss)			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurements of the defined benefit plans	37.2	(3.89)	(2.46)
- Income tax on the above	32.2	0.98	0.86
Other comprehensive (loss) for the year, net of income tax		**(2.91)**	**(1.60)**
XI Total comprehensive income for the year (VII+VIII)		**336.68**	**400.31**
Earnings per equity share of ₹ 10/- each:			
Basic (in ₹)	35.1	2.44	2.89
Diluted (in ₹)	35.2	2.42	2.88
Material accounting policies	3		

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

As per our reports of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Standalone Cash Flow Statement

for the year ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from operating activities			
Profit before tax for the year		**548.65**	**576.21**
Adjustments for :-			
Finance costs		479.73	414.88
Gain on investment revalued at FVTPL		(2.17)	(0.35)
Net gain on termination of lease		(0.17)	-
Guarantee commission income		(17.80)	(16.10)
Write back of financial guarantee obligation		(5.00)	-
Finance lease income		(13.32)	-
(Gain) / loss on disposal of property, plant and equipment		(3.76)	11.88
Trade receivable written off (net)		-	317.12
Loss allowance on trade receivables		183.86	(111.98)
Interest income		(76.94)	(63.41)
Income from government grant		(32.84)	(20.21)
Depreciation and amortisation expense		941.97	889.72
Payables no longer required written-back		(1.97)	(2.26)
Expenses on employee stock option scheme		72.39	59.69
Net foreign exchange (gain)		(5.18)	(4.04)
Exceptional items	31	160.95	30.00
Movements in working capital:			
Changes in trade receivables		(94.24)	(553.96)
Changes in inventories		6.30	(39.14)
Changes in loans, financial assets and other assets		(13.02)	(178.30)
Changes in trade payables, financial liabilities and other liabilities		134.01	152.94
Changes in provisions		16.86	13.74
Cash generated from operations		**2,278.31**	**1,476.43**
Income taxes paid (net of refunds)		(331.22)	(172.47)
Net cash generated from operating activities (A)		**1,947.09**	**1,303.96**
Cash flows from investing activities			
Fixed deposits invested		(130.26)	(480.46)
Proceeds from maturity of fixed deposits		117.44	377.98
Acquisition of property, plant and equipment and others		(1,248.17)	(1,021.27)
Interest received		36.11	39.48
Investment in subsidiaries		(475.00)	(419.88)
Redemption of investment in other funds		0.90	-
Investment - others		-	(2.00)
Payment for acquisition of business (net) (refer note 45)		(450.00)	-
Advance for acquisition of business (refer note 11.1)		-	(20.00)
Loan given to related parties (refer note 44 and 46)		(395.00)	-
Proceeds from repayments of related party loans		38.35	76.36
Proceeds from sub-lease receivable		9.82	-
Proceeds from disposal of property, plant and equipment		3.84	72.76
Net cash (used in) investing activities (B)		**(2,491.97)**	**(1,377.03)**
Cash flows from financing activities $			
Proceeds from issue of equity shares	15 & 16	19.49	8.86
Proceeds from long-term borrowings		1,888.94	388.85
Repayment of long-term borrowings		(153.62)	(245.23)
Repayment of principal portion of lease liability		(245.14)	(212.18)
Interest paid on lease liability		(238.62)	(200.51)
Interest and other borrowing cost paid		(217.45)	(156.93)
Net cash generated from / (used in) financing activities ('C)		**1,053.60**	**(417.14)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**508.72**	**(490.21)**
Cash and cash equivalents at the beginning of the year	14	703.06	1,193.27
Cash and cash equivalents at the end of the year	14	**1,211.78**	**703.06**

Standalone Cash Flow Statement

for the year ended 31 March 2024

For the purpose of statement of cash flows, cash and cash equivalent comprises the followings:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	5.10	7.23
(b) Cheques, drafts on hand	0.73	1.79
(c) Balance with bank		
In current accounts and EEFC accounts	220.17	385.05
In deposit accounts	2,000.00	308.99
Cash and cash equivalent as per balance sheet	**2,226.00**	**703.06**
Less : Bank overdrafts payable on demand (refer note 17)	(1,014.22)	-
Cash and cash equivalents as per the standalone statement of cash flows	**1,211.78**	**703.06**

$ Reconciliation between opening and closing balance sheet for liabilities arising from financing activities for the year ended 31 March 2024:

Particulars	Term loan and deferred payment obligation #	Lease liabilities	Other borrowing cost	Total
Debt as at 1 April 2023	**1,214.97**	**2,256.93**	**-**	**3,471.90**
Cash flows including interest and other borrowing cost	1,588.01	(483.76)	(70.14)	1,034.11
- Interest and other borrowing cost*	149.89	261.31	73.78	484.98
- Non cash transactions @	(12.21)	1,410.30	(3.64)	1,394.45
Debt as at 31 March 2024	**2,940.66**	**3,444.78**	**-**	**6,385.44**

includes current maturities of Term loan and deferred payment obligation grouped under current borrowings

*Interest and other borrowing cost include interest on Short term borrowings, bank charges measured at amortised cost etc

@ Non cash transactions include lease liabilities recognised for new leases, changes due to remeasurement of lease liabilities, etc

$ Reconciliation between opening and closing balance sheet for liabilities arising from financing activities for the year ended 31 March 2023:

Particulars	Term loan and deferred payment obligation #	Lease liabilities	Other borrowing cost	Total
Debt as at 1 April 2022	**1,068.20**	**2,415.35**	**-**	**3,483.55**
Cash flows including interest and other borrowing cost	53.51	(412.69)	(66.82)	(426.00)
- Interest and other borrowing cost*	100.44	226.27	66.82	393.53
- Non cash transactions @	(7.18)	28.00	-	20.82
Debt as at 31 March 2023	**1,214.97**	**2,256.93**	**-**	**3,471.90**

includes current maturities of Term loan and deferred payment obligation grouped under current borrowings

*Interest and other borrowing cost include interest on Short term borrowings, bank charges measured at amortised cost etc

@ Non cash transactions include lease liabilities recognised for new leases, changes due to remeasurement of lease liabilities, unrealised gain / loss on foreign currency fluctuations etc

Material accounting policies 3

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

As per our reports of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

a. Equity share capital *

(₹ in million)

Particulars	No of Shares	(₹ in million)
Balance as at 01 April 2022	**139,011,992**	**1,390.12**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 (refer note 38(C))	104,070	1.04
Balance as at 31 March 2023	**139,116,062**	**1,391.16**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 and the Employee Stock Option Scheme 2021 (refer note 38(C))	173,625	1.74
Balance as at 31 March 2024	**139,289,687**	**1,392.90**

b. Other equity *

(₹ in million)

Particulars	Note No.	Reserves and surplus			Amalgamation adjustment deficit account	Items of other comprehensive income	Total other equity
		Securities premium	Share options outstanding account	Retained earnings		Remeasurement of the defined benefit plan	
Balance as at 01 April 2022		**11,628.99**	**67.18**	**(2,082.94)**	**(13.91)**	**(12.53)**	**9,586.79**
Profit for the year		-	-	401.91	-	-	401.91
Other comprehensive (loss) for the year (net of tax)		-	-	-	-	(1.60)	(1.60)
Total comprehensive income		**-**	**-**	**401.91**	**-**	**(1.60)**	**400.31**
Transactions recorded directly in equity							
Premium on shares issued during the year	16.1	7.82	-	-	-	-	7.82
Transferred to Securities premium account on exercise of ESOPs	16.2	12.04	(12.04)	-	-	-	-
Expense on employee stock option scheme (including ESOP given to employees of subsidiaries cross charged, refer note 44)		-	65.14	-	-	-	65.14
Balance as at 31 March 2023		**11,648.85**	**120.28**	**(1,681.03)**	**(13.91)**	**(14.13)**	**10,060.06**
Profit for the year		-	-	339.59	-	-	339.59
Other comprehensive loss for the year (net of tax)		-	-	-	-	(2.91)	(2.91)
Total comprehensive (loss)/ income		**-**	**-**	**339.59**	**-**	**(2.91)**	**336.68**
Transactions recorded directly in equity							
Premium on shares issued during the year	16.1	17.75	-	-	-	-	17.75
Transferred to Securities premium account on exercise of ESOPs	16.2	22.13	(22.13)	-	-	-	-
Transferred to retained earnings on lapse of vested ESOPs	16.2		(1.06)	1.06			
Expense on employee stock option scheme (including ESOP given to employees of subsidiaries cross charged, refer note 44)	16.2	-	78.46	-	-	-	78.46
Balance as at 31 March 2024		**11,688.73**	**175.55**	**(1,340.38)**	**(13.91)**	**(17.04)**	**10,492.95**

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

b. Other equity * (Contd..)

Securities premium

Securities premium is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding Account

The Company has employee stock option plans for eligible employees of the Company and its group companies. Refer note 38 for further details on these plans. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to retained earnings on account of vested stock options not exercised by employees.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

Amalgamation adjustment deficit account

It represents excess of consideration over carrying value of net assets (including reserves) in case of common control business combination. This amount will be adjusted in determining the surplus available for dividend distribution.

Remeasurement of defined benefit plan

This represents the actuarial gain and losses on defined benefit plan.

* There are no changes in equity share capital and other equity due to prior period errors

Material accounting policies 3

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

As per our reports of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
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Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

1 **HealthCare Global Enterprises Limited** ('the Company') is engaged in setting up and managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The Company is a public company incorporated and domiciled in India and has its registered office at #8, P. Kalinga Rao Road, Sampangi Ram Nagar, Bengaluru – 560 027.

The standalone financial statements for the year ended 31 March 2024 were approved by the Board of Directors and authorised for issue on 29 May 2024.

2 Basis of preparation of the standalone financial statements

(a) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs), which is also the Company's functional currency. All amounts are in Indian Rupees million except share data and per share data, unless otherwise stated.

(c) Basis of measurement

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

Items	Measurement
Non-derivative financial instruments at FVTPL	Fair Value
Contingent consideration assumed in business combination	Fair Value
Net defined benefit (asset)/liability	Fair Value of plan assets less present value of defined benefit obligations

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(d) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

Application of accounting policies that require accounting estimates involving judgments and the use of assumptions in the standalone financial statements have been disclosed below:

Judgements

- **Note 6 -** Leasing arrangements : Evaluation whether an arrangement qualifies to be a lease based on the requirements of the relevant standard.

  Identification of a lease requires significant management judgment.

- **Note 5 -** Property, plant and equipment: Timing of capitalisation and nature of cost capitalised.

Assumptions and estimation uncertainties

- **Note 6 -** Leasing arrangements : Determination of lease term and discount rate
- **Note 5 -** Estimation of useful life of property, plant and equipment
- **Note 40 & 8 -** Impairment of financial assets : Key inputs considered i.e. discount rate, estimate of revenue growth rate, terminal growth rate and profitability
- **Note 22 -** Revenue - estimation of disallowances
- **Note 33 -** Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Note 37 -** Employee benefit plans: key actuarial assumptions.
- **Note 7A -** Goodwill impairment assessment : Key inputs considered i.e. discount rate, estimate of revenue growth rate, terminal growth rate and profitability
- **Note 41 and 13 -** Expected credit loss : Forward adjustment to the collected trend
- **Note 19 -** Deferred government grant: Timing of meeting export obligations
- **Note 45 -** Business combination: Identification of intangible asset, fair value of assets acquired and liabilities assumed and measurement of contingent consideration.

(e) Current / Non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(e) **Current / Non-current classification (Contd..)**

equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(f) **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company's has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurement, including level 3 fair values, and reports directly to the chief financial officer.

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

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

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

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

When measuring the fair value of an asset or a liability, the Company's uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company's recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Summary of material accounting policies

(a) **Revenue recognition**

Medical services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. As per Ind AS 115, "Revenue from contracts with customers", revenue from hospital services are recognized as and when services are performed, unless significant future uncertainties exist. The Company assess the distinct performance obligation in the contract and measures to at an amount that reflects the consideration it expects to receive net of tax collected and remitted to Government and adjusted for discounts and disallowances. The Company based on contractual terms and past experience determines the performance obligation satisfaction over time. Unbilled revenue is recorded for the service rendered where the patients are not discharged and final invoice is not raised for the services.

Sale of medical and non-medical items

Pharmacy Sales are recognised when the control of the products being sold is transferred to the customer and no significant uncertainties exist regarding the amount of consideration that will be derived from the sale of goods as regarding its collection. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Other operating revenue

Other operating revenue comprises revenue from various ancillary revenue generating activities like facilitation of training programmes, operations and maintenance arrangements as per the management agreement with other entities. The service income is recognised only once the services are rendered, there is no unfulfilled performance obligation as per the terms of agreement and no significant future uncertainties exist.

Disaggregation of revenue

The Company disaggregates revenue from hospital services (medical and healthcare services), sale of medical and non-medical items and other operating income. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Company's revenues and cash flows are affected by industry, market and other economic factors.

Interest income

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

(b) **Leases**

Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(b) Leases (Contd..)

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date and the amounts expected to be payable under a residual value guarantee.

Company as a lessor

When the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental ownership of the underlying asset. If this is the case, then the lease is the finance lease, if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use assets arising from the head lease, not with reference to the underlying asset.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investments in the lease.

(c) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company at the exchange rates at the dates of the transactions or an

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(c) **Foreign currency transactions (Contd..)**

average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

(d) **Borrowing costs**

Borrowing costs include:

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of lease liability, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

(e) **Employee benefits**

Short-term employee benefits

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

Defined benefit plan

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'. The net interest expense (income) on the net defined benefit liability (asset) for the period is determined by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. The net interest expense is recognised in the line item 'Finance costs'.

Defined contribution plan

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Company's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Compensated absences

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

Share-based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(e) Employee benefits (Contd..)

appropriate valuation model and Company's estimate of equity instruments that will vest. That cost is recognised, together with a corresponding increase in share-options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

(f) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable on the taxable profit for the year and any adjustment to the tax payable or receivable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. Deferred tax liability is also not recognised on taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

(g) Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment (including capital work-in progress) are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Cost includes expenditures directly attributable to the acquisition of the asset.

Transition to Ind AS:

The cost of property, plant and equipment as at 1 April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(g) Property, plant and equipment (Contd...)

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis

from the date the assets are ready for intended use. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Asset category	Useful life as per the management	As per schedule II of Companies Act, 2013
Buildings	60 years	60 years
Plant and Medical Equipment (other than Solar power plant)	10, 13 or 15 years	10, 13 or 15 years
Solar power plant	25 years	Not specified
Data processing equipment	3 years	3 years
Electrical installations	10 years	10 years
Furniture and fixtures	10 years	10 years
Office equipment	5 years	5 years
Vehicles	8 years	8 years

Useful lives are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Estimates in respect of certain items of plant and equipment were revised in the year ended 31 March 2023. Refer note 5.3.

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

Assets acquired under leasehold improvements are amortized over the lower of estimated useful life and lease term.

Freehold land is carried at historical cost less any accumulated impairment losses.

(h) Intangible assets

Intangible assets acquired on business combination are recognised at fair value as at the date of acquisition. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset category	Useful Life
Computer software	3 years
Software for plant and machinery	13 years
Customer contract	11 years
Referral network	25 years
Intellectual Property for contract research	10 years

The estimated useful life of intangible assets acquired by the Company has been determined based on number of factors including the competitive environment and operating plan of the Company.

(i) Goodwill

Goodwill arising on a business combination is initially measured at excess of purchase consideration over fair value of identified net asset taken over. Subsequent measurement is at initial recognition less any accumulated impairment losses. Goodwill is tested annually for impairment. An impairment loss in respect of goodwill is not reversed subsequently.

(j) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the assets.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for GST wherever applicable applying weighted average method.

Imported inventories are accounted for at the applicable exchange rates prevailing on the date of transaction.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(l) Provisions (other than employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

(m) Financial instruments

a. Recognition and initial measurement

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

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

b. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(m) Financial instruments (Contd..)

not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

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

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

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

Items	Measurement
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

c. Derecognition

Financial assets

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

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

(m) Financial instruments (Contd..)

Financial liabilities

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

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

d. Offsetting

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

(n) Impairment

(i) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 - Financial Instruments requires expected credit losses to be measured though a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

(ii) Non-financial assets

Tangible and Intangible assets

Property, plant and equipment, capital work-in-progress and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to it's recoverable amount. An impairment loss is recognised in the statement of profit and loss. In respect of assets other than Goodwill for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Earnings / loss per share (EPS)

Basic earnings / loss per share is computed by dividing profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

(p) Contingent liabilities

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

Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

(q) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregate. Bank overdrafts and investment in liquid mutual funds are classified as cash and cash equivalents for the purpose of cash flow statement, as they form an integral part of an entity's cash management.

(r) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

(s) Investment in subsidiaries and joint ventures

(i) Initial recognition

The acquired investment in subsidiaries and joint ventures are measured at acquitions date fair value

(ii) Subsequent measurement

Investment in equity shares of subsidiaries and joint ventures are accounted either;

(a) at cost, or

(b) in accordance with IND AS 109, financial instruments

The Company has elected to account its subsidiaries and joint ventures at cost less accumulated impairment losses, if any.

(t) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

(u) Business combinations

In accordance with Ind AS 103, “”Business combinations”” the Company accounts for acquisitions of businesses using the acquisition method. The consideration transferred for the business combination is generally measured at fair value as at the date the net identifiable assets are acquired. Purchase consideration paid in excess of fair value of net identifiable assets acquired is recognised as goodwill. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of financial instrument is classified as equity, then its not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

(v) Exceptional items

Exceptional items refer to items of income or expense within the standalone statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

4 Recent pronouncements

As on the date of release of these financial statements, Ministry of Corporate Affairs (“MCA”) has not issued any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules which are applicable from 1 April 2024.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

5 Property, plant and equipment and capital work-in-progress

(₹ in million)

Description of assets	Freehold Land (refer note 5.2)	Buildings (refer note 5.2)	Leasehold improvements	Plant and medical equipment (refer note 5.3)	Office equipment	Furniture and fixtures	Data processing equipments	Electrical installation	Vehicles	Total	Capital work in progress (refer note 5.4)
I. Gross block											
Balance as at 01 April 2022	**402.86**	**795.56**	**901.52**	**5,167.45**	**74.53**	**145.72**	**119.08**	**90.39**	**26.30**	**7,723.41**	**48.19**
Additions (refer note 5.1 and 19)	9.97	1.82	19.81	972.48	7.67	14.48	31.74	40.16	-	1,098.13	69.71
Disposals	-	(0.03)	(0.42)	(122.36)	(2.41)	(2.44)	(4.13)	(0.10)	(1.10)	(132.99)	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-	-	(25.70)
Balance as at 31 March 2023	**412.83**	**797.35**	**920.91**	**6,017.57**	**79.79**	**157.76**	**146.69**	**130.45**	**25.20**	**8,688.55**	**92.20**
Additions (refer note 5.1 and 19)	-	36.11	176.95	382.46	12.86	21.59	102.72	27.05	0.74	760.48	599.44
Disposals	-	-	(27.82)	(22.76)	(4.15)	(9.13)	(5.09)	(7.39)	-	(76.34)	-
Acquired through business combination (refer note 45)	-	-	-	47.15	1.24	1.69	0.38	0.25	-	50.71	-
Capitalisation during the year	-	-	-	-	-	-	-	-	-	-	(326.76)
Balance as at 31 March 2024	**412.83**	**833.46**	**1,070.04**	**6,424.42**	**89.74**	**171.91**	**244.70**	**150.36**	**25.94**	**9,423.40**	**364.88**
II. Accumulated depreciation and impairment											
Balance as at 01 April 2022	**-**	**109.03**	**308.96**	**2,235.90**	**56.76**	**87.04**	**91.74**	**46.33**	**17.21**	**2,952.97**	**-**
Eliminated on disposal of assets	-	(0.03)	(0.38)	(37.99)	(2.40)	(2.43)	(4.10)	(0.07)	(0.94)	(48.34)	-
Depreciation expense (refer note 5.3)	-	14.08	68.75	420.93	6.48	14.19	14.63	13.20	3.15	555.41	-
Balance as at 31 March 2023	**-**	**123.08**	**377.33**	**2,618.84**	**60.84**	**98.80**	**102.27**	**59.46**	**19.42**	**3,460.04**	**-**
Eliminated on disposal of assets	-	-	(27.82)	(22.76)	(4.09)	(9.11)	(5.09)	(7.39)	-	(76.26)	-
Depreciation expense	-	14.35	73.62	459.54	7.63	16.83	33.38	18.81	2.51	626.67	-
Balance as at 31 March 2024	**-**	**137.43**	**423.13**	**3,055.62**	**64.38**	**106.52**	**130.56**	**70.88**	**21.93**	**4,010.45**	**-**
Net block as at 31 March 2023	**412.83**	**674.27**	**543.58**	**3,398.73**	**18.95**	**58.96**	**44.42**	**70.99**	**5.78**	**5,228.51**	**92.20**
Net block as at 31 March 2024	**412.83**	**696.03**	**646.91**	**3,368.80**	**25.36**	**65.39**	**114.14**	**79.48**	**4.01**	**5,412.95**	**364.88**

Refer note 17 for details of charge created on property, plant and equipment.

5.1 Additions include:

- Directly attributable expenses capitalised of ₹ 11.19 million (31 March 23: Nil). Total borrowing cost capitalised (included in directly attributable expenses) is ₹ 5.25 million (31 March 23: Nil) relating to Lease Liability using a capitalisation rate of 10%.
- Government grant recognised at fair value as per Ind AS 20, accounting for government grants and disclosure of government assistance (refer note 19).
- Acquisition of plant and medical equipment through deferred payment settlement scheme is ₹ 24.48 million (31 March 23: ₹ 73.25 million).

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

5 Property, plant and equipment and capital work-in-progress (Contd..)

5.2 Detils of title deeds of immovable properties not held in name of the Company as at 31 March 2024 and 31 March 2023:

(₹ in million)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land	73.23	Banashankari Medical and Oncology Research Centre Private Limited	No	01-Apr-09	These entities / their business were merged with the Company. Refer note below.
	Building	216.82				
	Land	27.09	HCG Medisurge Hospitals Private Limited	No	01-Apr-12	
	Building	129.77				
	Land	31.75	HealthCare Global Vijay Oncology Private Limited	No	01-Apr-14	
	Building	140.80				

Note: In accordance with the terms of a Scheme of Arrangements approved by the jurisdisctional courts, Banashankari Medical and Oncology Research Center Limited, HealthCare Global Vijay Oncology Private Limited and multi-specialty division of HCG Medisurge Hospitals Private Limited were merged with the Company with effect from the appointed date of 1 April 2009, 1 April 2014 and 1 April 2012 respectively. Pursuant to the scheme, all assets including the underlying properties were transferred to and vested in the name of the Company.

5.3 During the previous year ended 31 March 2023, the Company revised the estimated useful life for certain category of its Property, Plant and Equipment with effect from 1 April 2022 based on its technical evaluation. The effect of these changes on actual and expected depreciation expense is as follows:

(₹ in million)

Particulars	YE 31 March 2023	YE 31 March 2024	YE 31 March 2025	YE 31 March 2026	YE 31 March 2027	YE 31 March 2028 and later
(Decrease) / increase in depreciation expense	(41.76)	(25.55)	(20.91)	(7.05)	(3.52)	97.76

5.4 Capital work-in-progress (CWIP) ageing schedule

(₹ in million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
As at 31 March 2024	358.27	3.94	2.67	-	364.88
As at 31 March 2023	69.45	15.04	7.71	-	92.20
Projects temporarily suspended					
As at 31 March 2024	-	-	-	-	-
As at 31 March 2023 (refer note (i) below)	-	-	-	-	-
Total Capital work-in-progress					
As at 31 March 2024	358.27	3.94	2.67		364.88
As at 31 March 2023	69.45	15.04	7.71	-	92.20

(i) Project abandoned / temporarily suspended:

In the earlier years, the Company had recognised impairment aggregating to ₹ 835.46 million (including capital work-in progress, capital advances, right of use asset, security deposit and other committed costs) towards a greenfield project at leased premises in Gurugram which was temporarily suspended in the year ended 31 March 2022. During the year ended 31 March 2024, the underlying lease agreement has been terminated and the project has been written-off pursuant to the resolution passed by the Board of the Directors of the Company. Further, the management has concluded that the other committed project cost of ₹ 39.05 million which was accrued earlier is no longer payable and has been written back in the Statement of profit and loss as exceptional items.

(ii) There were no projects that were overdue or had exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

6 Right of use assets and lease liabilities

6.1 Leases as lessee

Right-of-use-assets

(₹ in million)

Description of assets	Leasehold rights of land	Buildings	Plant and medical equipment	Total
I. Gross block				
Balance as at 01 April 2022		**2,219.62**	**306.94**	**2,526.56**
Additions to right-of-use assets		8.04	-	8.04
At 31 March 2023	**-**	**2,227.66**	**306.94**	**2,534.60**
Additions to right-of-use assets	169.17	731.65	37.84	938.66
Acquired through business combination (refer note 45)	-	251.17	-	251.17
Derecognition of right-of-use assets *	(169.17)	(376.28)	(37.84)	(583.29)
Disposals		(17.25)	-	(17.25)
Remeasurement of lease liabilities [refer note (i) below]	-	434.92	-	434.92
Termination of lease during the year [refer note (ii) below]	-	(4.30)	-	(4.30)
At 31 March 2024	**-**	**3,247.57**	**306.94**	**3,554.51**
* Derecognition of the right-of-use assets is as a result of entering into a finance sub-lease (refer note 6.2)				
II. Accumulated depreciation and impairment				
Balance as at 01 April 2022	**-**	**744.25**	**19.64**	**763.89**
Depreciation expense	-	196.18	39.95	236.13
At 31 March 2023	**-**	**940.43**	**59.59**	**1,000.02**
Eliminated on disposal of assets		(17.25)	-	(17.25)
Depreciation expense	-	222.11	39.44	261.55
At 31 March 2024	**-**	**1,145.29**	**99.03**	**1,244.32**
Net block as at 31 March 2023	**-**	**1,287.23**	**247.35**	**1,534.58**
Net block as at 31 March 2024	**-**	**2,102.28**	**207.91**	**2,310.19**

The Company has lease arrangements for leasehold rights of land, hospital buildings and medical equipments.

The aggregate depreciation expense on ROU for the year amounting to ₹ 255.61 million (31 March 2023: ₹ 236.13 million) is included in the "Depreciation and Amortisation expense" in the Standalone statement of Profit and Loss and ₹ 5.94 million (31 March 2023: Nil) is capitalised to Capital work-in-progress.

Note (i): Pursuant to change in lease term and lease rentals for certain lease premises, the Company remeasured its lease liability with a corresponding adjustment to the Right-of use assets.

(ii) The Company recognised gain of ₹ 0.17 million (during the year ended 31 March 2023: Nil) on termination of lease contracts.

The following is the break-up of current and non-current lease liabilities as at 31 March 2024 and 31 March 2023:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	238.71	264.46
Non-current liabilities	3,206.07	1,992.47
Total	**3,444.78**	**2,256.93**

The table below provides details regarding the contractual maturities of Lease liabilities:

(₹ in million)

Particulars	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
As at 31 March 2024	506.61	480.56	470.98	466.79	3,551.51	5,476.45
As at 31 March 2023	468.16	346.02	358.54	349.95	2,171.96	3,694.63

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

6 Right of use assets and lease liabilities (Contd..)

Amounts recognised in Statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of right-of-use assets *	261.55	236.13
Interest on lease liabilities*	257.86	226.27
Rent expenses # (refer note 29)	166.56	78.61
Gain on termination of lease	0.17	-

* Interest and depreciation expenses capitalised amounting to ₹ 5.25 million and ₹ 5.94 million (31 March 2023: Nil) respectively.

During the year ended 31 March 2024, the Company incurred expenses amounting to ₹ 44.87 million (31 March 2023: 37.31 million) towards short-term leases and ₹ 121.69 million (31 March 2023: ₹ 41.30 million) expenses towards variable rent.

Amounts recognised in Cash flow statement

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repayment of principal portion of lease liability	245.14	212.18
Interest paid on lease liability	238.62	200.51
Payment towards short-term leases and variable rent	166.56	78.61
Total cash outflow for leases	**650.32**	**491.30**

In respect of lease of immovable properties where the Company is the lessee, the lease agreements are duly executed in favour of the Company as at 31 March 2024 and 31 March 2023.

Commitments for leases not yet commenced: The Company has committed to lease hospital building for its upcoming projects. The potential future lease payments (on undiscounted basis) for such leases: ₹ 931.58 Million over a lease period in the range of 20 to 30 years (as at 31 March 2023: Nil).

6.2 Leases as lessor

Finance lease arrangements with subsidiaries

During the year ended 31 March 2024, the Company has sub-leased leasehold rights of land to its subsidiary HCG NCHRI Oncology LLP. The term of lease entered into is 80 years. The Company recognised interest income of ₹ 9.87 million on lease receivables from this sub-lease. Refer note (i) below.

During the year ended 31 March 2024, the Company has also sub-leased hospital buildings and medical equipments to its subsidiary HCG EKO Oncology LLP. The term of lease entered into is 10 years. The Company recognised interest income of ₹ 3.45 million on lease receivables from this sub-lease.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

(₹ in million)

Particulars	As at 31 March 2024			
	Leasehold rights of land [refer note (i)]	Buildings	Plant and medical equipment	Total
Less than one year	16.92	44.42	6.50	67.84
One to two years	16.92	56.30	6.00	79.22
Two to three years	16.92	56.30	6.00	79.22
Three to four years	16.92	56.30	6.00	79.22
Four to five years	16.92	64.75	6.00	87.67
More than five years	1,259.35	346.68	29.50	1,635.53
Total undiscounted lease receivable	**1,343.95**	**624.75**	**60.00**	**2,028.70**
Unearned finance income	(1,174.80)	(245.08)	(21.85)	(1,441.73)
Net investment in the lease (Refer note 10)	**169.15**	**379.67**	**38.15**	**586.97**

The interest rate inherent in the leases is considered as the average incremental borrowing rate which is approximately 10% per annum.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

6 Right of use assets and lease liabilities (Contd..)

Note (i): During the year, the Company acquired the Leasehold rights from Nagpur Cancer Hospital and Research Institute Private Limited (NCHRI) with respect to the Land on which the hospital is constructed at Nagpur after obtaining requisite approvals from Nagpur Investment Trust (NIT). The original allotment of the Land to NCHRI by NIT had been challenged by Legal Heirs of the property, which was acquired by NIT through the Land acquisition Scheme. The Challenge was upheld by the Collector of Nagpur without giving proper chance to be heard by the stakeholders. NIT had filed a writ petition with the Hon'ble High court of Bombay, Nagpur Bench, challenging the order of the Collector and has obtained a Stay. The Company also filed a Civil Application for Intervention and to add the Company as an Intervening party to the matter. The matter is currently subjudice and given the fact the the Company is a Bonafide purchaser of rights in the Land by paying fair consideration , the Company believes that the above will not have any adverse impact on its rights to the lease-hold land.

7 Goodwill and other intangible assets

(₹ in million)

Description of assets	Goodwill (refer note 7A below)	Other intangible assets						
		Computer software	Non Compete Agreements	Customer contract	Referral network	Intellectual Property for contract research	Software for plant and machinery	Total
I. Gross block								
Balance as at 01 April 2022	**962.60**	**406.09**	**-**	**85.80**	**23.20**	**35.20**	**3.42**	**553.71**
Additions	-	6.05	-	-	-	-	-	6.05
Balance as at 31 March 2023	**962.60**	**412.14**	**-**	**85.80**	**23.20**	**35.20**	**3.42**	**559.76**
Additions *	416.89	174.01	-	-	-	-	-	174.01
Disposals	-	(0.24)	-	-	-	-	-	(0.24)
Acquired through business combination (refer note 45)	-	0.21	13.00	-	-	-	-	13.21
Balance as at 31 March 2024	**1,379.49**	**586.12**	**13.00**	**85.80**	**23.20**	**35.20**	**3.42**	**746.74**
II. Accumulated amortisation and impairment losses								
Balance as at 01 April 2022	**-**	**300.84**	**-**	**4.30**	**0.53**	**1.90**	**3.42**	**310.99**
Amortisation expense for the year	-	86.40	-	7.52	0.93	3.33	-	98.18
Balance as at 31 March 2023	**-**	**387.24**	**-**	**11.82**	**1.46**	**5.23**	**3.42**	**409.17**
Eliminated on disposal of assets		(0.24)	-	-	-	-	-	(0.24)
Amortisation expense for the year	-	45.74	2.17	7.52	0.93	3.33	-	59.69
Balance as at 31 March 2024	**-**	**432.74**	**2.17**	**19.34**	**2.39**	**8.56**	**3.42**	**468.62**
Balance as at 31 March 2023	**962.60**	**24.90**	**-**	**73.98**	**21.74**	**29.97**	**-**	**150.59**
Balance as at 31 March 2024	**1,379.49**	**153.38**	**10.83**	**66.46**	**20.81**	**26.64**	**-**	**278.12**

Refer note 17 for details of charge created on intangible asset.

* Includes intangible assets acquired through deferred payment settlement scheme amounting ₹ 86.48 million (31 March 23: Nil).

7A Goodwill

For the purposes of impairment testing, goodwill from business acquisition has been allocated to the Cash Generating Units (CGU) as given below:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Diagnostic business	478.08	478.08
City Cancer Center, Vijayawada	484.52	484.52
Cancer Centre, Indore (refer note 45)	416.89	-
Total	**1,379.49**	**962.60**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

The recoverable amount of the underlying CGUs is based on its value in use, estimated on present value of the projected future cash flows. Following key assumptions were considered in performing impairment assessment:

7 Goodwill and other intangible assets (Contd..)

(₹ in million)

Key assumptions	As at 31 March 2024	As at 31 March 2023
Diagnostic business		
Annual revenue growth rate	10% to 17%	8% to 17%
Terminal growth rate	5%	5%
Discount rate	13.37%	13.37%
City Cancer Center, Vijayawada		
Annual revenue growth rate	8% to 13%	8% to 15%
Terminal growth rate	5%	5%
Discount rate	13.37%	13.37%
Cancer Center, Indore		
Annual revenue growth rate	10% to 15%	Not applicable
Terminal growth rate	5%	Not applicable
Discount rate	14%	Not applicable

The values assigned to the key assumptions given in the table above represent management's assessment of future trends and based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU) or group of CGUs. The discount rate is estimated based on the capital asset pricing method for the CGU. The cash flow projections included specific estimates developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to materially exceed the aggregate recoverable amount of the cash generating unit.

8 Investments

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
A) Non current investment		
I) Investment carried at cost*		
(i) In subsidiary companies		
Unquoted equity instruments		
Malnad Hospital & Institute of Oncology Private Limited	6.64	6.64
(66,706 (31 March 2023: 66,706) equity shares of ₹ 100/- each, fully paid up)		
Niruja Product Development and Healthcare Research Private Limited	48.00	48.00
(4,800,000 (31 March 2023: 4,800,000) equity shares of ₹ 10/- each, fully paid up)		
Less: Provision for diminution in value of investment (refer note 9.1)	(7.99)	(7.99)
Net investment post diminution in value of investment	**40.01**	**40.01**
HealthCare Global Senthil Multi-Specialty Hospital Private Limited	39.08	39.08
(399,980 (31 March 2023: 399,980) equity shares of ₹ 100/- each, fully paid up)		
Less: Provision for diminution in value of investment (refer note 9.1)	(37.74)	(37.74)
Net investment post diminution in value of investment	**1.34**	**1.34**
HCG Medi-surge Hospitals Private Limited	160.98	160.98
(4,120,807 (31 March 2023: 4,120,807) equity shares of ₹ 10/- each, fully paid up)		
Suchirayu Health Care Solutions Limited (35,055,000 (31 March 2023: 35,055,000) equity shares of ₹ 10/- each, fully paid up)	349.70	349.70
BACC HealthCare Private Limited	1,286.33	1,286.33
(93,578 (31 March 2023: 93,578) equity shares of ₹ 10/- each, fully paid up)		
Less: Provision for diminution in value of investment	(588.40)	(588.40)
Net investment post diminution in value of investment	**697.93**	**697.93**
Nagpur Cancer Hospital & Research Institute Private Limited	141.00	-
(10,000 (31 March 2023: Nil) equity shares of ₹ 10/- each, fully paid up) (Refer note 8.1)		
HCG (Mauritius) Private Limited	287.21	287.21

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

8 Investments (Contd..)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(3,824,002 (31 March 2023: 3,824,002) Equity shares of USD 1/- each)		
(ii) In subsidiary limited liability partnerships		
HCG Diwanchand Imaging LLP		
Fixed capital contribution: (75% (31 March 2023: 75%) of fixed capital contribution)	0.75	0.75
Variable capital contribution	31.72	31.72
	32.47	**32.47**
Less: Provision for diminution in value of investment	(9.00)	(9.00)
Net investment post diminution in value of investment	**23.47**	**23.47**
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)		
Fixed capital contribution: (99.996% (31 March 2023: 99.996%) of fixed capital contribution)	1,427.92	1,427.92
Variable capital contribution	23.20	23.20
	1,451.12	**1,451.12**
Less: Provision for diminution in value of investment	(257.65)	(257.65)
Net investment post diminution in value of investment	**1,193.47**	**1,193.47**
HCG Oncology LLP		
Fixed capital contribution: (74% (31 March 2023: 74%) of fixed capital contribution)	112.47	112.47
Variable capital contribution	38.31	38.31
	150.78	**150.78**
HCG NCHRI Oncology LLP		
Fixed capital contribution: (100% (31 March 2023: 87.14%) of fixed capital contribution) (Refer note 8.1)	647.05	475.41
Variable capital contribution	16.36	16.36
	663.41	**491.77**
Less: Provision for diminution in value of investment	(202.26)	(202.26)
Net investment post diminution in value of investment	**461.15**	**289.51**
HCG EKO Oncology LLP		
Fixed capital contribution: (100% (31 March 2023: 50.50%) of fixed capital contribution) (Refer note 8.2)	200.51	0.51
Variable capital contribution #	666.21	666.21
	866.72	**666.72**
Less: Provision for diminution in value of investment (Refer note 31)	(312.00)	(312.00)
Net investment post diminution in value of investment	**554.72**	**354.72**
HCG Manavata Oncology LLP		
Fixed capital contribution: (51% (31 March 2023: 51%) of fixed capital contribution) ^	550.48	550.48
Variable capital contribution	20.99	20.99
	571.47	**571.47**
Less: Provision for diminution in value of investment (refer note 31)	(200.00)	-
Net investment post diminution in value of investment	**371.47**	**571.47**
^ Includes ₹ 215.39 million of capital contribution assumed to have been notionally contributed by the other Partner as per terms of LLP agreement.		
The Company has entered into a non-disposal undertaking of the its investment in HCG Manavata Oncology LLP for a period of 20 years from the agreement execution date, except with the prior consent of other partner in writing.		
HCG SUN Hospitals LLP		
Fixed capital contribution: (99.9998% (31 March 2023: 99.9998%) of fixed capital contribution)	543.77	543.77
Variable capital contribution	9.96	9.96
	553.73	**553.73**

Variable capital represents investments made which will be converted into fixed capital at such time and as per the terms and conditions, as agreed between the Partners of the LLPs.

* Includes corporate guarantee given to subsidiaries accounted as investment

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

8 Investments (Contd..)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
II) Investment carried at fair value through profit and loss (FVTPL)		
(a) In other companies - unquoted equity instruments		
Zoctr Health Private Limited [452 equity shares of ₹ 10/- each, fully paid up; (31 March 2023: 452 equity shares of ₹ 10/- each)]	-	-
International Stemcell Services Limited [10,860 equity shares of ₹ 100/- each, fully paid up; (31 March 2023: 10,860 equity shares of ₹ 100/- each, fully paid up)]	5.61	5.61
Epigeneres Biotech Private Limited [79 equity shares of ₹ 10/- each, fully paid up; (31 March 2023: 79 equity shares of ₹ 10/- each, fully paid up)]	-	-
Niramai Health Analytix Private Limited [10 equity shares of Re. 1/- fully paid up; (31 March 2023: 10 equity shares of ₹ 1/- fully paid up)]	0.07	0.07
(b) In other companies - unquoted Preference shares		
Niramai Health Analytix Private Limited [4,881 series A preference shares of ₹ 10/- each, fully paid up; (31 March 2023: 4,881 series A preference shares of ₹ 10/- each, fully paid up)]	35.79	35.79
(c) Investments in mutual fund (quoted)		
Religare Invesco Short Term Fund- 3,922 units @ ₹3,540.71 (31 March 2023: 3,922 units @ ₹ 3,291.44)	13.89	12.92
SBI Mutual Fund- 24,272.75 units @ ₹207.06 (31 March 2023: 24,272.75 units @ ₹ 158.13)	5.04	3.84
(c) Investment in other funds (unquoted)		
Anthill Early Stage Fund - I	9.10	10.00
98.4 units of Class A units @ ₹ 92,480 per unit (31 March 2023: 99.11 units at 100,900 per unit)		
Investment in government or trust securities	0.15	0.15
Total non-current investments	**5,063.25**	**4,749.34**
Aggregate amount of quoted investments	18.93	16.76
Aggregate amount of Market value of investments	18.93	16.76
Aggregate amount of unquoted investments (gross)	6,659.36	6,147.62
Aggregate amount of impairment in value of investments	(1,615.04)	(1,415.04)

8.1 During the current year, pursuant to the Share Purchase Agreement with Nagpur Cancer Hospital & Research Institute Private Limited ("NCHRI") and its shareholders, the Company acquired 100% equity shares of NCHRI on 22 August 2023 for a consideration of ₹ 141 million. Hence, NCHRI became wholly owned subsidiary of the Company. Further, the Company also acquired remaining non-controlling interest in its subsidiary HCG NCHRI Oncology LLP ("HCG NCHRI") on 22 August 2023 pursuant to the Partnership Transfer Agreement ("PTA") with Dr. Ajay Mehta and Dr. Suchitra Mehta dated 18 July 2023 for a consideration of ₹ 176 million, including deferred consideration of ₹ 42 million payable in 3 installments over the 18 month period. The fair value of the aforementioned consideration amounting ₹ 171.64 million has been recognised as investment. The Company has paid ₹ 134 million on 22 August 2023 and has recognised ₹ 2.12 million as interest on deferred consideration under the finance cost.

8.2 During the current year, the Company has acquired remaining partnership interest aggregating to 49.5% in HCG EKO Oncology LLP as per the terms of Transfer of Partnership Interest Agreement dated 8 March 2024 for a consideration of ₹ 200 million. With this acquisition, HCG EKO Oncology LLP has become wholly owned subsidiary of the Company.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

9 Loans receivable (unsecured)

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current #	Non Current	Current #
Considered good				
Loans to related parties (refer note 44 and 46)	362.37	-	-	-
Advances to employees	-	11.28	-	11.68
Considered doubtful				
Loans to related parties (refer note 9.1 and 44)	181.63	-	181.63	-
Less : Allowance for bad and doubtful loans	(181.63)	-	(181.63)	-
Total	**362.37**	**11.28**	**-**	**11.68**

9.1 During the previous year, the Company made additional investments in wholly-owned subsidiaries Niruja Product Development and Research Private Limited and HealthCare Global Senthil Multi-Specialty Hospital Private Limited amounting to ₹ 47.50 million and ₹ 30.70 million respectively. These proceeds were used to recover the loans given by the Company in the prior years amounting to ₹ 47 million and ₹ 29.36 million respectively. Pursuant to the settlement of loans, the Company reversed previously recognised allowance amounting to ₹ 37.35 million on loans and has recognised impairment on investments amounting to ₹ 37.35 million under exceptional items. Refer note 31.

9.2 Loans granted to promoters, directors, KMPs and the related parties that are repayable on demand or without specifying any terms or period of repayment:

(₹ in million)

Type of borrower	As at 31 March 2024		As at 31 March 2023	
	Amount outstanding	% of total loan	Amount outstanding	% of total loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Other related parties *	544.00	100%	181.63	100%
Total	**544.00**	**100%**	**181.63**	**100%**

* Loans given to wholly-owned subsidiaries. Refer notes 44 and 46.

Refer note 17 for details of charge created on Loans.

There are no advances due by / to directors, or other officers of the Company or any of them either severally or jointly with any other person or amounts due by firm or private companies respectively in which any director is a partner or a director or a member.

10 Other financial assets

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current #	Non Current	Current #
Receivable from related parties (Refer note 44 and note (ii) below)	-	175.56	-	213.58
Net investment in lease (Refer note 6.2)	581.82	5.15	-	-
Security deposits	244.51	0.30	184.14	22.95
Term deposits (original maturity more than 12 months) (note (i) below)	21.15	-	45.37	-
Interest accrued but not due on fixed deposits	-	-	5.93	5.89
Interest accrued on capital contribution to LLPs (Refer note 44)	-	43.96	-	43.96
Interest accrued on loans (Refer note 44)	-	0.30	-	0.30
Considered doubtful				
Interest accrued on loans (Refer note 44)	-	91.07	-	91.07
Less : Allowance for bad and doubtful receivables	-	(91.07)	-	(91.07)
Security deposits #	15.59	-	20.64	-
Less : Provision for impairment #	(15.59)	-	(20.64)	-
Other receivables	-	8.80	-	8.80
Less : Allowance for bad and doubtful receivables	-	(8.80)	-	(8.80)
	847.48	**225.27**	**235.44**	**286.68**

* Refer note 17 for details of charge created on other current financial assets.

₹ 5.05 million written-off during the year [refer note 5.4(i)]

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

10 Other financial assets (Contd..)

Note:

(i) Term deposits include margin money deposits with banks and deposits given as security for obtaining bank guarantees

(ii) Details of advances to directors and private companies in which any director is a director or a member

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Private companies in which any director is a director or member		
- Malnad Hospital and Institute of Oncology Private Limited	5.04	1.98
- BACC HealthCare Private Limited	8.08	2.29
- HCG Medi-surge Hospitals Private Limited	36.77	15.05
- Healthcare Global (Kenya) Private Limited	0.42	-

11 Other assets

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current*	Non Current	Current *
Unsecured, considered good				
Capital advances	122.91	-	136.94	-
Advance for acquisition of business (refer note 11.1 below)	20.00	-	20.00	-
Prepaid expenses [net of provision for impairment ₹ 31.22 million (31 March 2023: ₹ 31.22 million)]	44.27	52.88	25.12	41.63
Advance to vendors	-	137.87	-	164.30
Receivable from revenue authorities	-	25.65	-	28.80
Taxes paid under protest	-	52.56	-	52.56
Unsecured, considered doubtful				
Capital advances #	6.70	-	65.69	-
Less : Allowance for bad and doubtful advances	(6.70)	-	(6.70)	-
Less : Provision for impairment #	-	-	(58.99)	-
Advance to vendors	-	55.76	-	55.76
Less : Allowance for bad and doubtful advances	-	(55.76)	-	(55.76)
	187.18	**268.96**	**182.06**	**287.29**

* Refer note 17 for details of charge created on other current assets.

₹ 58.99 million written-off during the year [refer note 5.4(i)]

11.1 During the previous year ended 31 March 2023, the Company had entered into a Business Transfer Agreement (BTA) with Radiant Hospital Services Private Limited for the acquisition of its radiation therapy centre, along with its assets located at Sambalpur, Odisha on a slump sale basis for a total cash consideration of ₹ 160 million, of which partial consideration of ₹ 20 million was paid as advance. During the current year, the Parties have decided not to pursue the aforementioned BTA as certain conditions precedent to the closing of the BTA could not be achieved. The advance paid for the acquisition will be adjusted against the future payable to the underlying party.

12 Inventories (lower of cost and net realisable value)*

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Medical and non-medical items	210.18	212.17
	210.18	**212.17**

*Inventories are subject to charge to secure bank loans. There are nil provision for written down to net realisable value.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

13 Trade receivables*

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Billed trade receivables (net) (A)		
Trade receivables - unsecured	2,450.17	2,370.82
Less: Loss allowance (refer note 29(ii) and note 40)	(561.93)	(382.95)
	1,888.24	**1,987.87**
Unbilled - considered good		
Trade receivables - unsecured	165.42	142.96
Less: Loss allowance (refer note 40)	(12.00)	(7.12)
Unbilled trade receivables (net) (B)	**153.42**	**135.84**
Trade receivables (net) (A) + (B)	**2,041.66**	**2,123.71**

* Trade receivables are subject to charge to secured bank loans

Refer note 44 for related party balances

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Private companies in which any director is a director or member		
- HealthCare Global Senthil Multi-Specialty Hospitals Private Limited	0.10	0.10
- Malnad Hospital and Institute of Oncology Private Limited	0.88	0.97
- HCG Medi-surge Hospitals Private Limited	8.25	5.10
- BACC Healthcare Private Limited	1.21	0.01
Total	**10.44**	**6.18**

Trade receivables ageing schedule

As at 31 March 2024

(₹ in million)

Particulars	Unbilled	Billed - outstanding for following periods from due date					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables - considered good	165.42	1,377.04	409.24	299.94	100.84	263.11	2,615.59
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	165.42	**1,377.04**	**409.24**	**299.94**	**100.84**	**263.11**	**2,615.59**
Less: Loss allowance on trade receivables							(573.93)
Total							**2,041.66**

As at 31 March 2023

(₹ in million)

Particulars	Unbilled	Billed - outstanding for following periods from due date					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables - Considered good	142.96	1,500.44	366.00	206.17	113.69	184.52	2,513.78
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	142.96	**1,500.44**	**366.00**	**206.17**	**113.69**	**184.52**	**2,513.78**
Less: Loss allowance on trade receivables							(390.07)
Total							**2,123.71**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

14 Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	5.10	7.23
(b) Cheques, drafts on hand	0.73	1.79
(c) Balance with bank		
In current accounts and in Exchange Earners Foreign Currency Account (EEFC) accounts	220.17	385.05
In deposit accounts with original maturity less than 3 months	2,000.00	308.99
	2,226.00	**703.06**

14.1 Bank balance other than cash and cash equivalents above

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with banks with balance maturity of less than 12 months *	147.33	100.59
	147.33	**100.59**

*Deposits include margin money deposits with banks and deposits given as security for obtaining bank guarantees. These deposits are restrictive.

For the purpose of the statement of cash flows, cash and cash equivalent comprise the followings

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	5.10	7.23
(b) Cheques, drafts on hand	0.73	1.79
(c) Balance with bank		
In current accounts and EEFC accounts	220.17	385.05
In deposit accounts	2,000.00	308.99
Cash and cash equivalents as per balance sheet	**2,226.00**	**703.06**
Less : Bank overdrafts (refer note 17)	(1,014.22)	-
Cash and cash equivalents as per standalone statement of cash flows	**1,211.78**	**703.06**

15 Equity share capital

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital:		
200,000,000 equity shares of ₹10 each (as at 31 March 2023: 200,000,000 equity shares of ₹10 each)	2,000.00	2,000.00
Issued, subscribed and paid up capital comprises:		
139,289,687 equity shares of ₹10 each (as at 31 March 2023: 139,116,062)	1,392.90	1,391.16
All issued shares are fully paid up.		

15.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

(₹ in million)

Particulars	Number of shares	Amount
Balance as at 01 April 2022	**13,90,11,992**	**1,390.12**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 (refer note 38(C))	1,04,070	1.04
Balance as at 31 March 2023	**13,91,16,062**	**1,391.16**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 and the Employee Stock Option Scheme 2021 (refer note 38(C))	1,73,625	1.74
Balance as at 31 March 2024	**13,92,89,687**	**1,392.90**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

15 Equity share capital (Contd..)

15.2 Rights, preferences and restrictions attached to equity shares

Fully paid equity shares, which have a par value of ₹10, carry one vote per share and carry a right to dividends. The Company has only one class of equity share having a par value of ₹10/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders.

Employee stock options and terms attached to stock options granted to employees are described in Note 38.

15.3 Details of shareholder holding more than 5% shares of equity shares

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares
Aceso Company Pte. Ltd.	84,134,078	60.40%	80,559,078	57.91%
Dr B.S Ajaikumar	14,498,715	10.41%	18,073,715	12.99%

15.4 Shareholding of promoters and promoter group

Particulars	As at 31 March 2024		Percentage change during the year ended 31 March 2024
	Number of Shares held	% holding of equity shares	
Promoter			
Aceso Company Pte. Ltd.	84,134,078	60.40%	2.49%
Dr B.S Ajaikumar	14,498,715	10.41%	(2.58%)
Promoter group *			
Asmitha Ajaikumar	327,259	0.23%	(0.01%)
Aagnika Ajaikumar	327,258	0.23%	(0.01%)
Bhagya A Ajaikumar	1,795	0.00%	-
Anjali Ajaikumar Rossi	1,000	0.00%	-

Particulars	As at 31 March 2023		Percentage change during the year ended 31 March 2023
	Number of Shares held	% holding of equity shares	
Promoter			
Aceso Company Pte. Ltd.	80,559,078	57.91%	1.22%
Dr B.S Ajaikumar	18,073,715	12.99%	(1.27%)
Promoter group *			
Asmitha Ajaikumar	327,259	0.24%	(0.00%)
Aagnika Ajaikumar	327,258	0.24%	(0.00%)
Bhagya A Ajaikumar	1,795	0.00%	(0.00%)
Anjali Ajaikumar Rossi	1,000	0.00%	(0.00%)

* Promoter group is as per the shareholding pattern filing made to Securities and Exchange Board of India (SEBI)

15.5 Aggregate number of equity shares allotted as fully paid-up without payment being received in cash for a period of five years immediately preceding the years ended 31 March 2024 and 31 March 2023

(₹ in million)

Particulars	Aggregate number of shares as at	
	As at 31 March 2024	As at 31 March 2023
Issue of shares pursuant to Business combination	-	934,500

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

15 Equity share capital (Contd..)

15.6 Number of equity shares of ₹10/- each reserved for issuance

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
a) to eligible employees under Employee Stock Option Scheme (also, refer note 38)	6,090,355	6,270,200

16 Other equity

(₹ in million)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
Securities premium	16.1	11,688.73	11,648.85
Share options outstanding account	16.2	175.55	120.28
Retained earnings	16.3	(1,340.38)	(1,681.03)
Amalgamation adjustment deficit account	16.4	(13.91)	(13.91)
Remeasurements of the defined benefit plan	16.5	(17.04)	(14.13)
		10,492.95	**10,060.06**

16.1 Securities premium

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	11,648.85	11,628.99
Premium on shares issued during year	39.88	19.86
Balance at end of year	**11,688.73**	**11,648.85**

16.2 Share options outstanding account

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	120.28	67.18
Transferred to securities premium account on exercise of ESOPs	(22.13)	(12.04)
Transferred to retained earnings on lapse of vested ESOPs	(1.06)	-
Deferred stock compensation expense for the year (refer note 26 and 44)	78.46	65.14
Balance at end of year	**175.55**	**120.28**

Refer note 38.

16.3 Retained earnings

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(1,681.03)	(2,082.94)
Profit for the year	339.59	401.91
Transfer from Share options outstanding account on account of lapse of vested ESOPs	1.06	-
Balance at end of year	**(1,340.38)**	**(1,681.03)**

16.4 Amalgamation adjustment deficit account

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(13.91)	(13.91)
Balance at end of year	**(13.91)**	**(13.91)**

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

16 Other equity (Contd..)

16.5 Remeasurements of the defined benefit liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(14.13)	(12.53)
Other comprehensive (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(2.91)	(1.60)
Balance at end of year	**(17.04)**	**(14.13)**

17 Borrowings

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Secured - at amortised cost				
(i) Term loans *				
from banks (Refer note 17.1.1)	2,453.76	317.43	1,050.21	69.47
(ii) Loans repayable on demand				
- from Banks (bank overdraft) (Refer note 17.1.2)	-	1,014.22	-	-
Unsecured - at amortised cost				
(i) Deferred payment liabilities (Refer note 17.1.3)	151.49	17.98	77.02	16.40
(ii) Term loans from other parties (refer note 17.1.4)	-	-	-	1.87
Total	**2,605.25**	**1,349.63**	**1,127.23**	**87.74**

* Includes interest accrued amounting to ₹5 million (as at 31 March 2023: Nil) relating to term loan from banks which is clubbed under the respective loans outstanding.

The Company's exposure to liquidity risk is disclosed in Note 40.

17.1 Summary of borrowing arrangements

Details of security and terms of repayment of term loans and other loans are stated below.

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
17.1.1 Term loans from banks - Secured		
Facility -1		
Non-current portion *	660.63	744.79
Amounts included under current borrowings	84.20	69.47
Details of security and terms of repayment for the amounts borrowed: - First pari-passu charge on movable fixed assets (both present and future, excluding those funded out exclusively by other lenders) and immovable fixed assets (land and building/structures there upon) and ranking pari-passu charge with participating lenders. - Rate of interest: Repo-rate + 2.3% p.a to 2.85% p.a. - Repayable in installments over a period of 6 to 9.5 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 8.70 million (31 March 2023: ₹ 10.58 million) towards unamortised loan processing charges, which is netted off below		

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

17 Borrowings (Contd..)

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
Term loans from banks - Secured		
Facility -2		
Non-current portion	250.25	316.00
Amounts included under current borrowings	65.75	-
Details of security and terms of repayment for the amounts borrowed: - Extension of second charge over primary and collateral security for existing facilities and 100% credit guarantee by National Credit Guarantee Trustee Company Limited (NCGTC). - Rate of interest: Repo-rate + 2.3% p.a - Repayable in installments over a period of 4 years from the date of borrowing excluding 2 years moratarium.		
Term loans from banks - Secured		
Facility -3		
Non-current portion *	1,110.00	-
Amounts included under current borrowings	90.55	-
Details of security and terms of repayment for the amounts borrowed during the current year: - First pari-passu charge on movable fixed assets (both present and future, excluding those funded out exclusively by other lenders) and immovable fixed assets (land and building/structures there upon) and ranking pari-passu charge with participating lenders. - Rate of interest: 3 month T bill + 1.39% p.a - Repayable in installments over a period of 8 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 19.47 million (31 March 2023: Nil) towards unamortised loan processing charges, which is netted off below		
Term loans from banks - Secured		
Facility -4		
Non-current portion *	472.76	-
Amounts included under current borrowings	76.93	-
Details of security and terms of repayment for the amounts borrowed during the current year: - Secured by hypothecation on the equipment finance. - Rate of interest: 3 month T bill + 1.30% p.a - Repayable in installments over a period of 8 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 11.71 million (31 March 2023: Nil) towards unamortised loan processing charges, which is netted off below		
17.1.2 Secured loan repayable on demand from banks: Amounts included under current borrowings Secured by first pari-passu charge on entire current assets (both present and future), second pari- passu charge over entire fixed assets (both present and future other than exclusively charged) of the company. Rate of Interest : 1 month MCLR + 0.35% p.a, 3 month T bill +1.37%, Repo + 1.90% **Note:** There are no material differences between the quarterly returns or statements filed by the Company for working capital limits with such banks and financial institutions and the books of account of the Company.	1,014.22	-

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

17 Borrowings (Contd..)

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
17.1.3 Deferred payment obligations - Unsecured		
Non-current portion	151.49	77.02
Amounts included under current borrowings	17.98	16.40
- Rate of interest 3% to 10% p.a		
- Repayment in installments over a period of 3 to 7 years from the date of borrowing		
17.1.4 Term loans from others - Unsecured		
Non-current portion	-	-
Amounts included under current borrowings	-	1.87
- Rate of interest: 10.60% p.a.		
- Repayable in installments over a period of 3 years.		
Less: Unamortised loan processing charges	(39.88)	(10.58)
Total (net of Unamortised loan processing charges)	**3,954.88**	**1,214.98**
Non-current portion	**2,605.25**	**1,127.23**
Amounts included under current borrowings	**1,349.63**	**87.74**

18 Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Creditors for capital goods	-	89.19	-	71.05
Contingent consideration (refer note 45)	-	27.82	-	-
Deferred consideration (refer note 8.1)	-	39.76	-	-
Accrued employee benefits (refer note 44)	-	247.64	-	242.57
Financial guarantee obligation	17.22	14.46	39.67	14.81
Other payable to related parties (refer note 44)	-	32.48	-	21.48
Total	**17.22**	**451.35**	**39.67**	**349.91**

19 Other liabilities

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Advance from customers (refer note 42)	-	104.42	-	170.84
Balance due to statutory/government authorities	-	70.13	-	63.46
Deferred government grant (Refer note below)	259.91	26.78	280.75	19.20
	259.91	**201.33**	**280.75**	**253.50**

Note: The Company imports medical equipments under Export Promotion Capital Goods (EPCG) scheme. Under the Scheme, as the Company expects to meet the specified criteria, it is exempt from paying customs duty on imports which is recognised as a government grant. Fair value of the government grant is capitalised along with the equipment. Deferred income is amortised over the useful life of the equipment it has been procured. Additional deferred government grant recognised during the year ended 31 March 2024 is ₹ 19.58 million (31 March 2023: 138.26 million). Government grant income recognised during the year is ₹ 32.84 million (31 March 2023: ₹ 20.21 million). Further, the deferred government grant reduced by ₹ Nil during the year (31 March 2023: ₹ 16.12 million) pursuant to settlement of duties and taxes on account of sale of underlying equipment. As at 31 March 2024 and 31 March 2023, for certain licenses there is unfulfilled condition with respect to government grant availed (refer note 33). The Company basis its assessment, expects that it will be able to meet its export obligations.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

20 Provisions

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Employee benefits				
Gratuity (Refer note 37.2)	111.32	45.40	95.00	39.24
Compensated absences	-	52.26	-	51.11
Others				
Provision for indemnified tax contingency	-	50.00	-	50.00
Total	**111.32**	**147.66**	**95.00**	**140.35**

21 Trade payables

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 43)	41.43	26.30
Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,282.27	1,063.74
Total	**1,323.70**	**1,090.04**

* For details relating to payable to related parties- refer note 44

Trade payables ageing schedule

Particulars	As at 31 March 2024		
	Micro enterprises and small enterprises	Others	Total
Unbilled dues	-	771.67	771.67
Outstanding for following periods from due date of payment			
Not due	25.68	253.75	279.43
Less than 1 year	15.75	186.93	202.68
1-2 years	-	16.40	16.40
2-3 years	-	4.09	4.09
More than 3 years	-	49.43	49.43
Total	**41.43**	**1,282.27**	**1,323.70**

There are no disputed dues as at 31 March 2024.

Particulars	As at 31 March 2023		
	Micro enterprises and small enterprises	Others	Total
Unbilled dues	-	608.00	608.00
Outstanding for following periods from due date of payment			
Not due	17.53	209.27	226.80
Less than 1 year	8.77	175.23	184.00
1-2 years	-	5.88	5.88
2-3 years	-	10.28	10.28
More than 3 years	-	55.08	55.08
Total	**26.30**	**1,063.74**	**1,090.04**

There are no disputed dues as at 31 March 2023.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

22 Revenue from operations (refer note 42)

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contract with customers		
(a) Income from medical services	10,418.04	9,515.48
(b) Sale of medical and non-medical items	460.96	446.13
(c) Other operating revenues	113.90	94.12
Total	**10,992.90**	**10,055.73**

23 Income from government grant

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from government grant	32.84	20.21
Total	**32.84**	**20.21**

24 Other income

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Interest income from financial assets at amortised cost (Refer note below)	50.51	50.77
(b) Interest on income tax refund	26.43	12.64
(c) Net foreign exchange gains	5.18	4.04
(d) Gain on termination of lease	0.17	-
(e) Net gain on disposal of property, plant and equipment	3.76	-
(f) Net gain on financial assets designated at fair value through profit and loss	2.17	0.35
(g) Payables no longer required written-back	1.97	2.26
(h) Guarantee commission (refer note 44)	17.80	16.10
(i) Write back of financial guarantee obligation	5.00	
(j) Finance lease income (refer note 6.2 and 44)	13.32	-
(k) Miscellaneous income	9.64	1.82
Total	**135.95**	**87.98**
Note: Interest income from financial assets at amortised cost comprise:		
Interest on bank deposits	33.99	40.86
Interest income from other financial assets at amortised cost	10.80	9.91
Interest on unsecured loan given to subsidiaries (Refer note 44)	5.72	-
	50.51	**50.77**

25 Changes in inventories

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories at the beginning of the year	212.17	173.02
Inventories at the end of the year	210.18	212.17
Changes in inventories	**1.99**	**(39.15)**
Opening stock on acquisition of business (refer note 45)	4.31	-
Net increase / (decrease)	**6.30**	**(39.15)**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

26 Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	1,682.64	1,502.13
Contribution to provident and other funds (Refer note 37)	103.94	94.99
Expense on equity-settled share-based payment transactions (Refer note 16.2 and 38), net	72.39	59.69
Staff welfare expenses	112.50	93.46
Total	**1,971.47**	**1,750.27**

27 Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Interest expense on financial liabilities measured at amortised cost:		
Interest on term loan from banks and others	132.91	91.30
Interest on bank overdraft	35.46	18.40
Interest on deferred payment obligations	11.65	4.29
Interest on duties and taxes on settlement of EPCG license	(2.01)	12.10
Interest on deferred consideration and contingent consideration	3.64	-
	181.65	**126.09**
(b) Interest expense on lease liabilities		
Interest expense on lease liabilities (Gross)	257.86	226.27
Less: Capitalised in capital work-in-progress	(5.25)	-
Interest expense on lease liabilities (net)	**252.61**	**226.27**
(c) Others		
Net loss on foreign currency transactions and translations to the extent regarded as borrowing costs	4.94	21.35
Interest on defined benefit obligations	10.95	7.41
Other borrowing costs	29.58	33.76
	45.47	**62.52**
Total	**479.73**	**414.88**

28 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 5)	626.67	555.41
Depreciation of right-of-use assets, Gross (refer note 6)	261.55	236.13
Less: Capitalised in capital work-in-progress	(5.94)	-
Depreciation of right-of-use assets, net (refer note 6)	255.61	236.13
Amortisation of intangible assets (refer note 7)	59.69	98.18
Total depreciation and amortisation expense	**941.97**	**889.72**

29 Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Medical consultancy charges	2,129.22	1,942.12
Lab charges	144.39	120.79
Power and fuel, water charges	191.98	188.20
House keeping expenses	207.09	187.23
Rent (Refer note 6)	166.56	78.61
Repairs and maintenance		
Building	15.26	9.97

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

29 Other expenses (Contd..)

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Machinery	269.83	277.84
Office maintenance & Others	196.47	169.49
Insurance	15.86	13.49
Rates and taxes	97.16	89.24
Printing & stationery	42.07	26.34
Postage & telegram	47.55	40.89
Advertisement, publicity & marketing	218.37	181.76
Travelling & conveyance	134.43	119.74
Legal & professional fees	472.21	418.70
Payment to auditors (refer note 30.1)	13.00	12.74
Trade receivable written off, net (refer note (i) below and note 40)	-	317.12
Loss allowance on trade receivables (net of reversal) (refer note (ii) below and note 40)	183.86	(111.98)
Loss on disposal of property, plant and equipment	-	11.88
Corporate social responsibility (refer note 30.2)	2.80	-
Miscellaneous expenses	53.72	45.82
Total	**4,601.83**	**4,139.99**

Notes:

(i) Trade receivable written off during the previous year ended 31 March 2023 is net of recovery of bad debts written-off in the earlier years amounting ₹ 35.33 million.

(ii) During the previous year ended 31 March 2023, the Company recognised loss allowance on trade receivables from its subsidiaries amounting to ₹ 80.70 million (owed by HCG NCHRI Oncology LLP ₹ 50.55 million and HCG EKO Oncology LLP ₹ 30.15 million) on account of uncertainty in recoverability of such balances given their continued losses.

30.1 Payments to auditors

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Audit fees	8.40	8.40
b) Limited review	2.40	2.40
c) Out of pocket expenses and taxes on above	1.79	1.79
d) Certification services	0.41	0.15
	13.00	**12.74**

30.2 Corporate social responsibility

(1) amount required to be spent by the company during the year: ₹ 2.80 million (31 March 2023: Nil)

(2) amount of expenditure incurred during the year:

  (i) Construction/acquisition of any asset: Nil

  (ii) On purposes other than (i) above: ₹ 2.80 million (refer note 29 above)

(3) shortfall at the end of the year: Nil

(4) total of previous years shortfall: Nil (as at 31 March 2023: Nil)

(5) reason for shortfall: Not applicable

(6) nature of CSR activities: Promoting education of rural children

(7) details of related party transactions: Contribution to International Human Development and Upliftment Academy (Trust) in relation to CSR activities ₹ 2.80 Million (for the year ended 31 March 2023: Nil)

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

31 Exceptional items

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Project cost no longer required written-back		
Privat project [refer note 5.4(i)]	39.05	-
Provision for diminution in value of investments / loans		
HCG Manavata Oncology LLP (refer note (i) below)	(200.00)	-
HCG EKO Oncology LLP (refer note (i) below)	-	(30.00)
Niruja Product Development and Healthcare Research Private Limited (refer note 9.1)	-	(7.99)
HealthCare Global Senthil Multi-Specialty Hospital Private Limited (refer note 9.1)	-	(29.36)
Reversal of provision for doubtful loans		
Niruja Product Development and Healthcare Research Private Limited (refer note 9.1)	-	7.99
HealthCare Global Senthil Multi-Specialty Hospital Private Limited (refer note 9.1)	-	29.36
Total	**(160.95)**	**(30.00)**

(i) The Company performed impairment assessment for all its investments. During the current year ended 31 March 2024, the recoverable amount of investments in HCG Manavata Oncology LLP was estimated to be lower (considering the future cash flows) than its carrying value given the decline in performance during the current year and reduced growth rates during the forecast period, resulting into an impairment of ₹ 200 million. The Company has total investment of ₹571.47 million and the total provision for impairment against the aforementioned investment of ₹200 million as at 31 March 2024.

During the previous year ended 31 March 2023, the Company performed impairment assessment for all its investments and recognised impairment of ₹ 30 million on its investments in HCG EKO Oncology LLP due to the continued losses and weaker forecasts as a result of which the recoverable amount of investments (considering the future cash flows) was estimated to be lower than its carrying value. The Company had total investment of ₹666.72 million and the total provision for impairment against the aforementioned investment of ₹312 million as at 31 March 2023.

32 Income tax expense

32.1 Income tax recognised in the Statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
Current tax	251.91	70.00
	251.91	**70.00**
Deferred tax expense / (credit)		
MAT	-	145.25
Others	(42.85)	(40.95)
	(42.85)	**104.30**
Total income tax expense recognised in the Statement of profit and loss	**209.06**	**174.30**

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	548.65	576.21
Enacted income tax rate in India *	25.170%	34.94%
Computed expected tax expense	138.10	201.35
Effect of:		
Income not taxable	(15.57)	(10.37)
Permanent differences and others	36.19	4.24
Impairment loss on which deferred tax asset not recognised	50.34	21.14
Change in deferred tax rate *	-	(40.38)
Others	-	(1.68)
	209.06	**174.30**

* During the previous year, the Company planned to exercise the option permitted under section 115BAA of the Income-tax Act , 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from the financial year 2023- 24 i.e. a lower tax rate. Accordingly, the Company had recognized deferred tax based on the tax rates applicable for the year when these deferred taxes are expected to be realized/ settled. The impact of this change is recognised in the Statement of Profit and Loss for the year ended 31 March 2023. During the current year, both the current tax and the deferred tax are recognized at lower tax rate.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

32 Income tax expense (Contd..)

32.2 Income tax recognised in other comprehensive income

(₹ in million)

Particulars	31 March 2024	31 March 2023
Income tax arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	0.98	0.86
Total income tax recognised in other comprehensive income	**0.98**	**0.86**

32.3 Deferred tax balances (Net)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred Tax assets	1,161.81	862.38
Deferred Tax liabilities	(1,220.74)	(965.14)
Total	**(58.93)**	**(102.76)**

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2024 are as follows:

(₹ in million)

Deferred tax assets / (liabilities) in relation to	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Closing Balance
Property, plant and equipment and intangible assets	(409.34)	5.75	-	(403.59)
Right-of use assets	(386.25)	(195.22)	-	(581.47)
Goodwill	(169.55)	-	-	(169.55)
Sec 43B items	57.92	5.97	0.98	64.87
Provisions- others	121.38	45.00	-	166.38
Lease liabilities	556.07	299.04	-	855.11
Financial assets at amortised cost	28.65	(94.78)		(66.13)
Others	98.36	(22.91)	-	75.45
	(102.76)	**42.85**	**0.98**	**(58.93)**

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2023 are as follows:

(₹ in million)

Deferred tax assets / (liabilities) in relation to	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Closing Balance
Property, plant and equipment and intangible assets	(623.29)	213.95	-	(409.34)
Right-of use assets	(615.95)	229.70		(386.25)
Goodwill	(169.55)	-	-	(169.55)
Sec 43B items	74.07	(17.01)	0.86	57.92
MAT credit entitlement	145.25	(145.25)	-	-
Provisions- others	223.33	(101.95)	-	121.38
Lease liabilities	834.15	(278.08)	-	556.07
Financial assets at amortised cost	45.81	(17.16)		28.65
Others	86.86	11.50	-	98.36
Total	**0.68**	**(104.30)**	**0.86**	**(102.76)**

32.4 Income tax assets and liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Other tax assets (net)		
Tax deducted at source, advance tax (net of provision)	542.32	436.58
	542.32	**436.58**
b) Current tax liabilities (net)		
Provision for tax, (net of advance tax, tax deducted at source)	21.98	21.98
	21.98	**21.98**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

33 Contingent liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Corporate guarantee given on behalf of subsidiaries and other parties (refer note 44 and 46)	960.45	1,433.72
b) Other money for which the Company is contingently liable		
Excise and service tax (Refer note (i) below)	28.34	28.34
Value added tax (Refer note (ii) below)	48.46	48.46
Sales tax (Refer note (iii) below)	9.46	9.46
Goods and Services Tax (Refer note (iii) below)	6.95	-
Duties and taxes in respect of EPCG licenses (Refer note (iv) below)	293.46	320.26
Income tax (Refer note (v) below)	30.63	30.63
c) Bonus to employees pursuant to retrospective amendment to the Payment of Bonus Act, 1965 (Refer note (vi) below)	9.98	9.98

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Notes:

(i) (a) Excise Commissionerate-III, Bengaluru has passed Order against the Company adjudicating that the product Fluro-deoxy-glucose ('FDG') is excisable and levied excise duty for the period under scrutiny from April 2009 to March 2014 of ₹ 6.80 million, interest on duty amount, penalty of ₹ 6.80 million, redemption fine of ₹0.6 million in lieu of confiscation of goods not available. The order also imposed a penalty of ₹ 1 million on Dr. B.S.Ajaikumar, Executive Chairman of the Company. The Company has filed an appeal before CESTAT by paying Central Excise Duty of ₹0.6 million and is positive of winning the case on the ground that FDG is not excisable as there is no specific entry in the Central Excise Tariff Act 1985. Further, even if it is excisable the same has to be classified under Chapter 30 which attracts excise duty at 6% and valuation of captively consumed FDG will reduce the demand.

(i) (b) Additional Commissionerate of Central Excise, Chennai, has passed the Order confirming the excisability on sale of FDG for the period March 2013 to June 2015 levying excise duty of ₹ 6.57 million, interest on duty amount and penalty of ₹ 6.57 million. The Company is positive of winning the case on the ground that FDG is not excisable as there is no specific entry in the Central Excise Tariff Act 1985. Further, even if it is excisable the same has to be classified under Chapter 30 which attracts excise duty at 6% and valuation of captively consumed FDG will reduce the demand.

(ii) (a) HealthCare Global Vijay Oncology Private Limited which got merged with HCG effective from April 1, 2015, has undergone Departmental VAT audit for the period from 2011-12 to 2014-15 and noted that the Company has not charged & paid VAT on supply of food to patients and raised a AP-VAT demand of ₹ 2 million. Further, the Deputy Commercial Tax Officer, Vijayawada has passed the Penalty Order for ₹ 0.5 million against the above AP-VAT Audit Order. The Company has filed an writ petition before Andhra Pradesh High Court by paying ₹0.4 million VAT amount to department.

The Company is positive of winning the case on the ground that various High Courts in India have ruled that the supply of food to patient is pursuant to provision of medical service and is not a sale of goods.

(ii) (b) Healthcare Global Enterprises Limited assessment for Karnataka Value Added Tax (VAT) has been done for FY 2013-14 to FY 2016-17 wherein demand of ₹ 33.02 million has been raised. The demand has mainly arisen on account of differential rate of tax on canteen income, denial of input credit, wrongly taxing other income and ignoring the details of sales / sales returns. The entire demand has been recovered from the Company. Presently, appeals for FY 2015-16 and FY 2016-17 are pending before Joint Commissioner, Department of Commercial Taxes.

With respect to FY 2013-14 and 2014-15, the appeal filed by the Company before Karnataka Appellate Tribunal ('KVAT Tribunal') was dismissed ex-parte by the KVAT Tribunal due to non-appearance of the Company's counsel, vide Order dated 14 July 2022. However, the Company could not be present on the date of hearing nor make any representation as both the Company and its Counsel did not receive any intimation regarding the hearing. Subsequently in December 2022, the Company has filed an application before the KVAT Tribunal for restoration of the appeal. KVAT Tribunal vide order dated 03 April 2023 allowed the application and restored the appeal to its original form.

The Company believes that the VAT demand will be dropped and there would be no adverse impact in the financial statements.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

33 Contingent liabilities (Contd..)

(ii) (c) Gujarat Value Added Tax (VAT) assessment has been closed for FY 2014-15, FY 2015-16 and FY 2016-17 wherein demand of ₹ 7.84 Million, ₹ 3.58 million and ₹ 1.52 million have been raised. The Company being aggrieved, has filed an appeal for the above years on the ground that Sales Tax is not applicable on IP sales and there is no mismatch in ITC taken by the Company. The Company has paid ₹ 1.30 million as pre-deposit against these orders. Currently, the appeal against the order is pending before the Deputy Commissioner of State Tax."

(iii) (a) The Company's assessment for Central Sales Tax (CST) was done for FY 2014-15, FY 2015-16 and FY 2016-17 wherein demand of ₹ 9.46 million was raised. The demand has mainly arisen on account of non-submission of 'F' Forms before the AO. Though, demand has arisen, it is to be noted that the transactions has been reported correctly and it is mere a procedural challenge leading to the demand. Entire demand has been recovered from the Company. Currently, the cases are pending before the Deputy Commissioner of Commercial Taxes. The Company does not expect any adverse impact on the standalone financial statements.

(iii) (b) GST demand of ₹ 6.95 million has been raised against the Company on corporate guarantee services provided to its subsidiaries for the financial year 2017-18. The Company has filed an appeal before the appellate authority and no adverse impact of this dispute is expected on the standalone financial statements.

(iv) The Company has availed benefit of custom duties on import of capital goods through Export Promotion and Capital Goods (EPCG) licenses against export obligations to be fulfilled within stipulated time period as per Foreign Trade Policy. Should the Company not be able to fulfill its export obligations within the stipulated time period, it will be liable to pay the duty benefit availed, along with other levies, if applicable, which may be levied on evaluation of facts and circumstances by the respective authorities.

(v) Possible claim against the Company relate to disallowance of expenditure relating to capital projects which have been abandoned. Having regard to various judicial decisions on the similar matters, the management including its tax advisors expect that its position will likely be upheld on ultimate resolution. Further, against few other allowances / disallowances, there could be possible claims which management does not expect to be material.

(vi) The Payment of Bonus (Amendment) Act, 2015 (hereinafter referred to as the Amendment Act, 2015) has been enacted on 31 December 2015, according to which the eligibility criteria of salary or wages has been increased from ₹10,000 per month to ₹21,000 per month (Section 2(13)) and the ceiling for computation of such salary or wages has been increased from ₹3,500 per month to ₹7,000 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher. The reference to scheduled employment has been linked to the provisions of the Minimum Wages Act, 1948. The Amendment Act, 2015 is effective retrospectively from 1 April 2014. Based on the same, the Company has computed the bonus for the year ended 31 March 2015 which amounts to ₹9.98 million. The Company has taken a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision is currently required.

(vii) The Company is involved in other disputes, law suits and other claims including commercial matters which arise from time to time in the ordinary course of business. The Company believes that there are no such pending matters that are expected to have any material adverse effect on the financial statements.

(viii) The Company has given letter of support to its subsidiary entities, namely HealthCare Global Senthil-Multi Specialty Hospital Private Limited, Niruja Product Development and Healthcare Research Private Limited, HCG (Mauritius) Private Limited, HCG Oncology LLP, HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP), BACC HealthCare Private Limited, HCG NCHRI Oncology LLP, Nagpur Cancer Hospital & Research Institute Private Limited, HCG EKO Oncology LLP, HCG SUN Hospitals LLP, HCG Manavata Oncology LLP and Suchirayu Health Care Solutions Limited. Under the letter of support, the Company is committed to provide operational and financial assistance as is necessary for the subsidiary entities to enable them to operate as going concern for a period of at least one year from the reporting date i.e. from 29 May 2024.

(ix) The Hon'ble Supreme Court has, in a recent decision dated 28 February 2019, ruled that special allowance would form part of wages for computing the Provident Fund (PF) contribution. The Company keeps a close watch on further clarifications and directions from the respective department based on which suitable action would be initiated, if any.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

34 Commitments

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	537.83	421.42
Lease commitments (Refer note 6.1)	931.58	-
Written put options issued by the Company to the non-controlling interests of its subsidiaries	1,060.00	970.00

35 Earnings per share

35.1 Basic earnings per share

The calculations of loss attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculations are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Profit after tax	339.59	401.91
b. Profit used in the calculation of basic earnings per share	339.59	401.91
c. Weighted average number of equity shares for the purposes of basic earnings per share	139,237,131	139,073,790
Basic earnings per equity share of ₹ 10 each (Amount in ₹)	**2.44**	**2.89**

35.2 Diluted earnings per share

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Profit after tax	339.59	401.91
b. Profit used in the calculation of diluted earnings per share	339.59	401.91
c. Weighted average number of equity shares used in the calculation of diluted earnings per share	140,406,336	139,713,216
Diluted earnings per equity share of ₹ 10 each (Amount in ₹)	**2.42**	**2.88**

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Weighted average number of equity shares used in the calculation of basic earnings per share	139,237,131	139,073,790
Shares deemed to be issued for no consideration in respect of employee stock options	1,169,206	639,426
Weighted average number of equity shares used in the calculation of diluted earnings per share	**140,406,336**	**139,713,216**

36 Segment information

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

Geographical information

Geographical information analyses the company's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

36 Segment information (Contd..)

(i) Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	10,990.89	10,047.46
Outside India	2.01	8.27
Total	**10,992.90**	**10,055.73**

(ii) Non current assets*

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
India	10,475.13	8,587.12
Total	**10,475.13**	**8,587.12**

*Non-current assets exclude financial assets

37 Employee benefit plans

37.1 Defined contribution plans

The Company has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contribution to Provident Fund included under contribution to provident and other funds	83.67	77.57
Contribution to Employee State Insurance Scheme	8.32	8.76
	91.99	**86.33**

37.2 Defined benefit plans

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Amounts recognised in statement of profit and loss in respect of this defined benefit plan are as follows.

(₹ in million)

Particulars	31 March 2024	31 March 2023
Current service cost	20.27	17.42
Net interest expense	10.95	7.41
Components of defined benefit costs recognised in the Statement of profit and loss	31.22	24.83
Service cost recognised in employee benefits expense in Note 26	20.27	17.42
Net interest expense recognised in finance costs in Note 27	10.95	7.41
Remeasurement of the net defined benefit liability:		
Actuarial losses arising from changes in demographic assumptions	-	2.66
Actuarial gains arising from changes in financial assumptions	1.34	(5.70)
Actuarial losses arising from experience adjustments	2.55	5.50
Remeasurement of the net defined benefit liability recognised in other comprehensive income	**3.89**	**2.46**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

37 Employee benefit plans (Contd..)

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in million)

Particulars	31 March 2024	31 March 2023
Present value of funded defined benefit obligation	158.01	135.44
Fair value of plan assets	1.29	1.20
Unfunded status	**156.72**	**134.24**
Net liability arising from defined benefit obligation	**156.72**	**134.24**
Non-current (refer note 20)	111.32	95.00
Current (refer note 20)	45.40	39.24

Movements in the present value of the defined benefit obligation are as follows.

(₹ in million)

Particulars	31 March 2024	31 March 2023
Opening defined benefit obligation	135.44	117.89
Current service cost	20.27	17.42
Interest cost	11.04	7.41
Remeasurement (gains)/losses:		
Actuarial losses arising from changes in demographic assumptions	-	2.66
Actuarial (gains) / losses arising from changes in financial assumptions	1.34	(5.70)
Actuarial losses arising from experience adjustments	2.55	5.50
Benefits (paid)	(12.63)	(9.74)
Closing defined benefit obligation	**158.01**	**135.44**

Movements in the fair value of the plan assets are as follows.

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening fair value of plan assets	1.20	1.12
Interest income	0.09	0.06
Excess return over interest income on plan assets	-	0.02
Closing fair value of plan assets	**1.29**	**1.20**

The fair value of the plan assets at the end of the reporting period for each category, are as follows

(₹ in million)

Particulars	Fair value of plan assets as at	
	31 March 2024	31 March 2023
Insurer-managed funds	1.29	1.20
Total	**1.29**	**1.20**

Defined plan asset

Plan assets consist of assets held in a 'long-term benefit fund' for the sole purpose making future benefit payments when they fall due. Plan assets include qualifying insurance policies and not quoted in the market.

The actual return on plan assets was ₹ 0.09 Million (for the year ended 31 March 2023: ₹ 0.08 Million).

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

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(4.23)	4.49	(3.54)	3.76
Future salary increase (1% movement)	9.74	(8.92)	8.18	(7.51)
Attrition rate (10% movement)	(1.92)	2.08	(1.32)	1.41

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

37 Employee benefit plans (Contd..)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the defined benefit obligation as at 31 March 2024 is 5.12 years (as at 31 March 2023: 4.66 years)

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in million)

Particulars	Valuation as at	
	31 March 2024	31 March 2023
Discount rate(s)	7.00%	7.30%
Expected rate(s) of salary increase	7.50%	7.50%
Rate of return on plan assets	7.50%	7.10%
Mortality table	IALM 2012-14	IALM 2012-14
Employee turnover rate	30.00%	30.00%

Each actuarial assumption made in the measurement of the defined benefit obligation is a source of risk. There are additional risks which can have an adverse impact on the plan, but are not allowed for in the measurement of the defined benefit obligation, such as liquidity and counterparty default risks. Some of the most significant risks are listed below.

Discount rate: Variations in discount rate don't affect the level of benefits under the plan. However, it is still a very significant assumption as it does affect the discount due to time value of money. A fall in discount rate will increase the present value of the obligation.

Salary increases: Since the plan benefits are linked to final salary, higher than expected salary increases will increase the cost of benefits under the plan. An increase in the salary escalation assumption will increase the present value of the obligation.

Attrition rates: Deviations in actual attrition experience compared to the attrition assumption will change the level of benefits and therefore the cost of those benefits. A change in the attrition assumption will also affect the present value of the obligation.

Regulatory risk: Since the minimum benefits under the plan are set by law, there is risk that a change in law could require the employer to pay higher benefits, increasing the cost as well as the present value of obligation.

Maturity profile of defined benefit obligation:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Within 1 year	46.69	40.44
1-2 years	33.70	30.72
2-3 years	27.45	23.70
3-4 years	22.31	18.66
4-5 years	17.65	14.70
6-10 year	38.75	32.71
>10 years	10.15	8.60

Notes to the Standalone Financial Statements
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38 Share-based payments

A Employee share option plan of the Company

(a) ESOP 2014

Pursuant to the shareholders' approval in the extraordinary general meeting held on 28 March 2014, the Board of Directors formulated the Scheme titled "Employee Stock Option Scheme 2014"" (ESOP 2014). The ESOP 2014 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share.

As per the Scheme, the Remuneration Committee grants the options to the employees deemed eligible. The Exercise Price shall be a price that is not less than the face value per share per option. Options Granted under ESOP 2014 would vest not less than one year and not more than five years from the date of Grant of such Options. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated at the time of grant of options. The option holders may exercise those options vested within a period as specified which may range upto 10 years from the date of grant.

Upon ESOP 2021 becoming effective, no further stock option grants will be made under ESOP 2014. However, all the employee stock options already granted under this Scheme shall be eligible for being vested and exercised as per the terms of ESOP 2014.

(b) ESOP 2021

Pursuant to the shareholders' approval vide their special resolution passed through postal ballot on 23 May 2021, the Board of Directors formulated the Scheme titled "Employee Stock Option Scheme 2021"" (ESOP 2021). The ESOP 2021 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share. Under the Scheme, a maximum of 6,267,000 Options can be granted.

As per the Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible subject to fulfillment of such eligibility criteria(s) as may be specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI (SBEB) Regulations") and/or as may be determined by NRC from time to time. Exercise Price for the purpose of grant of options shall be as decided by the NRC, subject to a minimum of the face value per share. The vesting of an option would also be subject to the terms and conditions as may be stipulated by the NRC from time to time including but not limited to performance of the stock of the Company, performance of the employees, their continued employment with the Company / its subsidiaries, as applicable. The vesting period shall commence any time after the expiry of one year from the date of the grant of the options to the employee and shall end over a maximum period of 7 years from the date of the grant of the options. The options could vest in tranches. The exercise period may commence from the date of vesting and the vested options would be eligible to be exercised on the vesting date itself or any time after vesting in terms of the ESOP Scheme. The options will lapse if not exercised within the specified exercise period. The number of stock options and terms of the same made available to employees (including the vesting period) could vary at the discretion of the NRC.

Employee stock options will be settled by delivery of shares.

B (i) The detail of fair market value and the exercise price is as given below:

Particulars	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014
Date of grant	10-Nov-16	22-May-18	09-Nov-18	07-Feb-19	08-Aug-19	08-Aug-19
Fair market value of option at grant date (₹)	232.48	298.55	220.74	181.62	48.45	94.94
Fair market value of share at grant date (₹)	240.15	306.81	231.85	187.00	102.35	102.35
Exercise price (₹)	10.00	10.00	10.00	10.00	110.68	10.00
No. of options	165,400	55,000	25,000	47,000	30,000	141,800

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for the year ended 31 March 2024

38 Share-based payments (Contd..)

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	11-Jun-21	11-Jun-21	09-Nov-21	09-Nov-21	10-Feb-22	10-Feb-22
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	108.77	46.04	169.57	76.02	160.10	95.06
Fair market value of share at grant date (₹)	197.65	197.65	261.85	261.85	249.70	249.70
Exercise price (₹)	130.00	130.00	130.00	130.00	130.00	130.00
No. of options	780,000	1,820,000	138,000	322,000	73,500	171,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	26-May-22	26-May-22	10-Aug-22	10-Aug-22	10-Nov-22	10-Nov-22
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	188.05	122.56	196.35	123.93	211.54	133.51
Fair market value of share at grant date (₹)	275.55	275.55	284.20	284.20	298.85	298.85
Exercise price (₹)	130.00	130.00	130.00	130.00	130.00	130.00
No. of options	6,000	14,000	34,500	80,500	34,500	80,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	09-Feb-23	09-Feb-23	01-Apr-23	01-Apr-23	09-Aug-23	09-Aug-23
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	200.22	139.21	139.90	58.82	208.12	64.08
Fair market value of share at grant date (₹)	287.45	287.45	262.45	262.45	338.10	338.10
Exercise price (₹)	130.00	130.00	200.00	200.00	200.00	200.00
No. of options	18,000	42,000	150,000	350,000	12,000	28,000

Particulars	ESOP 2021	ESOP 2021
Date of grant	09-Nov-23	09-Nov-23
Vesting basis	Time based	Performance based
Fair market value of option at grant date (₹)	241.10	66.75
Fair market value of share at grant date (₹)	373.10	373.10
Exercise price (₹)	200.00	200.00
No. of options	66,000	154,000

(ii) The assumptions used for calculating fair value of the ESOPs granted during the year ended 31 March 2024 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	01-Apr-23	09-Aug-23	09-Nov-23
Risk free interest rate	7.15% to 7.18%	7.15% to 7.19%	7.23% to 7.29%
Expected life	1 to 6 years	1 to 6 years	1 to 6 years
Expected annual volatility of shares	34.47%to 38.44%	34.86% to 37.94%	34.53% to 37.27%
Expected dividend yield	0.00%	0.00%	0.00%

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

38 Share-based payments (Contd..)

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	01-Apr-23	09-Aug-23	09-Nov-23
Volume weighted average price of stock as on grant date	286.53	296.83	272.08
Risk free interest rate	7.17%	7.15%	7.22%
Expected life	5.50 years	5.14 years	4.89 years
Expected annual volatility of shares	35.89%	36.79%	37.01%

The assumptions used for calculating fair value of the ESOPs granted during the previous year ended 31 March 2023 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Risk free interest rate	6.97% to 7.14%	6.91% to 7.10%	7.22% to 7.34%	7.18% to 7.26%
Expected life	1 to 6 years	1 to 6 years	1 to 6 years	1 to 6 years
Expected annual volatility of shares	38.95% to 34.17%	39.52% to 34.44%	39.43% to 34.66%	39.01% to 34.73%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Volume weighted average price of stock as on grant date	247.68	260.63	272.08	282.84
Risk free interest rate	7.04%	6.95%	7.23%	7.18%
Expected life	4.60 years	4.39 years	4.14 years	3.89 years
Expected annual volatility of shares	37.62%	38.41%	39.13%	39.11%

C Employee stock options details as on the Balance Sheet date are as follows:

(₹ in million)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:				
- ESOP 2014	68,300	54.22	119,880	35.20
- ESOP 2021	3,092,080	130.00	3,153,000	130.00
Granted during the year:				
- ESOP 2014	-	-	-	-
- ESOP 2021	760,000	200.00	310,000	130.00
Forfeited during the year:				
- ESOP 2014	5,220	10.00	-	-
- ESOP 2021	5,130	130.00	-	-
Exercised during the year:				
- ESOP 2014	25,700	10.00	38,970	10.00
- ESOP 2021	147,925	130.00	65,100	130.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

38 Share-based payments (Contd..)

(₹ in million)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Lapsed during the year:				
- ESOP 2014	1,000	10.00	12,610	10.00
- ESOP 2021	227,000	139.71	305,820	130.00
Options outstanding at the end of the year:				
- ESOP 2014	36,380	93.02	68,300	54.22
- ESOP 2021	3,472,025	144.69	3,092,080	130.00
Options exercisable at the end of the year:				
- ESOP 2014	36,380	93.02	33,100	64.75
- ESOP 2021	383,491	130.00	234,444	130.00

* Options available for grant are as under:

- ESOP 2021: 2,581,950 as at 31 March 2024 (as at 31 March 2023: 3,109,820)

** The above figure include options granted to employees of the subsidiaries.

The weighted average share price at the date of exercise for share options exercised during the year ended 31 March 2024 is ₹ 334.24 (31 March 2023: ₹ 286.43).

The options outstanding at the end of the reporting period has exercise price in the range of ₹ 10 to ₹ 200 (31 March 2023: ₹ 10 to ₹ 130) and weighted average remaining contractual life of 4.82 years (31 March 2023: 5.46 years).

D For details of expense recognised in statement of profit and loss, please refer note 26 and for details of movement in share options outstanding account refer note 16.2.

39 Financial instruments

The following table shows the carrying amount and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in million)

As at 31 March 2024	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
FVTPL					
Investments in unquoted equity instruments / other funds	50.72	-	-	50.72	50.72
Investments in mutual fund (quoted)	18.93	18.93	-	-	18.93
Financial assets not measured at fair value					
Amortised cost					
Loans	373.65	-	-	-	-
Trade receivable	2,041.66	-	-	-	-
Cash and cash equivalents (including other bank balances)	2,373.33	-	-	-	-
Other financial assets	1,072.75	-	-	-	-
	5,931.04				
Financial liabilities measured at fair value					
FVTPL					
Contingent consideration	27.82	-	-	27.82	27.82
Financial liabilities not measured at fair value					
Amortised cost					
Loans and Borrowings (including short-term borrowings)	3,954.88	-	3,994.76	-	3,994.76
Trade payables	1,323.70	-	-	-	-
Other financial liabilities	440.75	-	-	-	-
	5,747.15				

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

39 Financial instruments (Contd..)

(₹ in million)

As at 31 March 2023	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
FVTPL					
Investments in unquoted equity instruments / other funds	51.62	-	-	51.62	51.62
Investments in mutual fund (quoted)	16.76	16.76	-	-	16.76
Financial assets not measured at fair value					
Amortised cost					
Loans	11.68	-	-	-	-
Trade receivable	2,123.71	-	-	-	-
Cash and cash equivalents (including other bank balances)	803.65	-	-	-	-
Other financial assets	522.12	-	-	-	-
	3,529.54				
Financial liabilities not measured at fair value					
Amortised cost					
Loans and Borrowings (including short-term borrowings)	1,214.97	-	1,225.55	-	1,225.55
Trade payables	1,090.04	-	-	-	-
Other financial liabilities	389.58	-	-	-	-
	2,694.59				

Refer note 17 for details related to pledge of financial assets

There have been no transfers among Level 1, Level 2 and Level 3 during each of the years presented above.

Financial instruments measured at fair value (Level 2 and Level 3):

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity instruments / funds	Recent completed transaction in the underlying investment	1. Price per share 2. Qualitative factors on operating performance vis a vis budgets 3. Regulatory factors	Not applicable
Contingent consideration	In determining the fair value, the risk adjusted revenues for forward 12 months' revenue from the acquisition date was estimated using a Monte Carlo Simulation model. The undiscounted contingent consideration payable based on expected revenue is then present valued using the risk adjusted discount rate to arrive at the fair value of contingent consideration.	1. Risk adjusted revenues for forward 12 months' revenue from the acquisition date 2. Risk adjusted discount rate: 11.7%"	The estimated fair value would increase / (decrease) if: • the future revenues are higher (lower); • the discount rate is lower (higher);

The Company's borrowings have been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

Details of assets and liabilities considered under Level 3 classification

(₹ in million)

Particulars	Investment in equity instruments
Balance as at 1 April 2022	**41.62**
Investment during the year	10.00
Balance as at 31 March 2023	**51.62**
Redemption of investment during the year	(0.90)
Balance as at 31 March 2024	**50.72**

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

39 Financial instruments (Contd..)

As at 31 March 2024 and 31 March 2023, a one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets does not have a significant impact in its value.

(₹ in million)

Particulars	Contingent consideration
Balance as at 1 April 2022	**-**
Addition during the year	-
Balance as at 31 March 2023	**-**
Assumed in a business combination (refer note 45)	26.30
Loss included in ‘other expenses’	-
Interest accrued in 'finance cost'	1.52
Balance as at 31 March 2024	**27.82**

Reasonably possible change in the unobservable inputs used in fair valuation of Level 3 assets does not have a significant impact in its value.

40 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risks which may adversely impact the fair value of its financial instruments.

(i) Risk management framework

The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to the credit risk from its trade receivables, security deposit, investments, cash and cash equivalents, bank deposits and loans. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

a) Trade and other receivables

Trade receivables are unsecured comprise a widespread customer base. Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set for patients without medical aid insurance. Services to customers without medical aid insurance are settled in cash or using major credit cards on discharge date as far as possible. Credit Guarantees insurance is not purchased.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information wherever required. The expected credit loss allowance is based on the ageing of the receivables from their expected period of recovery and the rates as derived as per the trend of trade receivable ageing of previous years.

1. The Provision matrix at the end of the reporting period is as follows:-

(₹ in million)

Category	As at 31 March 2024	As at 31 March 2023
Less than 1 year	4% to 38%	3% to 32%
1-2 years	47% to 63%	41% to 60%
2-3 years	78% to 90%	80% to 100%
More than 3 years	100%	100%

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

40 Financial risk management (Contd..)

2. **Movement in the expected credit loss allowance**

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at beginning of the year	390.07	502.05
Additional provision during the year [also refer note 29(ii)]	183.86	240.47
Written-off during the year *	-	(352.45)
Balance at end of the year (refer note 13)	**573.93**	**390.07**

* The receivables that were written off would still be subject to enforcement activities for recovery of amounts due.

No single customer accounted for more than 10% of the revenue as of 31 March 2024 and 31 March 2023. There is no significant concentration of credit risk.

Details of geographic concentration of revenue is included in note 36 to the financial statements

b) Investments and cash deposits

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Also refer note 41.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023:

(₹ in million)

Particulars	As at 31 March 2024					
	Total	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years
Borrowings *	4,017.54	1,352.54	465.80	389.08	464.18	1,345.94
Lease liabilities	5,476.45	506.61	480.56	470.98	466.79	3,551.51
Trade payables	1,323.70	1,323.70	-	-	-	-
Other financial liabilities	468.57	451.35	6.63	4.20	2.83	3.56

(₹ in million)

Particulars	As at 31 March 2023					
	Total	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years
Borrowings *	1,225.53	87.74	226.97	163.10	163.10	584.62
Lease liabilities	3,694.63	468.16	346.02	358.54	349.95	2,171.96
Trade payables	1,090.04	1,090.04	-	-	-	-
Other financial liabilities	389.58	349.91	13.02	10.96	8.04	7.65

(iv) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

(a) Foreign currency risk

The Company's exchange risk arises mainly from its foreign currency borrowings. As a result, depreciation of Indian rupee relative to these foreign currencies will have a significant impact on the financial performance of the Company. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

40 Financial risk management (Contd..)

(i) Exchange rates exposure are managed within approved policy parameters. The following table presents discounted foreign currency risk from financial instruments as of 31 March 2024 and 31 March 2023:

(₹ in million)

As at 31 March 2024	Rupee equivalent of foreign currency amounts		
Particulars	**US $**	**Euro**	**Total**
Assets			
Cash and cash equivalents	15.65	-	15.65
Liabilities			
Borrowings	80.47	-	80.47
Lease liabilities	284.27	-	284.27
Trade payables	10.54	0.35	10.89
Net assets / (liabilities)	**(359.63)**	**(0.35)**	**(359.98)**

(₹ in million)

As at 31 March 2023	Rupee equivalent of foreign currency amounts		
Particulars	**US $**	**Euro**	**Total**
Assets			
Cash and cash equivalents	4.35	-	4.35
Liabilities			
Borrowings	93.42	-	93.42
Lease liabilities	316.45	-	316.45
Trade payables	2.50	-	2.50
Net assets / (liabilities)	**(408.02)**	**-**	**(408.02)**

(ii) **Sensitivity analysis**

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments

(₹ in million)

Particulars	Impact on profit or (loss) before tax		Impact on equity, net of tax	
	As at 31 March 2024	**As at 31 March 2023**	**As at 31 March 2024**	**As at 31 March 2023**
₹USD - Increase by 1%	(3.60)	(4.08)	(2.69)	(3.05)
₹USD - Decrease by 1%	3.60	4.08	2.69	3.05

(b) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments. Such risks are overseen by the Company's corporate treasury department as well as senior management.

(i) **Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate long term borrowings including current maturities	2,771.19	803.68
Total borrowings	**2,771.19**	**803.68**

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

40 Financial risk management (Contd..)

(ii) Sensitivity analysis

Every 1% increase or decrease in interest rate does not have material impact to statement of profit and loss and other components of equity

(₹ in million)

Particulars	Impact on profit or (loss) before tax		Impact on equity, net of tax	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Sensitivity				
1% increase in interest rate	(27.71)	(8.04)	(20.74)	(6.01)
1% decrease in interest rate	27.71	8.04	20.74	6.01

41 Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company. Also refer note 48.

The capital structure is as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total equity attributable to the equity share holders of the company	11,885.85	11,451.22
As percentage of total capital	88%	97%
Total loans and borrowings	3,954.88	1,214.97
Cash and cash equivalents and other bank balances	2,373.33	803.65
Net loans & borrowings	1,581.55	411.32
As a percentage of total capital	12%	3%
Total capital (loans and borrowings and equity)	**13,467.40**	**11,862.54**

42 Ind AS 115- Revenue from contract

(₹ in million)

Contract balances	As at 31 March 2024	As at 31 March 2023
a) Receivables		
Trade receivables (including unbilled revenue)	2,041.66	2,123.71
b) The Company does not have any contract asset as at 31 March 2024 and 31 March 2023.		
c) The contract liability amount from contracts with customers is given below :		
Advance from customers : Refer note 19	104.42	170.84
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	170.84	155.16
d) Revenue dis-aggregation as per the industry vertical and geographies has been included in note 22, revenue from operations.		

43 Due to Micro, Small and Medium Enterprises (refer note 21)

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 and 31 March 2023 have been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

43 Due to Micro, Small and Medium Enterprises (refer note 21) (Contd..)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year	41.43	26.30
Principal	41.43	26.30
Interest	-	-
The amount of interest paid by the buyer under MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

All trade payables are 'current.' The Company's exposure to currency and liquidity risks related to trade payable is disclosed in note 40

44. Related Party Disclosures

A. Details of related parties:

Description of relationship	Names of related parties
Parent entity	Aceso Company Pte Ltd
Intermediate Parent entity	Aceso Investment Holding Pte. Ltd.
Ultimate Parent entity	CVC Capital Partners Asia V L.P.
Subsidiary companies & LLPs	Malnad Hospital and Institute of Oncology Private Limited
	HealthCare Global Senthil Multi Specialty Hospitals Private Limited
	HCG Medi-surge Hospitals Private Limited
	Niruja Product Development and Research Private Limited
	BACC HealthCare Private Limited
	Suchirayu Health Care Solutions Limited
	HCG (Mauritius) Private Limited
	Healthcare Global (Africa) Private Limited
	Healthcare Global (Uganda) Private Limited
	Healthcare Global (Kenya) Private Limited
	Cancer Care Kenya Limited
	Healthcare Global (Tanzania) Private Limited
	HealthCare Diwan Chand Imaging LLP
	HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)
	HCG Oncology LLP
	HCG Manavata Oncology LLP
	HCG NCHRI Oncology LLP
	Nagpur Cancer Hospital & Research Institute Private Limited (with effect from 22 August 2023)
	HCG SUN Hospitals LLP
	HCG EKO Oncology LLP
Joint venture	Advanced Molecular Imaging Limited, Kenya
Fellow subsidiary	Irelia Sports India Private Limited
Key Management Personnel (KMP)	**Whole-time director**
	Dr. B S Ajaikumar - Executive Chairman
	Meghraj Arvindrao Gore
	Anjali Rossi Ajaikumar
	Non-executive directors
	Amit Soni

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

44. Related Party Disclosures (Contd..)

Description of relationship	Names of related parties
	Siddharth Patel
	Independent Directors
	Geeta Mathur
	Rajagopalan Raghavan
	Jeyandran Venugopal
	Pradip M. Kanakia
	Abhay Havaldar (upto 1 April 2023)
	Rajiv Maliwal (with effect from 25 May 2023)
	Other Key Managerial Personnel
	Meghraj Arvindrao Gore - Chief Executive Officer (also Whole-time Director)
	Srinivasa V. Raghavan - Chief Financial Officer (upto 20 August 2023)
	Ruby Ritolia - Chief Financial Officer (with effect from 21 August 2023)
	Sunu Manuel- Company Secretary
Relatives of KMP	Ms.Anjali Ajaikumar, daughter of Dr. B S Ajaikumar (also Whole-time Director)
Company / entity in which KMP / Relatives of KMP can exercise control / significant influence	JSS Bharath Charitable Trust
	Sada Sarada Tumor & Research Institute
	B.C.C.H.I Trust
	HCG Foundation
	GHA Global Healthcare Academy Private Limited
	Gutti Malnad Hospital LLP
	International Human Development and Upliftment Academy (Trust)

B Details of related party transactions during the year:

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of medical and non-medical items		
- HCG Medi-surge Hospitals Private Limited	0.37	0.83
- Sada Sarada Tumor & Research Institute	3.71	2.47
- HCG Oncology LLP	-	0.09
- HCG NCHRI Oncology LLP	4.06	3.25
- HCG EKO Oncology LLP	0.04	4.07
- Suchirayu Health Care Solutions Limited	-	10.71
Purchases of medical and non-medical items		
- HCG SUN Hospitals LLP	-	0.37
- HCG Medi-surge Hospitals Private Limited	0.74	-
Income from medical services		
- HCG Foundation	3.39	2.44
- HCG Medi-surge Hospitals Private Limited	80.57	68.65
- Malnad Hospital & Institute of Oncology Private Limited	1.70	1.91
- BACC Healthcare Private Limited	1.34	0.28
- HCG SUN Hospitals LLP	1.11	0.12
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	33.84	27.14
- HCG EKO Oncology LLP	26.48	13.17
- HCG NCHRI Oncology LLP	-	0.15
- Sada Sarada Tumor & Research Institute	6.23	7.98
- Suchirayu Health Care Solutions Limited	75.66	72.77
- HCG Manavata Oncology LLP	0.45	-
- HCG Oncology LLP	2.59	2.49
Rent charges		
- Sada Sarada Tumor & Research Institute	-	0.62
Finance lease income		
- HCG EKO Oncology LLP	3.45	-
- HCG NCHRI Oncology LLP	9.87	-
Lab charges		
- HCG EKO Oncology LLP	0.36	-
- HCG Oncology LLP	7.17	7.55

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for the year ended 31 March 2024

44. Related Party Disclosures (Contd..)

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of Capital Asset		
- HCG Manavata Oncology LLP	2.51	-
- Sada Sarada Tumor & Research Institute	1.70	
Promotion and Marketing of offline and online courses		
- GHA Global Healthcare Academy Private Limited	10.67	2.24
Business promotion expenses		
- Irelia Sports India Private Limited	4.86	-
Loans given to		
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	115.00	-
- HCG EKO Oncology LLP	95.00	-
- HCG NCHRI Oncology LLP	185.00	-
Recovery of loans given to		
- Niruja Product Development and Research Private Limited (refer note 9.1)	-	47.00
- HealthCare Global Senthil Multi-Specialty Hospital Private Limited (refer note 9.1)	-	29.36
- HCG NCHRI Oncology LLP	38.35	-
Interest income		
On loans given		
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	1.98	-
- HCG EKO Oncology LLP	0.42	-
- HCG NCHRI Oncology LLP	3.32	
Loss allowance on trade receivables [refer note 29(ii)]		
- HCG NCHRI Oncology LLP	-	50.55
- HCG EKO Oncology LLP	-	30.15
Corporate guarantee commission income received		
- HCG Medi-surge Hospitals Private Limited	6.98	4.27
- HCG Oncology LLP	1.98	2.28
- HCG NCHRI Oncology LLP	1.90	2.18
- HCG Manavata Oncology LLP	2.83	3.04
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	0.50	0.49
- HCG EKO Oncology LLP	2.19	2.45
- HCG SUN Hospitals LLP	1.42	1.39
Reimbursement of expense on employee stock option scheme cross charged by the Company		
- HCG Medi-surge Hospitals Private Limited	0.07	1.09
- BACC Healthcare Private Limited	0.49	0.68
- HCG Oncology LLP	0.67	0.35
- HCG SUN Hospitals LLP	0.70	0.55
- HCG NCHRI Oncology LLP	0.52	0.43
- HCG EKO Oncology LLP	1.56	-
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	1.64	2.50
- Healthcare Global (Kenya) Private Limited	0.42	-
Reimbursement of capital expenditure/ revenue expenditure cross charged by the Company		
- HCG Medi-surge Hospitals Private Limited	37.93	28.50
- HCG Oncology LLP	19.68	15.05
- BACC Healthcare Private Limited	5.29	0.94
- Malnad Hospital and Institute of Oncology Private Limited	0.93	0.37
- HCG SUN Hospitals LLP	19.28	8.99
- HCG NCHRI Oncology LLP	14.73	4.49
- HCG EKO Oncology LLP	21.29	0.61
- HCG Manavata Oncology LLP	4.80	3.59
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	39.35	12.25
- Suchirayu Health Care Solutions Limited	13.43	2.17
- Sada Sarada Tumor & Research Institute	-	1.49
- Niruja Product Development and Research Private Limited	- #	-

Amount below 0.01 and hence rounded-off.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

44. Related Party Disclosures (Contd..)

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Payment on behalf of:		
- HCG NCHRI Oncology LLP	2.40	46.65
- Malnad Hospital and Institute of Oncology Private Limited	10.62	6.96
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	78.25	46.02
- HCG SUN Hospitals LLP	20.89	95.58
- HCG Medi-surge Hospitals Private Limited	14.87	101.51
- HCG EKO Oncology LLP	40.61	1.72
- BACC HealthCare Private Limited	-	0.04
- HCG Oncology LLP	4.82	28.02
- Suchirayu Health Care Solutions Limited	7.17	2.19
- Healthcare Diwan Chand Imaging LLP	0.05	
- HCG Manavata Oncology LLP	0.84	-
Expenese incurred on behalf of the Company by:		
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	172.45	-
Investment made during the year other than corporate guarantee [$]		
- HCG EKO Oncology LLP [#]	200.00	124.89
- HCG NCHRI Oncology LLP [#]	171.64	-
- Nagpur Cancer Hospital & Research Institute Private Limited [#]	141.00	-
- HCG SUN Hospitals LLP	-	163.09
- HCG (Mauritius) Private Limited	-	53.60
- Niruja Product Development and Research Private Limited (refer note 9.1)	-	47.50
- HealthCare Global Senthil Multi-Specialty Hospital Private Limited (refer note 9.1)	-	30.70
[#] Secondary purchase of stake during the year ended 31 March 2024.		
$ includes both variable and fixed capital investment in case of Limited Liability Partnerships. Does not include conversion of capital from variable to fixed.		
CSR contribution to		
- International Human Development and Upliftment Academy (Trust)	2.80	-
Short-term employee benefits to:		
- Dr. B S Ajaikumar (Refer note D below)	48.97	40.87
- Meghraj Arvindrao Gore (Refer note D below)	33.08	33.20
- Anjali Ajaikumar (Refer note D below)	15.00	7.95
- Srinivasa Raghavan	4.64	13.84
- Ruby Ritolia	10.88	-
- Sunu Manuel	5.60	5.25
Post-employment benefits to:		
- Dr. B S Ajaikumar	0.91	0.78
- Meghraj Arvindrao Gore	0.47	0.38
- Anjali Ajaikumar	0.27	0.24
- Srinivasa Raghavan	(0.01)	0.12
- Ruby Ritolia	0.05	-
- Sunu Manuel	0.15	0.15
Share based payments to:		
- Srinivasa Raghavan	1.40	3.76
- Sunu Manuel	0.62	0.86
- Meghraj Arvindrao Gore	15.14	16.85
- Ruby Ritolia	5.26	-
Sitting fees to Directors		
- Rajiv Maliwal	2.00	-
- Pradip M. Kanakia	2.36	0.83
- Abhay Havaldar	-	0.77
- Geeta Mathur	2.36	1.24
- Rajagopalan Raghavan	2.36	1.12

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

44. Related Party Disclosures (Contd..)

C Details of related party balances outstanding:

(₹ in million)

Balances outstanding as at	31 March 2024	31 March 2023
Trade receivables		
a) considered good		
- Healthcare Global Senthil Multi-Specialty Hospitals Private Limited	0.10	0.10
- Malnad Hospital and Institute of Oncology Private Limited	0.88	0.97
- HCG Medi-surge Hospitals Private Limited	8.25	5.10
- Sada Sarada Tumor & Research Institute	2.94	0.81
- HCG Oncology LLP	0.34	0.10
- HCG Foundation	3.21	3.02
- B.C.C.H.I. Trust	0.01	0.01
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	-	16.91
- HCG NCHRI Oncology LLP	0.39	-
- HCG EKO Oncology LLP	10.30	-
- HCG SUN Hospitals LLP	14.40	13.68
- BACC Healthcare Private Limited	1.21	0.01
- HCG Manavata Oncology LLP	0.40	0.09
- Suchirayu Health Care Solutions Limited	9.86	3.58
b) considered doubtful for which allowance is recognised [refer note 29(ii)]		
- HCG NCHRI Oncology LLP	50.55	50.55
- HCG EKO Oncology LLP	30.15	30.15
Interest accrued on loan/ capital contribution by subsidiaries - Other Financial Assets (current/ Non-current) [Refer note E below]		
- Malnad Hospital and Institute of Oncology Private Limited	0.30	0.30
- Niruja Product Development and Research Private Limited #	91.07	91.07
- HCG EKO Oncology LLP	14.61	14.61
- HCG NCHRI Oncology LLP	29.35	29.35
# The Company has provided for non recoverability of the interest receivable on loan given as at 31 March 2024: ₹ 91.07 million (as at 31 March 2023: ₹ 91.07).		
Receivable from related parties - Other Financial Assets (current)		
- Malnad Hospital and Institute of Oncology Private Limited	5.04	1.98
- BACC Healthcare Private Limited	8.08	2.29
- HCG Oncology LLP	23.37	37.23
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	-	87.18
- HCG EKO Oncology LLP	63.72	-
- HCG NCHRI Oncology LLP	8.84	46.92
- HCG SUN Hospitals LLP	17.56	15.19
- HCG Manavata Oncology LLP	6.67	7.33
- Healthcare Global (Kenya) Private Limited	0.42	-
- Suchirayu Health Care Solutions Limited	5.09	0.20
- HCG Medi-surge Hospitals Private Limited	36.77	15.05
- Sada Sarada Tumor & Research Institute	-	0.21
Loans (Non current/ current) #		
- Niruja Product Development and Research Private Limited *	180.61	180.61
- HealthCare Global Senthil Multi-Specialty Hospital Private Limited*	1.02	1.02
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	116.98	-
- HCG EKO Oncology LLP	95.42	-
- HCG NCHRI Oncology LLP	149.97	-
# Includes interest accrued on loan ₹ 5.72 million (as at 31 March 2023: Nil)		
* Refer note 9.1. The Company has provided for non recoverability of the loan given of ₹ 181.63 million (31 March 2023: ₹ 181.63 million)		
Accrued employee benefits - Other financial liabilities (current)		
- Dr. B S Ajaikumar	10.67	6.71
- Meghraj Arvindrao Gore	12.99	11.91
- Ms. Anjali Ajaikumar	3.49	1.51
- Srinivasa Raghavan	-	2.62

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

44. Related Party Disclosures (Contd..)

(₹ in million)

Balances outstanding as at	31 March 2024	31 March 2023
- Ruby Ritolia	3.28	-
- Sunu Manuel	0.66	0.63
Provision for post-employment benefits:		
- Dr. B S Ajaikumar	3.34	3.76
- Meghraj Arvindrao Gore	1.14	0.69
- Ms. Anjali Ajaikumar	1.72	1.91
- Srinivasa Raghavan	-	1.50
- Ruby Ritolia	0.11	-
- Sunu Manuel	1.86	1.87
Trade Payables		
- Healthcare Diwan Chand Imaging LLP	24.63	24.62
- HCG Foundation	0.06	0.08
- HCG Medi-surge Hospitals Private Limited	0.76	-
- HCG NCHRI Oncology LLP	0.15	0.15
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	-	0.01
- HCG Manavata Oncology LLP	-	3.78
- HCG Oncology LLP	-	1.25
Other payable to related party - Other Financial Liability - current		
- BACC Healthcare Private Limited	18.86	18.86
- HealthCare DiwanChand Imaging LLP	2.53	2.59
- HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	9.36	-
- Sada Sarada Tumor & Research Institute	1.70	-
- HCG EKO Oncology LLP	0.03	0.03
Net investment in lease		
- HCG EKO Oncology LLP	417.56	-
- HCG NCHRI Oncology LLP	152.49	-
Corporate guarantees given on behalf of:		
- HCG Medi-surge Hospitals Private Limited	-	293.64
- HCG Oncology LLP	239.64	289.23
- HCG NCHRI Oncology LLP	183.60	229.06
- HCG Manavata Oncology LLP	279.83	313.02
- HCG EKO Oncology LLP	210.36	250.79
- HCG SUN Hospitals LLP	47.02	57.98

D Managerial remuneration:

For the financial year ended 31 March 2024

The managerial remuneration for the year ended 31 March 2024 was approved by the Nomination and Remuneration Committee, the Board of Directors and is in accordance with the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 considering the approval of the Shareholders of the Company through special resolution obtained on 25 June 2023 in respect of remuneration to Dr. B S Ajaikumar, Meghraj Arvindrao Gore and Anjali Ajaikumar.

For the financial year ended 31 March 2023

The managerial remuneration for the year ended 31 March 2023 was approved by the Nomination and Remuneration Committee, the Board of Directors and is in accordance with the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 considering the approval of the Shareholders of the Company through special resolution obtained on 23 May 2021 in respect of remuneration to Dr. B S Ajaikumar and Anjali Ajaikumar and special resolution obtained on 6 May 2022 in respect of remuneration to Meghraj Arvindrao Gore pursuant to his appointment as whole-time director with effect from 10 February 2022.

E **Interest on capital contribution in subsidiary LLPs:** While the Company is entitled to charge interest on its capital contribution made in excess of its share as per the terms of the underlying agreements, such income from HCG EKO Oncology LLP amounting to ₹ 117.67 million as at 31 March 2024 and ₹ 77.90 million as at 31 March 2023 and from HCG NCHRI Oncology LLP amounting to ₹ 44.32 million as at 31 March 2024 and 31 March 2023 is not recognised in these financial statements in view of uncertainties in timely recovery of such amounts.

F All transactions are made on normal commercial terms and conditions and are at arm's length price.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

45 Business acquisition

During the current year ended 31 March 2024, pursuant to the Business Transfer Agreements ("BTA") with SRJ Health Care Private Limited and Amrish Oncology Services Private Limited, the Company has acquired their comprehensive cancer care centre and Radiation unit / centre respectively in Indore on slump sale basis on 3 October 2023. As per the terms of the BTA, the Company has paid upfront consideration aggregating to ₹ 450 million. The BTA also provides for contingent consideration to be paid after 12 months from the date of acquisition for a maximum of upto ₹ 160 million. The amount of contingent consideration is dependent upon the acheivement of financial performance of the business acquired.

Date of business combination - The acquisition was completed on 3 October 2023.

The acquisition contributed revenue of ₹ 121.82 million and loss after tax of ₹ 20.97 million for the period between the acquisition date and 31 March 2024. Statutory financial statements of the acquiree are not available for the period from 01 April 2023 till the date of acquisition and hence it is impracticable to disclose revenue and profit or loss of the acquiree for the current reporting period as if the business combination occurred on 01 April 2023.

a) Business combination

The above transaction qualified as a business combination as per Ind AS 103 - "Business Combinations" and was accounted by applying the acquisition method wherein identifiable assets acquired, liabilities assumed were fair valued against the fair value of the consideration transferred and the resultant goodwill recognised.

b) Identifiable assets and liabilities assumed

Particulars	₹ in Million
Fair value of consideration transferred	
Cash consideration	450.00
Fair Value of Contingent Consideration	26.30
Total (A)	**476.30**
Assets acquired	
Property, plant and equipment	50.71
Right-of-use assets	251.17
Intangible assets: Non-compete	13.00
Other intangible assets	0.21
Inventories	4.31
Other assets	2.45
Total assets acquired (B)	**321.85**
Liabilities assumed	
Lease liabilities	228.04
Trade payables and other liabilities	34.40
Total liabilities assumed (C)	**262.44**
Net assets acquired [D = (B-C)]	**59.41**
Goodwill (A-D) #	**416.89**

i) Property, plant and equipment: Cost approach (reproduction cost method) has been adopted to estimate the fair value of Property, plant and equipment.

ii) Intangible assets: Non-compete has been valued using the Lost profit Method. The projected revenues and operating expenses are estimated in a "With" and "Without" scenario for the non- compete agreement, and the differential between the profits from the two scenarios serves as the basis for estimating fair value. Non-compete has useful life of 3 years.

iii) Goodwill is attributable to the synergies expected to be achieved from this acquisition. Goodwill is not tax deductible.

iv) Trade receivables: Fair value and the gross contractual amounts due of the acquired trade receivables as at the acquisition date is ₹ 0.42 million.

v) Contingent consideration: Contingent consideration is linked to pre-determined EBITDA margin (at 14.25%) over the forward 12 months revenue in excess of ₹ 316 million from the acquisition date. Contingent consideration is capped to a maximum of ₹ 160 million. The management has determined the fair value of contingent consideration as at the acquisition date of ₹ 26.30 million. In determining the fair value, the risk adjusted revenues for forward 12 months' revenue from the acquisition date was estimated using a Monte Carlo Simulation model. The undiscounted contingent consideration payable based on expected revenue is then present valued using the discount rate of 11.7 % to arrive at the fair value of contingent consideration. During the period, interest of ₹ 1.52 million has been accrued as a result of which the contingent consideration has increased to ₹ 27.82 million as at 31 March 2024.

c) The Company has incurred ₹ 11.72 million towards legal and professional fees in respect of this business acquisition which has been charged-off in the Statement of profit and loss as Other expenses.

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

46 Investments, loans, guarantees and security

(a) The Company has made following investments

(₹ in million)

Investment in equity instruments *	As at 1 April 2023	Invested during the year	Sold / (redeemed) during the year	As at 31 March 2024
Investment in companies				
Malnad Hospital & Institute of Oncology Private Limited	6.64	-	-	6.64
Niruja Product Development and Research Private Limited** (refer note 9.1)	48.00	-	-	48.00
HCG Medi-surge Hospitals Private Limited	160.98	-	-	160.98
BACC HealthCare Private Limited**	1,286.33	-	-	1,286.33
HCG (Mauritius) Private Limited	287.21	-	-	287.21
HealthCare Global Senthil Multi-Specialty Hospital Private Limited** (refer note 9.1)	39.08	-	-	39.08
Nagpur Cancer Hospital & Research Institute Private Limited	-	141.00	-	141.00
HCG Suchirayu Health Care Solutions Limited	349.70	-	-	349.70
Investment in limited liability partnerships				
HCG Diwanchand Imaging LLP**	32.47	-	-	32.47
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)**	1,451.12	-	-	1,451.12
HCG NCHRI Oncology LLP**	491.77	171.64	-	663.41
HCG EKO Oncology LLP **	666.72	200.00	-	866.72
HCG Manavata Oncology LLP **	571.47	-	-	571.47
HCG Oncology LLP	150.78	-	-	150.78
HCG SUN Hospitals LLP	553.73	-	-	553.73
Investment in other companies / funds				
Zoctr Health Private Limited #	7.64	-	-	7.64
International Stemcell Services Limited	5.61	-	-	5.61
Epigeneres Biotech Private Limited #	10.00	-	-	10.00
Niramai Health Analytix Private Limited	35.86	-	-	35.86
Anthill Early Stage Fund - I	10.00	-	(0.90)	9.10

* It includes fair value of corporate guarantee given to subsidiaries accounted as investment in subsidiaries as per Ind AS 109

** The Company has provided for permanent diminution in investment of ₹ 1,615.04 million (31 March 2023: ₹ 1,415.04 million) (refer note 8)

Fair value of the investments is Nil

$ includes both variable and fixed capital in case of Limited Liability Partnerships

^ Secondary transactions during the year

(b) The Company has given inter-corporate deposits / loan to its following subsidiaries

(₹ in million)

Entity	As at 1 April 2023	Loan given (including interest accrued) during the year	Repayment during the year	As at 31 March 2024	Purpose of the deposits
Niruja Product Development and Research Private Limited*	180.61	-	-	180.61	The loan has been given for the purpose of investing in HCG (Mauritius) Private Limited. Refer note 9.1
HealthCare Global Senthil Multi-Specialty Hospitals Private Limited*	1.02	-	-	1.02	These loans have been given for operational requirements of the respective entities. Refer note 9.1
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	-	116.98	-	116.98	These loans have been given for operational requirements of the respective entities.
HCG NCHRI Oncology LLP	-	133.77	(38.35)	95.42	These loans have been given for operational requirements of the respective entities.
HCG EKO Oncology LLP	-	149.97	-	149.97	These loans have been given for operational requirements of the respective entities.

* The Company has provided for non recoverability of the loan given of ₹ 181.63 million

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

46 Investments, loans, guarantees and security (Contd..)

(c) The Company has provided the guarantees to the following entities

(₹ in million)

Entity	As at 1 April 2023	Movement	As at 31 March 2024	Purpose of the guarantee
HCG Medi-surge Hospitals Private Limited	293.64	(293.64)	-	Corporate guarantee given to bank towards term loan withdrawn during the year
HCG Oncology LLP	289.23	(49.59)	239.64	Corporate guarantee given to bank towards term loan
HCG NCHRI Oncology LLP	229.06	(45.46)	183.60	Same as above
HCG Manavata Oncology LLP	313.02	(33.19)	279.83	Same as above
HCG EKO Oncology LLP	250.79	(40.43)	210.36	Same as above
HCG SUN Hospitals LLP	57.98	(10.96)	47.02	Same as above
Total	**1,433.72**	**(473.27)**	**960.45**	

Note: The above does not include corporate guarantee given by the Company for bank guarantee and cash credit facility. This represents only corporate guarantee given for the term loan facility of the respective entities.

(d) The Company has made following investments:

(₹ in million)

Investment in equity instruments *	As at 1 April 2022	Invested during FY 2022-23	Sold during FY 2022-23	As at 31 March 2023
Investment in companies				
Malnad Hospital & Institute of Oncology Private Limited	6.64	-	-	6.64
Niruja Product Development and Research Private Limited	0.50	47.50	-	48.00
HCG Medi-surge Hospitals Private Limited	160.98	-	-	160.98
BACC HealthCare Private Limited**	1,286.33	-	-	1,286.33
HCG (Mauritius) Private Limited	233.61	53.60	-	287.21
HealthCare Global Senthil Multi-Specialty Hospital Private Limited** (refer note 9.1)	8.38	30.70	-	39.08
HCG Suchirayu Health Care Solutions Limited	349.70	-	-	349.70
Investment in limited liability partnerships				
HCG Diwanchand Imaging LLP**	32.47	-	-	32.47
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)**	1,451.12	-	-	1,451.12
HCG NCHRI Oncology LLP**	491.77	-	-	491.77
HCG EKO Oncology LLP **	541.83	124.89	-	666.72
HCG Manavata Oncology LLP	571.47	-	-	571.47
HCG Oncology LLP	150.78	-	-	150.78
HCG SUN Hospitals LLP	390.64	163.09	-	553.73
Investment in other companies / funds				
Zoctr Health Private Limited #	7.64	-	-	7.64
International Stemcell Services Limited	5.61	-	-	5.61
Epigeneres Biotech Private Limited #	10.00	-	-	10.00
Niramai Health Analytix Private Limited	35.86	-	-	35.86
Anthill Early Stage Fund - I	8.00	2.00	-	10.00

* It includes fair value of corporate guarantee given to subsidiaries accounted as investment in subsidiaries as per Ind AS 109

** The Company has provided for permanent diminution in investment of ₹ 1,415.04 million (refer note 8)

Fair value of the investments is Nil

$ includes both variable and fixed capital in case of Limited Liability Partnerships

Notes to the Standalone Financial Statements

for the year ended 31 March 2024

46 Investments, loans, guarantees and security (Contd..)

(e) The Company has given inter-corporate deposits to its following companies

(₹ in million)

Entity	As at 1 April 2022	Movement	As at 31 March 2023	Purpose of the deposits
Niruja Product Development and Research Private Limited	227.61	(47.00)	180.61	The loan has been given for the purpose of investing in HCG (Mauritius) Private Limited. Refer note 9.1
HealthCare Global Senthil Multi-Specialty Hospital Private Limited *	30.38	(29.36)	1.02	These loans have been given for operational requirements of the respective entities. Refer note 9.1

* The Company has provided for non recoverability of the loan given of ₹ 181.63 million

(f) The Company has provided the guarantees to the following entities

(₹ in million)

Entity	As at 1 April 2022	Movement	As at 31 March 2023	Purpose of the deposits
HCG Medi-surge Hospitals Private Limited	455.48	(161.84)	293.64	Corporate guarantee given to bank towards term loan
HCG Oncology LLP	320.15	(30.92)	289.23	Same as above
HCG NCHRI Oncology LLP	258.84	(29.78)	229.06	Same as above
HCG Manavata Oncology LLP	336.56	(23.54)	313.02	Same as above
HCG EKO Oncology LLP	282.14	(31.35)	250.79	Same as above
HCG SUN Hospitals LLP	173.20	(115.22)	57.98	Same as above
Total	**1,826.37**	**(392.65)**	**1,433.72**	

Note: The above does not include corporate guarantee given by the Company for bank guarantee and cash credit facility. This represents only corporate guarantee given for the term loan facility of the respective entities.

47 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) During the year ended 31 March 2024, 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) During the year ended 31 March 2024, 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not made any private placement of shares or fully or partly convertible debentures during the year. Further, the amount raised in the previous years and partially unutilised as at the previous year end have been used during the year for the purposes for which the funds were raised.

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31 March 2024 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

(ix) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(x) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended 31 March 2024.

(xi) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year ended 31 March 2024.

Notes to the Standalone Financial Statements
for the year ended 31 March 2024

48 Ratios

Ratio	Numerator	Denominator	Current year	Previous year	Variance	Explanatory notes
Current Ratio (times)	Total current assets	Total current liabilities	1.37	1.69	-19%	
Debt-Equity Ratio (times)	Debt = Borrowings	Total equity	0.33	0.11	214%	(i)
Debt Service Coverage Ratio (times)	Net profit after taxes + depreciation and amortisation + finance cost + exceptional items + Loss on disposal of property,plant and equipment	Interest + Lease payments + Principal repayments (Principal repayments also include payment on account of foreclosures / prepayments)	2.24	2.15	5%	
Net Profit Ratio (%)	Profit for the year	Revenue from operations	3%	4%	-23%	
Return on Capital employed (%)	Profit before tax and finance costs	Capital employed = Net worth + Borrowings + Lease liabilities + Deferred tax liabilities	5%	7%	-19%	
Return on Equity Ratio (%)	Profit for the year	Average total equity	3%	4%	-19%	
Inventory turnover ratio (times)	Cost of goods sold	Average inventories	11.64	12.27	-5%	
Trade Receivables turnover ratio (times)	Revenue from operations	Average trade receivables	5.28	5.40	-2%	
Trade payables turnover ratio (times)	Purchase of medical and non-medical items + Other expenses	Average trade payables	5.84	6.37	-8%	
Net capital turnover ratio (times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	7.55	6.87	10%	
Return on Investment (%)	Income generated from treasury investments	Average invested funds in treasury investments, including fixed deposits	5.22%	5.37%	-3%	

Explanatory note:

(i) Due to additional borrowings availed during the current year.

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

As per our reports of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Consolidated
Financial Statements

Independent Auditor's Report

To
The Members of **HealthCare Global Enterprises Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of HealthCare Global Enterprises Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/ consolidated financial statements/ financial information of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on seperate/consolidated financial statement of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

The key audit matter	How the matter was addressed in our audit
Impairment evaluation of goodwill Refer note 3(j), note 3(p)(ii), note 7, and note 7(A) to the consolidated financial statements. Goodwill is a significant item on the consolidated balance sheet for which the Holding Company performs impairment testing at least annually. In performing such impairment assessments, the Holding Company compares the carrying value of each of the identifiable Cash Generating Units ("CGUs") to which the goodwill has been allocated with its respective recoverable values, to determine whether any impairment loss should be recognised. The Holding Company's process of assessment of impairment of goodwill involves using key assumptions including estimates of revenue growth rate, profitability, discount rate and terminal growth rate. Any changes to these assumptions could result in different carrying value. Due to the significance of the carrying amount of goodwill and significant judgments required to compute recoverable values, we have determined this to be a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of accounting policy for impairment of goodwill as per relevant accounting standards. • Evaluated the design and implementation of key internal financial controls relating to impairment process and tested the operating effectiveness of such controls. • We assessed the adequacy of the level of impairment by: - evaluating with the help of our valuation specialists, where required, appropriateness of the valuation methodology and of key assumptions, specifically those relating to revenue growth rates, profitability, discount rates and terminal growth rates with reference to our understanding of their business and industry, historical trends and underlying business strategies and growth plans; - performing sensitivity analysis of the key assumptions. • Assessed the adequacy of disclosures in the consolidated financial statements in accordance with the relevant accounting standards.

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/Designated Partners' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ Designated Partners of the Limited Liability Partnerships (LLPs) included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/LLP and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies/ Designated Partners of the LLPs included in the Group and of its joint venture are responsible for assessing the ability of each company/LLP to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Designated Partners either intends to liquidate the Company/LLP or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies/ Designated Partners of the LLPs included in the Group and the respective Board of Directors of its joint venture are responsible for overseeing the financial reporting process of each company/LLP.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group and its joint venture to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and subsidiary companies incorporated in India and audited by us and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter(s)

a. We did not audit the financial statements / financial information of 10 subsidiaries and 5 step down subsidiaries, whose financial statements/financial information reflects total assets (before consolidation adjustments) of ₹ 4,726.77 millions as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 3,088.95 millions and net cash outflows (before consolidation adjustments) amounting to ₹ 27.68 millions for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive profit) of ₹ 3.88 millions for the year ended 31 March 2024, in respect of a joint venture, whose financial statements/financial information has not been audited by us. These financial statements/ financial information have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and a joint venture is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial statements/ financial information of such subsidiaries and a joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except (a) that the back-up of Tally with respect to a Subsidiary incorporated in India which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India on a daily basis during 1 April 2023 till 18 May 2023; and (b) for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company and subsidiary companies incorporated in India and audited by us as on 31 March 2024 taken on record by the Board of Directorsof the Holding Company and subsidiary companies incorporated in India and audited by us and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements/ financial information of the subsidiaries and a joint venture, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group and its joint venture. Refer Note 33 to the consolidated financial statements.

b. The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements/financial information have been audited have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 49(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements/financial information have been audited have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 49(v) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements/financial information have been audited under the Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies incorporated in India has neither declared nor paid any dividend during the year.

f. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiary companies which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and the subsidiary companies have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. In respect of the Holding Company and three subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the application level for certain non-editable fields/ tables and at the database level to log any direct data changes, for the accounting software used for maintaining the books of account relating to revenue and consumption records.

ii. In respect of the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger by the Holding Company and three subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled (a) at the database level to log any direct data changes; (b) at the application level for certain tables relating to various processes (c) at the application level for certain tables relating to various processes for a part of the year since it was enabled in a phased manner from December 2023 to January 2024 and (d) at the application level for certain changes performed by users having privileged access rights.

iii. In respect of the Holding Company and five subsidiary companies, in the absence of reporting on compliance with audit trail requirements in the independent auditor's report of a service organization for an accounting software used for maintaining the books of account relating to payroll master, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions recorded in the software.

iv. In respect of two accounting software used for maintaining books of accounts relating to the acquired business by the Holding Company (operated from 3 October 2023 to 31 December 2023), did not have the feature of recording audit trail (edit log) facility.

v. In respect of two subsidiary companies, the accounting software used for maintaining books of accounts relating to revenue, purchases, inventory, accounts payable, accounts receivable, fixed assets and general ledger did not have the feature of recording audit trail (edit log) facility.

vi. Further, in respect of a subsidiary company, the accounting software used for maintaining books of accounts relating to revenue and consumption records did not have the feature of recording audit trail (edit log) facility.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors, where applicable, is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHPZ3008

Place: Bangalore
Date: 29 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of HealthCare Global Enterprises Limited for the year ended 31 March 2024

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditor in his reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	HealthCare Global Enterprises Limited	L15200KA1998 PLC023489	Holding Company	i (c)
2	HCG Medi- Surge Hospitals Private Limited	U85110GJ2000 PTC037474	Subsidiary	vii(a)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHPZ3008

Place: Bangalore
Date: 29 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of HealthCare Global Enterprises Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

Opinion

In conjunction with our audit of the consolidated financial statements of HealthCare Global Enterprises Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/financial information of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/financial information insofar as it relates to 5 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikash Gupta
Partner
Membership No.: 064597
ICAI UDIN:24064597BKDHPZ3008

Place: Bangalore
Date: 29 May 2024

Consolidated Balance Sheet as at 31 March 2024

(₹ in million)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	10,146.94	9,718.25
(b) Capital work-in-progress	5	831.84	181.78
(c) Right-of-use assets	6	4,906.61	3,812.71
(d) Goodwill	7	2,229.35	1,812.34
(e) Other intangible assets	7	298.71	186.73
(f) Investments in equity accounted investee	8(A)	33.60	28.51
(g) Financial assets			
(i) Investments	8(B)	69.65	68.38
(ii) Other financial assets	10	486.15	542.55
(h) Deferred tax assets (net)	32.3	70.58	52.74
(i) Other tax assets (net)	32.4	769.69	574.40
(j) Other non-current assets	11	433.34	378.43
Total non current assets		**20,276.46**	**17,356.82**
Current assets			
(a) Inventories	12	426.68	382.86
(b) Financial assets			
(i) Trade receivables	13	2,940.26	3,025.11
(ii) Cash and cash equivalents	14	2,726.13	1,746.19
(iii) Bank balance other than cash and cash equivalents above	14.1	304.60	220.20
(iv) Loans	9	19.43	17.69
(v) Other financial assets	10	67.80	72.08
(c) Other current assets	11	313.62	339.22
Total current assets		**6,798.52**	**5,803.35**
TOTAL ASSETS		**27,074.98**	**23,160.17**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,392.90	1,391.16
(b) Other equity	16	6,864.90	7,214.06
Equity attributable to owners of the Company		**8,257.80**	**8,605.22**
Non-controlling interests	17	393.38	88.94
Total equity		**8,651.18**	**8,694.16**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	4,853.01	3,617.41
(ii) Lease liabilities	6	5,588.16	4,530.61
(b) Provisions	21	156.62	131.86
(c) Deferred tax liabilities (net)	32.3	60.75	123.66
(d) Other non-current liabilities	20	328.21	359.27
Total non-current liabilities		**10,986.75**	**8,762.81**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,874.56	375.94
(ii) Lease liabilities	6	427.87	488.02
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		62.12	48.94
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,748.53	2,435.60
(iv) Other financial liabilities	19	1,636.51	1,403.81
(b) Other current liabilities	20	482.62	755.07
(c) Provisions	21	182.86	171.14
(d) Current tax liabilities (net)	32.5	21.98	24.68
Total current liabilities		**7,437.05**	**5,703.20**
Total liabilities		**18,423.80**	**14,466.01**
TOTAL EQUITY AND LIABILITIES		**27,074.98**	**23,160.17**
Material accounting policies	3		

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

As per our reports of even date attached
for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer
Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary
Place : Bengaluru
Date : 29 May 2024

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
I Income			
Revenue from operations	23	19,078.71	16,914.14
Income from government grant	24	42.48	30.33
Other income	25	169.42	131.84
Total income (I)		**19,290.61**	**17,076.31**
II Expenses			
Purchases of medical and non-medical items		4,793.66	4,323.75
Changes in inventories	26	(39.49)	(83.14)
Employee benefits expense	27	3,082.42	2,751.24
Finance costs	28	1,087.36	1,035.02
Depreciation and amortisation expense	29	1,743.56	1,634.73
Other expenses	30	7,988.74	6,965.73
Total expenses (II)		**18,656.25**	**16,627.33**
III Profit before share of profit / (loss) of joint venture, exceptional items and tax (I-II)		**634.36**	**448.98**
IV Share of profit / (loss) of joint venture		3.88	(0.18)
V Profit before exceptional items and tax (III + IV)		**638.24**	**448.80**
VI Exceptional items, net gain	31	39.05	-
VII Profit before tax (V+VI)		**677.29**	**448.80**
VIII Tax expense			
(1) Current tax	32.1	343.15	153.79
(2) Deferred tax expense / (credit)	32.1	(79.20)	118.71
Total tax expense		**263.95**	**272.50**
IX Profit for the year (VII-VIII)		**413.34**	**176.30**
X Other comprehensive income / (loss)			
(i) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans	37.2	(7.97)	(5.15)
(b) Income tax on the above	32.2	1.55	1.01
(ii) Items that will be reclassified to profit or loss			
(a) Exchange differences on translation of financial statements of foreign operations		1.79	(9.01)
(b) Income tax on the above	32.2	-	-
Other comprehensive (loss) for the year, net of tax		**(4.63)**	**(13.15)**
XI Total comprehensive income for the year (IX+X)		**408.71**	**163.15**
Profit / (loss) for the year attributable to:			
Owners of the Company		481.55	293.49
Non - controlling interests		(68.21)	(117.19)
		413.34	**176.30**
Other comprehensive income / (loss) for the year attributable to:			
Owners of the Company		(4.28)	(14.69)
Non-controlling interests.		(0.35)	1.54
		(4.63)	**(13.15)**
Total comprehensive income / (loss) for the year attributable to:			
Owners of the Company		477.27	278.80
Non controlling interests		(68.56)	(115.65)
		408.71	**163.15**
Earnings per share (equity share of ₹ 10/- each):			
Basic (in ₹)	35.1	3.46	2.11
Diluted (in ₹)	35.2	3.43	2.10
Material accounting policies	3		

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Date : 29 May 2024

Consolidated Cash Flow Statement

for the year ended 31 March 2024

(₹ in million)

Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from operating activities			
Profit before tax		**677.29**	**448.80**
Adjustments for:			
Finance costs		1,087.36	1,035.02
Gain on investment revalued at FVTPL		(2.17)	(0.35)
Loss on disposal of property, plant and equipment (net)		17.74	13.22
Trade receivable written off (net)		4.32	317.12
Loss allowance on trade receivables		225.61	(154.10)
Interest income		(126.97)	(118.10)
Net gain on termination of lease		(17.57)	(3.87)
Depreciation and amortisation expense		1,743.56	1,634.73
Payables no longer required written back		(6.41)	(2.26)
Income from government grant		(42.48)	(30.33)
Expenses on employee stock option scheme		78.46	65.14
Net foreign exchange (gain)		(4.46)	(3.46)
Share of (profit) / loss of equity accounted investees		(3.88)	0.18
Exceptional items	31	(39.05)	-
Movements in working capital:			
Changes in trade receivables		(278.17)	(785.48)
Changes in inventories		(39.51)	(83.14)
Changes in loans, financial assets and other assets		(79.20)	(173.45)
Changes in trade payables, financial liabilities and other liabilities		99.38	563.47
Changes in provisions		25.62	19.92
Cash generated from operations		**3,319.47**	**2,743.06**
Income taxes paid (net of refunds)		(473.68)	(227.15)
Net cash generated from operating activities (A)		**2,845.79**	**2,515.91**
Cash flows from investing activities			
Fixed deposits invested		(265.70)	(632.08)
Proceeds from maturity of fixed deposits		250.50	501.92
Acquisition of property, plant and equipment and others		(1,856.80)	(1,332.37)
Proceeds from disposal of property, plant and equipment		17.01	75.59
Payment for acquisition of business	45.1	(450.00)	-
Payment for asset acquisition (net of cash and cash equivalents)	45.2	(35.25)	-
Advance for acquisition of business	11.1	-	(20.00)
Redemption of investment in other funds		0.90	-
Invesment - others		-	(2.00)
Receipt of government grant		-	12.90
Interest received		82.07	65.72
Net cash (used in) investing activities (B)		**(2,257.27)**	**(1,330.32)**
Cash flows from financing activities $			
Proceeds from issue of equity shares	15 & 16	19.49	8.86
Acquisition of non-controlling interest	16.6 (ii)	(422.00)	-
Proceeds from long-term borrowings		2,900.17	554.34
Repayment of long-term borrowings		(1,511.40)	(627.56)
Repayment of principal portion of lease liability		(455.47)	(380.20)
Interest paid on lease liability		(506.29)	(477.17)
Interest and other borrowing cost paid		(664.66)	(478.94)
Net cash (used in) financing activities (C)		**(640.16)**	**(1,400.67)**
Net (decrease) in cash and cash equivalents (A+B+C)		**(51.64)**	**(215.08)**
Cash and cash equivalents at the beginning of the year	14	1,711.82	1,926.90
Cash and cash equivalents at the end of the year	14	**1,660.18**	**1,711.82**

Consolidated Cash Flow Statement

for the year ended 31 March 2024

For the purpose of statement of cash flows, cash and cash equivalent comprises the followings:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	10.76	14.64
(b) Cheques, drafts on hand	1.73	1.95
(c) Balance with bank		
In current accounts and EEFC accounts	576.90	956.58
In deposit accounts	2,136.74	773.02
Cash and cash equivalent as per balance sheet	**2,726.13**	**1,746.19**
Less : Bank overdrafts repayable on demand (refer note 18)	(1,065.95)	(34.37)
Cash and cash equivalents as per the consolidated statement of cash flows	**1,660.18**	**1,711.82**

$ Reconciliation between opening and closing balance sheet for liabilities arising from financing activities for the year ended 31 March 2024:

Particulars	Term loan and deferred payment obligation #	Lease liabilities	Other borrowing cost	Total
Debt as at 1 April 2023	**3,958.98**	**5,018.63**	**-**	**8,977.61**
Cash flows including interest and other borrowing cost	959.23	(961.76)	(235.12)	(237.65)
- Interest and other borrowing cost*	418.15	544.41	130.05	1,092.61
- Non cash transactions @	(10.91)	1,414.75	105.07	1,508.91
- Loan from acquisition of shares in Nagpur Cancer Hospital & Research Institute Private Limited, including interest accrued ₹ 1.78 million (refer note 45.2)	336.17	-	-	336.17
Debt as at 31 March 2024	**5,661.62**	**6,016.03**	**-**	**11,677.65**

includes current maturities of Term loan and deferred payment obligation grouped under current borrowings

*Interest and other borrowing cost include interest on Short term borrowings, bank charges measured at amortised cost etc

@ Non cash transactions include lease liabilities recognised for new leases, adjustment for termination of lease contract, unrealised gain / loss on foreign currency fluctuations etc

$ Reconciliation between opening and closing balance sheet for liabilities arising from financing activities for the year ended 31 March 2023:

Particulars	Term loan and deferred payment obligation #	Lease liabilities	Other borrowing cost	Total
Debt as at 1 April 2022	**4,028.14**	**5,070.44**	**-**	**9,098.58**
Cash flows including interest and other borrowing cost	(450.19)	(857.37)	(101.97)	(1,409.53)
- Interest and other borrowing cost*	387.35	508.28	101.97	997.60
- Non cash transactions @	(6.32)	297.28	-	290.96
Debt as at 31 March 2023	**3,958.98**	**5,018.63**	**-**	**8,977.61**

includes current maturities of Term loan and deferred payment obligation grouped under current borrowings

*Interest and other borrowing cost include interest on Short term borrowings, bank charges measured at amortised cost etc

@ Non cash transactions include lease liabilities recognised for new leases, changes due to remeasurement of lease liabilities, unrealised gain / loss on foreign currency fluctuations etc

Material accounting policies 3

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

As per our reports of even date attached
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Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
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Executive Chairman
DIN: 00713779
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Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

a. Equity share capital *

(₹ in million)

Particulars	No of Shares	(₹ in million)
As at 01 April 2022	**139,011,992**	**1,390.12**
Issue of equity shares pursuant to exercise of employee share options under employee share option plan 2014 (refer note 38(C))	104,070	1.04
Balance as at 31 March 2023	**139,116,062**	**1,391.16**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 and the Employee Stock Option Scheme 2021 (refer note 38(C))	173,625	1.74
Balance as at 31 March 2024	**139,289,687**	**1,392.90**

b. Other equity *

(₹ in million)

Particulars	Note No.	Reserves and surplus				Items of other comprehensive income		Equity attributable to share holders of the company	Non-controlling interests	Total other equity
		Capital reserve	Securities premium	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Remeasurements of the defined benefit plans			
Balance as at 01 April 2022		**6.77**	**11,628.99**	**67.18**	**(4,365.49)**	**(12.38)**	**(12.32)**	**7,312.75**	**134.27**	**7,447.02**
Profit / (loss) for the year		-	-	-	293.49	-	-	293.49	(117.19)	176.30
Other comprehensive income / (loss) for the year (net of tax)		-	-	-	-	(10.55)	(4.14)	(14.69)	1.54	(13.15)
Total comprehensive income / (loss)		**-**	**-**	**-**	**293.49**	**(10.55)**	**(4.14)**	**278.80**	**(115.65)**	**163.15**
Transactions with owners of the Company										
Contributions and distributions										
Premium received on shares issued during the year		-	7.82	-	-	-	-	7.82	-	7.82
Transferred to Securities premium account on exercise of ESOPs	16.2	-	12.04	(12.04)	-	-	-	-	-	-
Expense on employee stock option scheme	16.2	-	-	65.14	-	-	-	65.14	-	65.14
Additional investments by non-controlling interests	17	-	-	-	-	-	-	-	2.87	2.87
Changes in ownership interests										
Change in fair value of gross obligations over written put options issued to the non-controlling interests	16.6	-	-	-	(383.00)	-	-	(383.00)	-	(383.00)
Change in ownership in subsidiaries without change in control	17	-	-	-	(67.45)	-	-	(67.45)	67.45	-
Balance as at 31 March 2023		**6.77**	**11,648.85**	**120.28**	**(4,522.45)**	**(22.93)**	**(16.46)**	**7,214.06**	**88.94**	**7,303.00**
Profit / (loss) for the year		-	-	-	481.55	-	-	481.55	(68.21)	413.34
Other comprehensive income / (loss) for the year (net of tax)		-	-	-	-	2.14	(6.42)	(4.28)	(0.35)	(4.63)
Total comprehensive income / (loss)		**-**	**-**	**-**	**481.55**	**2.14**	**(6.42)**	**477.27**	**(68.56)**	**408.71**
Transactions with owners of the Company										
Contributions and distributions										
Premium received on shares issued during year		-	17.75	-	-	-	-	17.75	-	17.75
Transferred to Securities premium account on exercise of ESOPs	16.2	-	22.13	(22.13)	-	-	-	-	-	-
Transferred to retained earnings on lapse of vested ESOPs	16.2			(1.06)	1.06	-	-	-	-	-
Expense on employee stock option scheme	16.2	-	-	78.46	-	-	-	78.46	-	78.46
Changes in ownership interests										
Change in fair value of gross obligations over written put options issued to the non-controlling interests	16.6	-	-	-	(90.00)	-	-	(90.00)	-	(90.00)
Change in ownership in subsidiaries without change in control	17	-	-	-	(832.64)	-	-	(832.64)	373.00	(459.64)
Balance as at 31 March 2024		**6.77**	**11,688.73**	**175.55**	**(4,962.48)**	**(20.79)**	**(22.88)**	**6,864.90**	**393.38**	**7,258.28**

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

b. Other equity * (Contd..)

Securities premium

Securities premium is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding Account

The Company has employee stock option plans for eligible employees of the Company and its group companies. Refer note 38 for further details on these plans. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to retained earnings on account of vested stock options not exercised by employees.

Capital reserve

Capital reserve is created on account of business combinations. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

Foreign currency translation reserve (FCTR)

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the FCTR. Exchange difference accumulated in the foreign currency translation reserve are reclassified to Statement of Profit and Loss on the disposal of the foreign operation.

Remeasurement of defined benefit plan

This represents the actuarial gain and losses on defined benefit plan.

* There are no changes in equity share capital and other equity due to prior period errors

Material accounting policies **3**

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Sunu Manuel
Company Secretary
Place : Bengaluru
Date : 29 May 2024

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

1 **HealthCare Global Enterprises Limited** ('the Company') and its subsidiaries (collectively referred to as ""the Group"") and its joint venture is engaged in setting up and managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The Company is a public company incorporated and domiciled in India and has its registered office at #8, P. Kalinga Rao Road, Sampangi Ram Nagar, Bengaluru – 560 027.

The consolidated financial statements for the year ended 31 March 2024 were approved by the Board of Directors and authorised for issue on 29 May 2024.

2.1 Basis of preparation of the consolidated financial statements

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (Rs), which is also the Group's functional currency. All amounts are in Indian Rupees million except share data and per share data, unless otherwise stated. The functional currency of foreign subsidiary is the currency of the primary economic environment in which the entity operates.

(c) Basis of measurement

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

Items	Measurement
Non-derivative financial instruments at FVTPL	Fair Value
Contingent consideration assumed in business combination	Fair Value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(d) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Application of accounting policies that require accounting estimates involving judgments and the use of assumptions in the consolidated financial statements have been disclosed below:

Judgements

- **Note 6 -** Leasing arrangements : Evaluation whether an arrangement qualifies to be a lease based on the requirements of the relevant standard.

  Identification of a lease requires significant management judgment.

- **Note 5 -** Property, plant and equipment: Timing of capitalisation and nature of cost capitalised.

- **Note 46 -** The Management has assessed whether or not the Group has control over the entities consolidated Assumptions and estimation uncertainties

- **Note 6 -** Leasing arrangements : Determination of lease term and discount rate

- **Note 5 -** Estimation of useful life of property, plant and equipment

- **Note 19 -** Liability on written put options

- **Note 23 -** Revenue: estimation of disallowances

- **Note 32 -** Deferred tax balances (net) : Timing and level of future taxable profit

- **Note 33 -** Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- **Note 37 -** Employee benefit plans: key actuarial assumptions.

- **Note 7A -** Goodwill impairment assessment : Key inputs considered i.e. discount rate, estimate of revenue growth rate, terminal growth rate and profitability

- **Note 40 and 13 -** Expected credit loss : Forward adjustment to the collected trend

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

- **Note 20** - Deferred government grant: Timing of meeting export obligations

- **Note 45** - Business combination: Identification of intangible asset, fair value of assets acquired and liabilities assumed and measurement of contingent consideration.

(e) Current / Non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(f) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group's has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurement, including level 3 fair values, and reports directly to the chief financial officer.

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

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

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

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

When measuring the fair value of an asset or a liability, the Group's uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group's recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.2 Basis of consolidation

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Consolidation procedure followed is as under:

Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance Put option over NCI is recorded as financial liability and the debit entry is to 'other' equity, any subsequent change in the carrying amount of the put liability is recognised in other equity. In case the put option expires unexercised, then the put liability is reversed against other equity.

(c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

(d) Equity accounted investees

The Group's interests in equity accounted investees comprise interest in a joint venture. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than the rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees until the date on which significant influence or joint control ceases.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3 Summary of material accounting policies

(a) Revenue recognition

Medical services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. As per Ind AS 115, "Revenue from contracts with customers", revenue from hospital services are recognized as and when services are performed, unless significant future uncertainties exist. The Group assess the distinct performance obligation in the contract and measures to at an amount that reflects the consideration it expects to receive net of tax collected and remitted to Government and adjusted for discounts and disallowances. The Group based on contractual terms and past experience determines the performance obligation satisfaction over time. Unbilled revenue is recorded for the service rendered where the patients are not discharged and final invoice is not raised for the services.

Sale of medical and non-medical items

Pharmacy Sales are recognised when the control of the products being sold is transferred to the customer and no significant uncertainties exist regarding the amount of consideration that will be derived from the sale of goods as regarding its collection. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Other operating revenue

Other operating revenue comprises revenue from various ancillary revenue generating activities like facilitation of training programmes, operations and maintenance arrangements as per the management agreement with other entities. The service income is recognised only once the services are rendered, there is no unfulfilled performance obligation as per the terms of agreement and no significant future uncertainties exist.

Disaggregation of revenue

The Group disaggregates revenue from hospital services (medical and healthcare services), sale of medical and non-medical items and other operating income. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

Interest income

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

(b) Leases

Group as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(b) Leases (Contd..)

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Group. Generally, the Group uses its incremental borrowing rate as the discount rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in consolidated statement of profit and loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date and the amounts expected to be payable under a residual value guarantee.

(c) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group at the exchange rates at the dates of the transactions or an average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

(d) Foreign currency translations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognised in FCTR is transferred to the statement of consolidated profit and loss as part of the profit or loss on disposal.

(e) Borrowing costs

Borrowing costs include:

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of lease liability, and

(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(e) Borrowing costs (Contd..)

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

(f) Employee benefits

Short-term employee benefits

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

Defined benefit plan

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reduction in future contributions to the plan ('the asset ceiling'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'. The net interest expense (income) on the net defined benefit liability (asset) for the period is determined by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. The net interest expense is recognised in the line item 'Finance costs'.

Defined contribution plan

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Group makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Group's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Compensated absences

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

Share-based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and Group's estimate of equity instruments that will vest. That cost is recognised, together with a corresponding increase in share-options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

(g) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable on the taxable profit for the year and any adjustment to the tax payable or receivable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(g) Taxation (Contd..)

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction. Deferred tax liability is also not recognised on taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

(h) Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment (including capital work-in progress) are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. Cost includes expenditures directly attributable to the acquisition of the asset.

Transition to Ind AS:

The cost of property, plant and equipment as at 1 April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

The Group depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Asset category	Useful life as per the management	As per schedule II of Companies Act, 2013
Buildings	60 years	60 years
Plant and Medical Equipment (other than Solar power plant)	10, 13 or 15 years	10, 13 or 15 years
Solar power plant	25 years	Not specified
Data processing equipment	3 years	3 years
Electrical installations	10 years	10 years
Furniture and fixtures	10 years	10 years
Office equipment	5 years	5 years
Vehicles	8 years	8 years

Useful lives are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Estimates in respect of certain items of plant and equipment were revised in the year ended 31 March 2023. Refer note 5.2.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(h) Property, plant and equipment (Contd..)

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

Assets acquired under leasehold improvements are amortized over the lower of estimated useful life and lease term.

Freehold land is carried at historical cost less any accumulated impairment losses.

(i) Intangible assets

Intangible assets acquired on business combination are recognised at fair value as at the date of acquisition. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Asset category	Useful Life
Computer software	3 years
Software for plant and machinery	13 years
Trade name	3 years
Brand	18 years
Referral network	25 years
Intellectual Property for contract research	10 years

The estimated useful life of intangible assets acquired by the Group has been determined based on number of factors including the competitive environment, operating plan and macro-economies of the country in which the brand operates.

(j) Goodwill

Goodwill arising on a business combination is initially measured at excess of purchase consideration over fair value of identified net asset taken over. Subsequent measurement is at initial recognition less any accumulated impairment losses. Goodwill is tested annually for impairment. An impairment loss in respect of goodwill is not reversed subsequently.

(k) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Group receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the consolidated statement of profit and loss over the expected useful life of the assets. If based on the estimate it is expected that conditions attached with government grant may not be fulfilled, then a financial liability is recognised for repayment along with interest, where applicable. The financial liability is created by first reversing the balance available in the deferred government grant and the balance as a charge to the consolidated statement of profit and loss.

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for GST wherever applicable applying weighted average method.

Imported inventories are accounted for at the applicable exchange rates prevailing on the date of transaction.

(m) Provisions (other than employee benefits)

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(m) Provisions (other than employee benefits) (Contd..)

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

(n) Financial instruments

a. Recognition and initial measurement

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

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

b. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

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

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

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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

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

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

(n) Financial instruments (Contd..)

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

– contingent events that would change the amount or timing of cash flows;

– terms that may adjust the contractual coupon rate, including variable interest rate features;

– prepayment and extension features; and

– terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

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

Financial assets: Subsequent measurement and gains and losses

Items	Measurement
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

c. Derecognition

Financial assets

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

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

Financial liabilities

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

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

d. Offsetting

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(o) Impairment

(i) Financial assets (other than at fair value)

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 - Financial Instruments requires expected credit losses to be measured though a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Allowance for credit losses on receivables The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

(ii) Non-financial assets

Tangible and Intangible assets

Property, plant and equipment, capital work-in-progress and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to it's recoverable amount. An impairment loss is recognised in the statement of profit and loss. In respect of assets other than Goodwill for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(p) Earnings / loss per share (EPS)

Basic earnings / loss per share are computed by dividing profit attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

(q) Contingent liabilities

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

Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregate. Bank overdrafts and investment in liquid mutual funds are classified as cash and cash equivalents for the purpose of cash flow statement, as they form an integral part of an entity's cash management.

(s) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(t) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Group is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis.

(u) Business combinations

In accordance with Ind AS 103, "Business combinations" the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control and the net identifiable assets are acquired. Purchase consideration paid in excess of fair value of net identifiable assets acquired is recognised as goodwill. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of financial instrument is classified as equity, then its not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

(v) Exceptional items

Exceptional items refer to items of income or expense within the consolidated statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

4 Recent pronouncements

As on the date of release of these financial statements, Ministry of Corporate Affairs ("MCA") has not issued any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules which are applicable from 1 April 2024.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

5 Property, plant and equipment and capital work-in-progress

(₹ in million)

Description of assets	Freehold land	Buildings	Leasehold Improvements	Plant and medical equipment (refer note 5.2)	Office Equipment	Furniture and Fixtures	Data processing equipments	Electrical installation	Vehicles	Total	Capital work in progress (refer note 5.3)
I. Gross block											
Balance as at 01 April 2022	**637.26**	**1,480.55**	**2,145.89**	**9,069.66**	**96.32**	**380.76**	**209.76**	**225.83**	**42.21**	**14,288.24**	**217.25**
Additions (refer note 5.1)	9.97	1.82	55.58	1,292.09	11.19	25.57	51.24	51.54	1.12	1,500.13	177.81
Disposals	-	(0.03)	(2.70)	(127.76)	(2.46)	(2.44)	(4.35)	(0.10)	(1.10)	(140.94)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	(213.28)
Exchange fluctuation	-	-	(4.21)	(9.53)	(0.09)	(0.10)	(0.32)	-	(0.03)	(14.28)	-
Balance as on 31 March 2023	**647.23**	**1,482.34**	**2,194.56**	**10,224.46**	**104.96**	**403.79**	**256.33**	**277.27**	**42.20**	**15,633.15**	**181.78**
Additions (refer note 5.1)	-	37.99	218.34	520.11	25.87	29.91	118.37	37.14	6.15	993.88	1,002.11
Disposals	-	-	(88.64)	(74.23)	(5.80)	(11.33)	(8.83)	(7.39)	-	(196.22)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	(352.05)
Acquired through business combinations (refer note 45.1)	-	-	-	47.15	1.24	1.69	0.38	0.25	-	50.71	-
Acquired through asset acquisition (refer note 45.2)	-	490.80	-	17.28	-	0.42	-	-	-	508.50	-
Exchange fluctuation	-	1.53	0.13	2.76	(0.00)	(0.00)	(0.01)	-	0.01	4.41	-
Balance as at 31 March 2024	**647.23**	**2,012.66**	**2,324.39**	**10,737.54**	**126.27**	**424.48**	**366.23**	**307.27**	**48.35**	**16,994.43**	**831.84**
II. Accumulated depreciation and impairment											
Balance as at 01 April 2022	**-**	**113.86**	**731.86**	**3,555.47**	**92.49**	**193.68**	**166.59**	**97.62**	**21.42**	**4,972.99**	**-**
Depreciation expense (refer note 5.2)	-	27.35	152.38	706.26	11.93	40.22	22.55	27.76	5.12	993.57	-
Eliminated on disposal of assets	-	(0.03)	(0.38)	(41.51)	(2.45)	(2.43)	(4.32)	(0.07)	(0.94)	(52.13)	-
Exchange fluctuation	-	-	0.13	0.28	0.01	0.02	0.03	-	-	0.47	-
Balance as on 31 March 2023	**-**	**141.18**	**883.99**	**4,220.50**	**101.98**	**231.49**	**184.85**	**125.31**	**25.60**	**5,914.90**	**-**
Depreciation expense	-	37.56	159.62	754.77	11.08	44.22	45.63	34.62	4.60	1,092.11	-
Eliminated on disposal of assets	-	-	(85.81)	(45.38)	(4.09)	(10.24)	(8.56)	(7.39)	-	(161.47)	-
Exchange fluctuation		0.23	0.08	1.39	0.03	0.05	0.18	-	-	1.95	-
Balance as at 31 March 2024	**-**	**178.97**	**957.88**	**4,931.28**	**109.01**	**265.53**	**222.10**	**152.54**	**30.20**	**6,847.49**	**-**
Net block as at 31 March 2023	**647.23**	**1,341.16**	**1,310.57**	**6,003.96**	**2.98**	**172.30**	**71.48**	**151.96**	**16.60**	**9,718.25**	**181.78**
Net block as at 31 March 2024	**647.23**	**1,833.69**	**1,366.51**	**5,806.26**	**17.26**	**158.95**	**144.13**	**154.73**	**18.15**	**10,146.94**	**831.84**

Refer note 18 for details of charge created on property, plant and equipment .

5.1 Additions during the year include:

- Directly attributable expenses capitalised of ₹ 11.19 million (31 March 2023: ₹ 4.30 million). Total borrowing cost capitalised (included in directly attributable expenses) is ₹ 5.25 million (31 March 2023: ₹ 0.72 million) relating to Lease Liability using a capitalisation rate of 10% (for the year ended 31 March 2023: 9%).
- Government grant recognised at fair value as per Ind AS 20, accounting for government grants and disclosure of government assistance (refer note 20).
- Acquisition of plant and medical equipment through deferred payment settlement scheme is ₹ 24.48 million (31 March 2023: ₹ 73.25 million).

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for the year ended 31 March 2024

5 Property, plant and equipment and capital work-in-progress (Contd..)

5.2 During the previous year ended 31 March 2023, the Group revised the estimated useful life for certain category of its Property, Plant and Equipment with effect from 1 April 2022 based on its technical evaluation. The effect of these changes on actual and expected depreciation expense is as follows:

(₹ in million)

Particulars	YE 31 March 2023	YE 31 March 2024	YE 31 March 2025	YE 31 March 2026	YE 31 March 2027	YE 31 March 2028 and later
(Decrease) / increase in depreciation expense	(56.60)	(40.46)	(35.82)	(21.96)	(9.55)	163.35

5.3 Capital work-in-progress (CWIP) ageing schedule

(₹ in million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
As at 31 March 2024	744.89	75.02	6.18	5.75	831.84
As at 31 March 2023	148.41	19.53	8.46	5.38	181.78
Projects temporarily suspended					
As at 31 March 2024	-	-	-	-	-
As at 31 March 2023 (refer note (i) below)	-	-	-	-	-
Total Capital work-in-progress					
As at 31 March 2024	744.89	75.02	6.18	5.75	831.84
As at 31 March 2023	148.41	19.53	8.46	5.38	181.78

(i) Project abandoned / temporarily suspended:

In the earlier years, the Company had recognised impairment aggregating to ₹ 835.46 million (including capital work-in progress, capital advances, right of use asset, security deposit and other committed costs) towards a greenfield project at leased premises in Gurugram which was temporarily suspended in the year ended 31 March 2022. During the year ended 31 March 2024, the underlying lease agreement has been terminated and the project has been written-off pursuant to the resolution passed by the Board of the Directors of the Company. Further, the management has concluded that the other committed project cost of ₹ 39.05 million which was accrued earlier is no longer payable and has been written back in the Statement of profit and loss as exceptional items.

(ii) There were no projects that were overdue or had exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 except in respect of upcoming hospital construction project in Ahmedabad where there is an increase in the project cost from its original budget of ₹ 825 million to ₹ 1,075 million during the year ended 31 March 2024 pursuant to the approval of Board of Dirctors of HCG Medi-Surge Hospitals Private Limited dated 20 December 2023.

6 Right of use assets and lease liabilities

Right-of-use-assets

(₹ in million)

Description of assets	Leasehold rights of land (refer note (i) below)	Buildings	Plant and medical equipment	Total
I. Gross block				
Balance as at 01 April 2022	**-**	**5,167.89**	**437.78**	**5,605.67**
Additions	-	109.66	-	109.66
Remeasurement of lease liabilities (refer note (ii) below)	-	214.20	-	214.20
Termination of lease (refer note (iii) below)	-	(22.35)	-	(22.35)
Foreign currency transaltion	-	(3.81)	-	(3.81)
As at 31 March 2023	**-**	**5,465.59**	**437.78**	**5,903.37**
Additions	169.17	511.91	37.84	718.92
Acquisition through buiness combination (refer note 45.1)	-	251.17	-	251.17

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

6 Right of use assets and lease liabilities (Contd..)

(₹ in million)

Description of assets	Leasehold rights of land (refer note (i) below)	Buildings	Plant and medical equipment	Total
Remeasurement of lease liabilities (refer note (ii) below)	-	746.57	-	746.57
Termination of lease (refer note (iii) below)	-	(43.60)	-	(43.60)
Disposal		(17.25)	-	(17.25)
Foreign currency transaltion	-	1.20	-	1.20
As at 31 March 2024	**169.17**	**6,915.59**	**475.62**	**7,560.38**
II. Accumulated depreciation and impairment				
Balance as at 01 April 2022	**-**	**1,502.08**	**58.19**	**1,560.27**
Depreciation expense	-	472.62	57.67	530.29
Foreign currency transaltion	-	0.10	-	0.10
As at 31 March 2023	**-**	**1,974.80**	**115.86**	**2,090.66**
Depreciation expense	1.23	522.88	56.03	580.14
Eliminated on disposal of assets		(17.25)		(17.25)
Foreign currency transaltion	-	0.22	-	0.22
As at 31 March 2024	**1.23**	**2,480.65**	**171.89**	**2,653.77**
Net block as at 31 March 2023	**-**	**3,490.79**	**321.92**	**3,812.71**
Net block as at 31 March 2024	**167.94**	**4,434.94**	**303.73**	**4,906.61**

The Group has lease arrangements for leasehold rights of land, hospital buildings and medical equipments.

The aggregate depreciation expense on the Right of use assets for the year amounting to ₹ 574.02 million (31 March 2023: ₹ 526.71 million) is included in the "Depreciation and Amortisation expense" in the Consolidated statement of Profit and Loss and ₹ 5.94 million (31 March 2023: ₹ 3.58 million) is capitalised to Capital work-in-progress.

Notes

(i) The Group has a hospital in Nagpur constructed on the Leasehold land allotted by Nagpur Investment Trust (NIT). The original allotment of the Land to NCHRI by NIT had been challenged by Legal Heirs of the property, which was acquired by NIT through the Land acquisition Scheme. The Challenge was upheld by the Collector of Nagpur without giving proper chance to be heard by the stakeholders. NIT had filed a writ petition with the Hon'ble High court of Bombay, Nagpur Bench, challenging the order of the Collector and has obtained a Stay. The Holding Company also filed a Civil Application for Intervention and to add the Company as an Intervening party to the matter. The matter is currently subjudice and given the fact the holding Company is a Bonafide purchaser of rights in the Land by paying fair consideration, the Group believes that the above will not have any adverse impact on its rights to the lease-hold land.

(ii) Pursuant to change in lease term and lease rentals for certain lease premises, the Group remeasured its lease liability with a corresponding adjustment to the Right-of use assets.

(iii) The Group recognised gain of ₹ 17.57 million (during the year ended 31 March 2023: ₹ 3.87 million) on termination of lease contract.

The following is the break-up of current and non-current lease liabilities as at 31 March 2024 and 31 March 2023:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	427.87	488.02
Non-current liabilities	5,588.16	4,530.61
Total	**6,016.03**	**5,018.63**

The table below provides details regarding the contractual maturities of Lease liabilities:

(₹ in million)

Particulars	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
As at 31 March 2024	951.27	842.31	851.73	804.61	6,520.01	9,969.93
As at 31 March 2023	954.83	787.20	726.92	738.39	5,590.45	8,797.79

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for the year ended 31 March 2024

6 Right of use assets and lease liabilities (Contd..)

Amounts recognised in consolidated statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of right-of-use assets *	580.14	530.29
Interest on lease liabilities*	540.96	508.28
Rent expenses # (refer note 30)	218.40	111.55
Gain on termination of leases (refer note 25)	17.57	3.87

* Interest and depreciation expenses capitalised amounts to ₹ 5.25 million (31 March 2023: ₹ 0.72 million) and ₹ 5.94 million (31 March 2023: ₹ 3.58 million) respectively.

The Group has incurred expenses amounting to ₹ 62.80 million (31 March 2023: ₹ 56.08 million) towards short-term leases and ₹ 155.60 million (31 March 2023: ₹ 55.47 million) expenses towards variable rent.

Amounts recognised in Cash flow statement

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repayment of principal portion of lease liability	455.47	380.20
Interest paid on lease liability	506.29	477.17
Payment towards short-term leases and variable rent	218.40	111.55
Total cash outflow for leases	**1,180.16**	**968.92**

Commitments for leases not yet commenced: The Group has committed to lease hospital building for its upcoming projects. The potential future lease payments (on undiscounted basis) for such leases: ₹ 2,920.58 Million over a lease period in the range of 18 to 30 years (as at 31 March 2023: ₹ 2,030 Million over the period of 18 years).

7 Goodwill and other intangible assets

(₹ in million)

Description of assets	Goodwill (refer note 7A below)	Other intangible assets							
		Computer software	Trade name and brand	Non Compete Agreements	Referral network	Intellectual Property for contract research	Tenacy rights	Software for plant and machinery	Total
I. Cost									
Balance as at 01 April 2022	**1,942.68**	**506.03**	**131.98**	**-**	**23.20**	**35.20**	**11.00**	**3.42**	**710.83**
Additions	-	6.57	-		-	-	-	-	6.57
Foreign currency translation	(0.34)	-	(3.15)		-	-	-	-	(3.15)
Balance as at 31 March 2023	**1,942.34**	**512.60**	**128.83**	**-**	**23.20**	**35.20**	**11.00**	**3.42**	**714.25**
Additions *	416.89	175.15	-		-	-	-	-	175.15
Disposals	-	(10.68)	-	-	-	-	-	-	(10.68)
Acquired through business combinations (refer note 45.1)	-	0.21	-	13.00	-	-	-	-	13.21
Foreign currency translation	0.13	-	1.43		-	-	-	-	1.43
Balance as at 31 March 2024	**2,359.35**	**677.28**	**130.26**	**13.00**	**23.20**	**35.20**	**11.00**	**3.42**	**893.36**
II. Accumulated amortisation and impairment losses									
Balance as at 01 April 2022	**130.00**	**388.31**	**7.64**	**-**	**0.53**	**1.90**	**11.00**	**3.42**	**412.80**
Amortisation expense for the year	-	90.85	19.34	-	0.93	3.33	-	-	114.45
Foreign currency translation	-	-	0.27	-	-	-	-	-	0.27
Balance as at 31 March 2023	**130.00**	**479.16**	**26.98**		**1.46**	**5.23**	**11.00**	**3.42**	**527.52**
Amortisation expense for the year	-	52.92	17.90	2.17	0.93	3.33	-	-	77.25
Disposals		(10.68)	-	-	-	-	-	-	(10.68)
Foreign currency translation	-	-	0.56		-	-	-	-	0.56
Balance as at 31 March 2024	130.00	521.40	45.44	2.17	2.39	8.56	11.00	3.42	594.65
Net block as at 31 March 2023	**1,812.34**	**33.44**	**101.85**	**-**	**21.74**	**29.97**	**-**	**-**	**186.73**
Net block as at 31 March 2024	**2,229.35**	**155.88**	**84.82**	**10.83**	**20.81**	**26.64**	**-**	**-**	**298.71**

Refer note 18 for details of charge created on intangible asset.

* Includes intangible assets acquired through deferred payment settlement scheme amounting ₹ 86.48 million (31 March 2023: Nil).

Notes to the Consolidated Financial Statements

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7A Goodwill

The carrying amount of goodwill has been allocated to the Cash Generating Units (CGU) as given below:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
BACC Healthcare Private Limited	424.30	424.30
HCG Medi-Surge Hospitals Private Limited	53.46	53.46
Niruja Product Development and Healthcare Research Private Limited	0.25	0.25
Malnad Hospital and Institute of Oncology Private Limited	0.87	0.87
City Cancer Center, Vijaywada (CCC)	484.52	484.52
Diagnostic business	563.88	563.88
Suchirayu Health Care Solutions Limited	277.54	277.54
Cancer Care Center, Kenya	7.64	7.52
Cancer Center, Indore (refer note 45.1)	416.89	-
Total	**2,229.35**	**1,812.34**

The recoverable amount of the underlying CGUs is based on its value in use, estimated on present value of the projected future cash flows. Following key assumptions were considered in performing impairment assessment:

Assumptions	As at 31 March 2024			As at 31 March 2023		
	Annual revenue growth rate	Terminal growth rate	Discount rate	Annual revenue growth rate	Terminal growth rate	Discount rate
BACC Healthcare Private Limited #	5% to 19%	5%	14.81%	6% to 14%	5%	15.43%
HCG Medi-Surge Hospitals Private Limited	8% to 17%	5%	13.93%	5% to 20%	5%	13.95%
City Cancer Center, Vijyawada (CCC)	8% to 13%	5%	13.37%	8% to 15%	5%	13.37%
Diagnostic business	10% to 17%	5%	13.37%	8% to 17%	5%	13.37%
Suchirayu Health Care Solutions Limited	8% to 19%	5%	13.37%	7% to 10%	5%	13.37%
Cancer Care Center, Kenya #	12% to 38%	4.66%	16.56%	6% to 102%	4.61%	15.60%
Cancer Center, Indore	10% to 15%	5%	14.00%	Not applicable		

The values assigned to the key assumptions represent management's assessment of future trends and based on historical data from both external and internal sources. Discount rate reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU) or group of CGUs. The discount rate is estimated based on the capital asset pricing method for respective CGU. The cash flow projections included specific estimates developed using internal forecasts. The planning horizon reflects the assumptions for short-to-midterm market developments. The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to materially exceed the aggregate recoverable amount of the cash generating unit.

In determining the value in use of CGUs - BACC Healthcare Private Limited and Cancer Care Center, Kenya, as at 31 March 2024, the management has used projected cash flows for a period of more than five years as the growth in revenues is not expected to reach a stable stage of operations in the next five years.

8(A) Investment in equity accounted investees

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted equity instruments		
In Joint Venture		
Advanced Molecular Imaging Limited	33.60	28.51
5,000 ordinary shares (as at 31 March 2023: 5,000 ordinary shares) of 100 Kenyan Shillings (KSH) each, fully paid up		
Total	**33.60**	**28.51**

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8(B) Investments

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
A) Non-current		
Investments carried at fair value through profit and loss (FVTPL)		
(i) In other companies - unquoted equity instruments		
Zoctr Health Private Limited [452 equity shares of ₹ 10/- each, fully paid up; (31 March 2023: 452 equity shares of ₹ 10/- each)]	-	-
International Stemcell Services Limited [10,860 equity shares of ₹ 100/- each, fully paid up; (31 March 2023: 10,860 equity shares of ₹ 100/- each, fully paid up)]	5.61	5.61
Epigeneres Biotech Private Limited [79 equity shares of ₹ 10/- each, fully paid up; (31 March 2023: 79 equity shares of ₹ 10/- each, fully paid up)]	-	-
Niramai Health Analytix Private Limited [10 equity shares of Re. 1/- fully paid up; (31 March 2023: 10 equity shares of Re. 1/- fully paid up)]	0.07	0.07
(ii) In other companies - unquoted Preference shares		-
Niramai Health Analytix Private Limited [4,881 series A preference shares of ₹ 10/- each, fully paid up; (31 March 2023: 4,881 series A preference shares of ₹ 10/- each, fully paid up)]	35.79	35.79
(iii) Mutual funds (Quoted)		
Religare Invesco Short Term Fund- 3,922 units @ ₹ 3,540.71 (31 March 2023: 3,922 units @ ₹ 3,291.44)	13.89	12.92
SBI Mutual Fund- 24,272.75 units @ ₹ 207.06 (31 March 2023: 24,272.75 units @ ₹ 158.13)	5.04	3.84
(iv) Other funds (unquoted)		
Anthill Early Stage Fund - I	9.10	10.00
98.4 units of Class A units @ ₹ 92,480 per unit (31 March 2023: 99.11 units at 10,090 per unit)		
Investment in government or trust securities	0.15	0.15
Total Non current investments	**69.65**	**68.38**
Aggregate amount of quoted investments	18.93	16.76
Aggregate amount of market value of investments	18.93	16.76
Aggregate amount of unquoted investments	50.72	51.62
Aggregate amount of impairment in value of investments	-	-

9 Loans (Unsecured)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Considered good		
a) Advances to employees	19.43	17.69
Total	**19.43**	**17.69**

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10 Other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current*	Non Current	Current*
Receivable from related parties (Refer note 43)	-	6.99	-	3.65
Security deposits (refer note 43)	399.57	60.81	391.47	57.23
Term deposits (orignail maturity more than 12 months) [1]	86.58	-	129.73	-
Interest accrued but not due on fixed deposits	-	-	21.35	11.20
Considered doubtful				
Security deposits #	15.59	-	20.64	-
Less : Provision for impairment #	(15.59)	-	(20.64)	-
Other receivables	-	8.80	-	8.80
Less : Allowance for bad and doubtful receivables	-	(8.80)	-	(8.80)
Total	**486.15**	**67.80**	**542.55**	**72.08**

Note

1. Term deposits include margin money deposits with banks and deposits given as security for obtaining bank guarantees

* Refer note 18 for details of charge created on other current financial assets.

₹ 5.05 million written-off during the year [refer note 5.3(i)]

11 Other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current*	Non Current	Current*
Unsecured, considered good				
Capital advances	307.77	-	177.27	-
Advance for acquisition of business (refer note 11.1 below)	20.00	-	20.00	-
Prepaid expenses [net of provision for impairment ₹ 31.22 million (31 March 2023: ₹ 31.22 million)]	105.57	65.48	181.16	54.69
Advance to vendors	-	159.51	-	192.86
Taxes paid under protest	-	55.75	-	53.85
Receivable from revenue authorities	-	32.88	-	37.82
Unsecured, considered doubtful				
Capital advances #	8.70	-	67.69	-
Less : Allowance for bad and doubtful advances (refer note 30)	(8.70)	-	(8.70)	-
Less : Provision for impairment #	-	-	(58.99)	-
Advance to vendors	-	55.76	-	55.76
Less : Allowance for bad and doubtful advances	-	(55.76)	-	(55.76)
Total	**433.34**	**313.62**	**378.43**	**339.22**

* Refer note 18 for details of charge created on other current assets.

₹ 58.99 million written-off during the year [refer note 5.3(i)]

11.1 During the previous year ended 31 March 2023, the Company had entered into a Business Transfer Agreement (BTA) with Radiant Hospital Services Private Limited for the acquisition of its radiation therapy centre, along with its assets located at Sambalpur, Odisha on a slump sale basis for a total cash consideration of ₹ 160 million, of which partial consideration of ₹ 20 million was paid as advance. During the current year, the Parties have decided not to pursue the aforementioned BTA as certain conditions precedent to the closing of the BTA could not be achieved. The advance paid for the acquisition will be adjusted against the future payable to the underlying party.

12 Inventories (lower of cost and net realisable value)*

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Medical and non-medical items	426.68	382.86
Total	**426.68**	**382.86**

*Inventories are subject to charge to secure bank loans. There are nil provisions for written down to net realisable value.

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13 Trade receivables (unsecured)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Billed - considered good		
Trade receivables - unsecured	3,385.81	3,292.67
Less: Loss allowance (refer note 40)	(685.61)	(464.88)
Billed trade receivables (net) (A)	**2,700.20**	**2,827.79**
Unbilled - considered good		
Trade receivables - unsecured	255.36	207.74
Less: Loss allowance (refer note 40)	(15.30)	(10.42)
Unbilled trade receivables (net) (B)	**240.06**	**197.32**
Trade receivables (net) (A) + (B)	**2,940.26**	**3,025.11**

*Trade receivables are subject to charge to secure bank loans

Refer note 43 for trade receivables from related parties

Trade receivables ageing schedule

As at 31 March 2024

(₹ in million)

Particulars	Unbilled	Billed - outstanding for following periods from due date					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables - considered good	255.36	2,002.34	614.20	381.62	123.97	263.68	3,641.17
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	255.36	**2,002.34**	**614.20**	**381.62**	**123.97**	**263.68**	**3,641.17**
Less: Loss allowance on trade receivables							(700.91)
Total							**2,940.26**

As at 31 March 2023

(₹ in million)

Particulars	Unbilled	Billed - outstanding for following periods from due date					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables - considered good	207.74	2,158.07	499.36	310.13	164.88	160.23	3,500.41
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	207.74	**2,158.07**	**499.36**	**310.13**	**164.88**	**160.23**	**3,500.41**
Less: Loss allowance on trade receivables							(475.30)
Total							**3,025.11**

The Group's exposure to credit risk is explained in Note 40.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

14 Cash and cash equivalents

Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	10.76	14.64
(b) Cheques, drafts on hand	1.73	1.95
(c) Balance in bank		
In current accounts and in Exchange Earners Foreign Currency Account (EEFC) accounts	576.90	956.58
In deposit accounts with original maturity less than 3 months	2,136.74	773.02
Total	**2,726.13**	**1,746.19**

14.1 Bank balance other than cash and cash equivalents above

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with banks with balance maturity of less than 12 months *	304.60	220.20
Bank balance other than cash and cash equivalents above	**304.60**	**220.20**

* Deposits include margin money deposits with banks and deposits given as security for obtaining bank guarantees. These deposits are restrictive.

For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand	10.76	14.64
(b) Cheques, drafts on hand	1.73	1.95
(c) Balance with bank		
In current accounts and EEFC accounts	576.90	956.58
In deposit accounts	2,136.74	773.02
Cash and cash equivalents as per balance sheet	**2,726.13**	**1,746.19**
Less: Bank overdrafts repayable on demand (Refer Note 18)	(1,065.95)	(34.37)
Cash and cash equivalents as per consolidated statement of cash flows	**1,660.18**	**1,711.82**

15 Equity share capital

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital:		
200,000,000 equity shares of ₹10 each (as at 31 March 2023: 200,000,000 equity shares of ₹ 10 each)	2,000.00	2,000.00
Issued, subscribed and paid up capital comprises:		
139,289,687 equity shares of ₹10 each (as at 31 March 2023: 139,116,062)	1,392.80	1,391.16
All issued shares are fully paid up.		

15.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

(₹ in million)

Particulars	Number of shares	Amount
Balance as at 01 April 2022	**139,011,992**	**1,390.12**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 (refer note 38(C))	104,070	1.04
Balance as at 31 March 2023	**139,116,062**	**1,391.16**
Issue of equity shares pursuant to exercise of employee share options under the Employee Stock Option Scheme 2014 and the Employee Stock Option Scheme 2021 (refer note 38(C))	173,625	1.74
Balance as at 31 March 2024	**139,289,687**	**1,392.90**

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

15 Equity share capital (Contd..)

15.2 Rights, preferences and restrictions attached to equity shares

Fully paid equity shares, which have a par value of ₹ 10, carry one vote per share and carry a right to dividends. The Company has only one class of equity share having a par value of ₹ 10/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders.

Employee stock options and terms attached to stock options granted to employees are described in Note 38.

15.3 Details of shareholder holding more than 5% shares of equity shares

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares
Aceso Company Pte. Ltd.	84,134,078	60.40%	80,559,078	57.91%
Dr B.S Ajaikumar	14,498,715	10.41%	18,073,715	12.99%

15.4 Shareholding of promoters and promoter group

Particulars	As at 31 March 2024		Percentage change during the year ended 31 March 2024
	Number of Shares held	% holding of equity shares	
Promoter			
Aceso Company Pte. Ltd.	84,134,078	60.40%	2.49%
Dr B.S Ajaikumar	14,498,715	10.41%	(2.58%)
Promoter group *			
Asmitha Ajaikumar	327,259	0.23%	(0.01%)
Aagnika Ajaikumar	327,258	0.23%	(0.01%)
Bhagya A Ajaikumar	1,795	0.00%	-
Anjali Ajaikumar Rossi	1,000	0.00%	-

Particulars	As at 31 March 2023		Percentage change during the year ended 31 March 2023
	Number of Shares held	% holding of equity shares	
Promoter			
Aceso Company Pte. Ltd.	80,559,078	57.91%	1.22%
Dr B.S Ajaikumar	18,073,715	12.99%	(1.27%)
Promoter group *			
Asmitha Ajaikumar	327,259	0.24%	(0.00%)
Aagnika Ajaikumar	327,258	0.24%	(0.00%)
Bhagya A Ajaikumar	1,795	0.00%	(0.00%)
Anjali Ajaikumar Rossi	1,000	0.00%	(0.00%)

* Promoter group is as per the shareholding pattern filing made to Securities and Exchange Board of India (SEBI)

15.5 Aggregate number of equity shares allotted as fully paid-up without payment being received in cash for a period of five years immediately preceding the years ended 31 March 2024 and 31 March 2023

(₹ in million)

Particulars	Aggregate number of shares as at	
	As at 31 March 2024	As at 31 March 2023
Issue of shares pursuant to Business combination	-	934,500

15.6 Number of equity shares of ₹10/- each reserved for issuance

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
To eligible employees under Employee Stock Option Scheme (also, refer note 38)	6,090,355	6,270,200

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

16 Other equity

(₹ in million)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
Securities premium	16.1	11,688.73	11,648.85
Share options outstanding account	16.2	175.55	120.28
Capital reserve	16.3	6.77	6.77
Foreign currency translation reserve	16.4	(20.79)	(22.93)
Remeasurements of defined benefit plan	16.5	(22.88)	(16.46)
Retained earnings	16.6	(4,962.48)	(4,522.45)
Total		**6,864.90**	**7,214.06**

16.1 Securities premium

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	11,648.85	11,628.99
Premium on shares issued during year	39.88	19.86
Balance at end of year	**11,688.73**	**11,648.85**

16.2 Share options outstanding account

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	120.28	67.18
Transferred to Securities premium account on exercise of ESOPs	(22.13)	(12.04)
Transferred to retained earnings on lapse of vested ESOPs	(1.06)	-
Deferred stock compensation expense for the year (refer note 27)	78.46	65.14
Balance at end of year	**175.55**	**120.28**

Refer note 37.

16.3 Capital reserve

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	6.77	6.77
Balance at end of year	**6.77**	**6.77**

16.4 Foreign currency translation reserve

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(22.93)	(12.38)
Other comprehensive income / (loss) arising from exchange differences on translating the foreign operations	2.14	(10.55)
Balance at end of year	**(20.79)**	**(22.93)**

16.5 Remeasurements of the defined benefit liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(16.46)	(12.32)
Other comprehensive (loss) arising from remeasurement of defined benefit plan (net of income tax)	(6.42)	(4.14)
Balance at end of year	**(22.88)**	**(16.46)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

16 Other equity (Contd..)

16.6 Retained earnings

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at beginning of year	(4,522.45)	(4,365.49)
Profit attributable to owners of the Company	481.55	293.49
Change in fair value of gross obligations over written put options issued to the non-controlling interests (refer note (i) below)	(90.00)	(383.00)
Transfer from Share options outstanding account on account of lapse of vested ESOPs	1.06	-
Changes in ownership interests in subsidiaries that do not result in a loss of control [refer note (ii) below]	(832.64)	(67.45)
Balance at end of year	**(4,962.48)**	**(4,522.45)**

(i) The Company has issued written put option to non-controlling interests in HCG Medi-surge Hospitals Private Limited. In accordance with the terms of underlying shareholders agreement, should the option be exercised by non-controlling interests, the Company has to settle such liability either by payment of cash equivalent to such amount.

(ii) During the previous year ended 31 March 2023, the Group's holding in HCG NCHRI Oncology LLP and Cancer Care Kenya Limited increased from 76% to 87.14% and 78.10% to 81.63% respectively.

During the current year ended 31 March 2024, the Group acquired remaining non-controlling interest of 12.86% in HCG NCHRI Oncology LLP and 49.5% in HCG EKO Oncology LLP for a consideration of ₹ 264 million [including (a) ₹ 176 million pursuant to the Partnership Transfer Agreement (""PTA"") with Dr. Ajay Mehta and Dr. Suchitra Mehta, of which ₹ 134 million was paid and the balance consideration of ₹ 42 million is payable in 3 installments over the 18 month period as explained in note 19(i) and (b) ₹ 88 million pursuant to the Share Purchase Agreement with Nagpur Cancer Hospital & Research Institute Private Limited and its shareholders for its pre-existing stake in HCG NCHRI Oncology LLP (refer note 45.2)] and ₹ 200 million respectively.

17 Non-controlling interests

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	88.94	134.27
Loss for the year	(68.21)	(117.19)
Other comprehensive income / (loss) for the year (net of tax)	(0.35)	1.54
Additional investments by non-controlling interests	-	2.87
Adjustment on account of change in holding without change in control [refer note 16.6 (ii)]	373.00	67.45
Balance at the end of the year	**393.38**	**88.94**

Details of non-wholly owned subsidiaries that have material non-controlling interests

There are no non-wholly owned subsidiaries that have material non-controlling interests. The management has set materiality at ten percent of the annual consolidated turnover, as per the last audited financial statements of the Company.

18 Borrowings

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Secured - at amortised cost				
(i) Term loans*				
from banks (Refer note 18.1.1)	4,663.55	656.76	3,404.87	323.30
(ii) Loans repayable on demand*				
- from Banks (bank overdraft) (Refer note 18.1.4)	-	1,065.95	-	34.37
Unsecured - at amortised cost				
(i) Deferred payment liabilities (Refer note 18.1.2)	151.49	151.85	206.13	16.40
(ii) Loans from others (Refer note 18.1.3)	37.97	-	6.41	1.87
Total	**4,853.01**	**1,874.56**	**3,617.41**	**375.94**

* Includes interest accrued amounting to ₹ 11.30 million (March 2023: ₹ 15.14 million) relating to term loan from banks which is clubbed under the respective loans outstanding as on 31 March 2024 and 31 March 2023.

The Group's exposure to liquidity risk is disclosed in Note 40.

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

18 Borrowings (Contd..)

18.1 Summary of borrowing arrangements

Details of security and terms of repayment of term loans and other loans (except loans repayable on demand) are stated below.

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
18.1.1 Term loans from banks - Secured		
Facility-1		
Non-current portion	590.27	605.48
Amounts included under current borrowings	171.18	147.91
- Secured by exclusive charge on equipments purchased from these loans, first charge on immovable fixed assets (land and building / structures there upon) and movable fixed assets (both present and future, not charged exclusively to any other lender) and second pari-passu charge on all current assets and receivables (both present and future) of the Company, HCG Medi-Surge Hospitals Private Limited, HCG Oncology LLP, HCG NCHRI Oncology LLP, HCG EKO Oncology LLP, HCG Manavata Oncology LLP and HCG Sun Hospitals LLP. - Rate of interest: Repo-rate + 3.25% - Repayable in installments over a period of 6 to 10 years after 1 to 3 year moratorium from the date of borrowing. * Non-current portion of bank debt as disclosed herein is gross of ₹ 4.04 million towards unamortised loan processing charges, which is netted below (31 March 2023 of ₹ 6.77 million).		
Term loans from banks - Secured		
Facility-2		
Non-current portion	966.96	1,375.54
Amounts included under current borrowings	145.45	125.07
- Secured by first pari-passu charge on movable fixed assets (both present and future, excluding those funded out exclusively by other lenders) and immovable fixed assets (land and building/structures there upon) and second pari-passu charge by way of hypothecation on entire current assets of the Company, HCG Medi-Surge Hospitals Private Limited and HCG Oncology LLP. - Rate of interest: Repo-rate + 2.3% p.a to 2.85% p.a. - Repayable in installments over a period of 6 to 9.5 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 14.08 million (31 March 2023: ₹ 16.55 million) towards unamortised loan processing charges, which is netted off below		
Term loans from banks - Secured		
Facility -3		
Non-current portion *	1,110.00	-
Amounts included under current borrowings	90.55	-
Details of security and terms of repayment for the amounts borrowed during the current year: - First pari-passu charge on movable fixed assets (both present and future, excluding those funded out exclusively by other lenders) and immovable fixed assets (land and building/structures there upon) and ranking pari-passu charge with participating lenders. - Rate of interest: 3 month T bill + 1.39% p.a - Repayable in installments over a period of 8 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 19.46 million (31 March 2023; Nil million) towards unamortised loan processing charges, which is netted off below.		

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

18 Borrowings (Contd..)

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
Term loans from banks - Secured		
Facility -4		
Non-current portion*	472.76	-
Amounts included under current borrowings	76.93	-
Details of security and terms of repayment for the amounts borrowed during the current year: - Secured by hypothecation on the equipment finance. - Rate of interest: 3 month T bill + 1.30% p.a - Repayable in installments over a period of 8 years from the date of borrowing. * Non-current portion of bank debt includes an amount of ₹ 11.71 million (31 March 2023: Nil) towards unamortised loan processing charges, which is netted off below.		
Facility-5		
Non-current portion	411.24	479.50
Amounts included under current borrowings	68.26	-
Details of security and terms of repayment for the amounts borrowed during the current year: - Extension of second charge over primary and collateral security for existing facilities and 100% credit guarantee by National Credit Guarantee Trustee Company Limited (NCGTC). - Rate of interest: Repo-rate +1.9% p.a to + 2.3% p.a - Repayable in installments over a period of 3 years to 4 years from the date of borrowing excluding 2 years moratarium.		
Facility-6		
Non-current portion	960.31	972.26
Amounts included under current borrowings	35.39	46.30
During the current financial year, the existing loan was takenover by the new lender. While the terms of security remains the same, the rate of interest and the repayment tenure have been revised. - Secured by exclusive charge on all movable and immovable assets of Suchirayu Health Care Solutions Limited. - Rate of interest: Repo-rate + 2.75% (as at 31 March 2023: Repo-rate + 3.25%) - Repayable in quarterly installments over a period of 10 years from the date of takeover. * Non-current portion of bank debt includes ₹ Nil (31 March 2023: ₹ 6.05 million) towards unamortised loan processing charges, which is netted below.		
Facility-7		
Non-current portion	201.30	-
Amounts included under current borrowings	67.49	-
(Refer note 45.2)		
- Secured by exclusive charge on leasehold rights of project property located at Wanjri Nagpur and exclusive charge on all movable fixed assets and current assets of Nagpur Cancer Hospital and Research Institute Private Limited. - Rate of interest: Repo-rate + 3.25% - Repayable in quarterly installments over a period of 12 years from the date of borrowing.		

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

18 Borrowings (Contd..)

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
Facility-8		
Non-current portion	-	1.46
Amounts included under current borrowings	1.51	4.02
- Secured by charge on all assets of Cancer Care Kenya Limited - Rate of interest: Bank's variable Kenyan Shillings base rate - Repayable in installments over a period of 6 years from the date of borrowing.		
Less: Unamortised loan processing charges	(49.29)	(29.37)
Total of term loans from bank - secured	**5,320.31**	**3,728.17**
Less: Amounts included under current borrowings	(656.76)	(323.30)
Non-current portion of bank borrowings	**4,663.55**	**3,404.87**
18.1.2 Term loans from others - Unsecured		
Non-current portion	6.41	6.41
Amounts included under current borrowings	-	-
- Interest free loan repayable as and when funds are available.		
Non-current portion	31.56	-
Amounts included under current borrowings	-	-
- Rate of interest 10% p.a. - Repayable in 8 half-yearly installments from April 2026.		
Non-current portion	-	-
Amounts included under current borrowings	-	1.87
- Rate of interest: 10.6% p.a - Repayable in installments over a period of 3 years.		
18.1.3 Deferred payment liabilities - Unsecured		
Non-current portion	151.49	206.13
Amounts included under current borrowings	151.85	16.40
- Rate of interest 3% to 10% p.a - Repayable over the period of 3 to 7 years		

Details of security and terms of repayment for the short-term borrowings:

(₹ in million)

Terms of repayment and security	As at 31 March 2024	As at 31 March 2023
18.1.4 Secured loan repayable on demand from banks: **Facility-1** Secured by first pari-passu charge on entire current assets (both present and future), second pari- passu charge over entire fixed assets (both present and future other than exclusively charged) of the parent Company. Rate of Interest : 1 month MCLR + 0.35% p.a, 3 month T bill +1.37%, Repo + 1.90% Note: There are no material differences between the quarterly returns or statements filed by the respective Companies for working capital limits with such banks and financial institutions and their books of account.	1,014.22	-
Facility-2 Secured by charge on all assets of Cancer Care Kenya Limited. Rate of interest: Bank's variable Kenyan Shillings base rate	51.73	34.37
Total	**1,065.95**	**34.37**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

19 Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
	Current	Current
Gross obligation on written put option #	1,060.00	970.00
Creditors for capital goods	136.17	88.93
Contingent consideration (refer note 45.1)	27.82	-
Deferred Consideration (refer note (i) below)	39.76	-
Accrued salaries and benefits	370.06	343.18
Others	2.70	1.70
Total	**1,636.51**	**1,403.81**

The Company's exposure to liquidity risk are disclosed in note 40.

Relates to liability for put option issued to non-controlling interest in HCG Medi-surge Hospitals Private Limited. Refer note 16.6 (i).

(i) During the current year, the Company has acquired remaining non-controlling interest in its subsidiary HCG NCHRI Oncology LLP on 22 August 2023 pursuant to the Partnership Transfer Agreement ("PTA") with Dr. Ajay Mehta and Dr. Suchitra Mehta dated 18 July 2023 for a consideration of ₹ 176 million, including deferred consideration of ₹ 42 million payable in 3 installments over the 18 month period. Of the total consideration, the Company has paid ₹ 134 million on 22 August 2023 and and has recognised ₹ 2.12 million as interest on deferred consideration under the finance cost.

20 Other liabilities

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Advance from customers (refer note 48)	-	181.87	-	241.50
Balance due to statutory/government authorities	-	107.83	-	109.78
Deferred government grant (refer note (i) below)	328.21	37.08	359.27	28.92
Provision for contingency for duties and taxes (refer note (ii) below)	-	155.84	-	374.87
Total	**328.21**	**482.62**	**359.27**	**755.07**

Notes:

(i) The Group imports medical equipments under Export Promotion Capital Goods (EPCG) scheme. Under the Scheme, as the Group expects to meet the specified criteria, it is exempt from paying customs duty on imports which is recognised as a government grant. Fair value of the government grant is capitalised along with the equipment. Similarly, receipt of any other government grant related to capital expenditure is capitalised along with the equipment. Deferred income is amortised over the useful life of the equipment it has procured.

Additional deferred government grant from EPCG recognised during the year ended 31 March 2024 is ₹ 19.58 million (31 March 2023: ₹ 138.26 million). The Group also received government grant of Nil during the year ended 31 March 2024 (₹ 12.90 million during year ended 31 March 2023) towards certain capital expenditure incurred. Government grant income recognised during the year is ₹ 42.48 million (31 March 2023: ₹ 30.33 million). Further, the deferred government grant reduced by ₹ 16.12 million during the year ended 31 March 2023 pursuant to settlement of duties and taxes on account of sale of underlying equipment. As at 31 March 2024 and 31 March 2023, for certain licenses there is unfulfilled condition with respect to government grant availed (refer note 33). The Group basis its assessment, expects that it will be able to meet its export obligations.

(ii) For certain cases, the Group expects shortfall in meeting the export obligations required under the EPCG Scheme described above. Accordingly, provision for contingency has been recognized towards estimated duties and taxes. Interest recognized during the year ended 31 March 2024 on provision for such duties and taxes is ₹ 12.43 million (31 March 2023: ₹ 29.22 million). During the year ended 31 March 2024, the Group has applied for closure of certain licenses pursuant to payment of required duties and taxes aggregating to ₹ 233.51 million (including interest thereon amounting to ₹ 123.18 million). Refer note 28.

Further, during the previous year, HCG Medisurge Hospitals Private Limited, subsidiary of the Group, also received notice dated 4 March 2023 for invocation of certain Bank Guarantees provided as security for availing duty exemption under the EPCG licenses. While the Court has subsequently directed that no coercive action is to be taken till such time the representation made by the Group is decided by the adjudicating authority, the Group had already recognized provision for contingency. During the current year, as explained above, the Group has paid required duties and taxes including interest thereon.

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for the year ended 31 March 2024

21 Provisions

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non Current	Current	Non Current	Current
Employee benefits				
Gratuity (Refer note 37.2)	156.62	59.90	131.86	50.50
Compensated absences	-	72.96	-	70.64
Others				
Provision for indemnified tax disputes	-	50.00	-	50.00
Total	**156.62**	**182.86**	**131.86**	**171.14**

22 Trade Payables*

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 42)	62.12	48.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,748.53	2,435.60
Total	**2,810.65**	**2,484.54**

* for details related to payable to related parties - refer note 43

Trade payables ageing schedule

(₹ in million)

Particulars	As at 31 March 2024		
	Micro enterprises and small enterprises	Others	Total
Unbilled dues	1.34	1,014.74	1,016.08
Outstanding for following periods from due date of payment			
Not yet due	40.16	516.30	556.46
Less than 1 year	20.45	1,019.41	1,039.86
1-2 years	0.17	115.79	115.96
2-3 years	-	27.04	27.04
More than 3 years	-	55.25	55.25
Total	**62.12**	**2,748.53**	**2,810.65**

There are no disputed dues as at 31 March 2024.

(₹ in million)

Particulars	As at 31 March 2023		
	Micro enterprises and small enterprises	Others	Total
Unbilled dues	-	932.96	932.96
Outstanding for following periods from due date of payment			
Not yet due	25.05	472.29	497.34
Less than 1 year	23.89	833.40	857.29
1-2 years	-	141.17	141.17
2-3 years	-	19.95	19.95
More than 3 years	-	35.83	35.83
Total	**48.94**	**2,435.60**	**2,484.54**

There are no disputed dues as at 31 March 2023.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

23 Revenue from operations (refer note 48)

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contract with customers		
(a) Income from medical services	17,961.47	15,920.81
(b) Sale of medical and non-medical items	937.61	839.66
(c) Other operating revenues	179.63	153.67
Total	**19,078.71**	**16,914.14**

24 Income from government grant

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from government grant	42.48	30.33
Total	**42.48**	**30.33**

25 Other income

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on financial assets at amortised cost (refer note below)	94.20	95.23
Interest on income tax refund	32.77	22.87
Net foreign exchange gains	4.46	3.46
Net gain on financial assets designated at fair value through profit and loss	2.17	0.35
Payables no longer required written-back	6.41	2.26
Gain on termination of lease	17.57	3.87
Miscellaneous income	11.84	3.80
Total	**169.42**	**131.84**
Note:		
Interest on financial assets at amortised cost comprise:		
Interest on bank deposits	70.80	74.23
Interest on financial assets at amortised cost	23.40	21.00
Total	**94.20**	**95.23**

26 Changes in inventories

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories at the beginning of the year	382.86	299.72
Inventories at the end of the year	426.66	382.86
Net (decrease)	**(43.80)**	**(83.14)**
Opening stock on business combinations (refer note 45.1)	4.31	-
Changes in inventories	**(39.49)**	**(83.14)**

27 Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	2,673.63	2,400.69
Contribution to provident and other funds (Refer note 37)	170.21	158.01
Expense on equity-settled share-based payment transactions (Refer note 16.2 and 38), net	78.46	65.14
Staff welfare expenses	160.12	127.40
Total	**3,082.42**	**2,751.24**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

28 Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Interest expense on financial liabilities measured at amortised cost:		
Interest on term loans from banks and others	389.27	351.02
Interest on bank overdraft	35.46	18.40
Interest on deferred payment obligations	15.25	27.62
Provision for contingency	12.43	29.22
Interest on deferred consideration and contingent consideration	3.64	-
	456.05	**426.26**
(b) Interest expense on lease liabilities		
Interest expense on lease liabilities (Gross)	540.96	508.28
Less: Capitalised in capital work-in-progress	(5.25)	(0.72)
Interest expense on lease liabilities (net)	**535.71**	**507.56**
(c) Others		
Interest on defined benefit obligations	15.18	10.13
Net loss on foreign currency borrowings to the extent regarded as borrowing costs	3.81	21.02
Other borrowing costs	76.61	70.05
Total	**1,087.36**	**1,035.02**

29 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 5)	1,092.11	993.57
Depreciation of right-of-use assets, Gross (refer note 6)	580.14	530.29
Less: Capitalised in capital work-in-progress	(5.94)	(3.58)
Depreciation of right-of-use assets, net (refer note 6)	574.20	526.71
Amortisation of intangible assets (refer note 7)	77.25	114.45
Total	**1,743.56**	**1,634.73**

30 Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Medical consultancy charges	4,135.70	3,561.08
Lab charges	210.02	195.86
Power and fuel & water charges	393.49	368.87
House keeping expenses	362.41	321.29
Rent (refer note 6)	218.40	111.55
Repairs and maintenance		
Building	23.93	21.11
Machinery	471.81	469.57
Office maintenance & Others	298.23	254.25
Insurance	27.55	28.31
Rates and taxes	197.56	188.13
Printing & stationery	68.99	38.90
Advertisement, publicity & marketing	401.24	336.50
Travelling & conveyance	183.57	163.04
Legal & professional fees	564.56	568.99
Payment to auditors	24.14	21.48
Telephone expenses	62.46	55.51
Trade receivable written off, net (refer note (i) below and note 40)	4.32	317.12
Loss allowance on trade receivables (net of reversal) (refer note 40)	225.61	(154.10)
Loss on disposal of property, plant and equipment	17.74	13.22
Corporate social responsibility	5.33	1.02
Miscellaneous expenses	91.68	84.03
Total	**7,988.74**	**6,965.73**

Notes:

(i) Trade receivable written off during the year ended 31 March 2023 is net of recovery of bad debts written-off in the earlier years amounting ₹ 35.33 million.

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for the year ended 31 March 2024

31 Exceptional items

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Project cost no longer required written-back		
Privat project [refer note 5.3(i)]	39.05	-
Total	**39.05**	**-**

32 Other tax expense

32.1 Income tax recognised in the Statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
Current tax	343.15	153.79
	343.15	**153.79**
Deferred tax		
- MAT	-	(148.22)
- Others	(79.20)	266.93
	(79.20)	**118.71**
Total income tax expense recognised in the Statement of profit and loss	**263.95**	**272.50**

The reconciliation between the income tax expense of the Group and Amounts computed by applying the Indian statutory income tax rate to Loss before taxes is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	677.29	448.80
Enacted income tax rate in India	25.17%	34.94%
Computed expected tax expense	170.47	156.83
Effect of:		
Permanent differences and others	22.39	85.41
Share of loss from subsidiaries and associate on which deferred tax asset is not recognised	73.10	107.61
Differences of tax rates in subsidiaries and joint venture	(2.01)	(28.90)
Change in deferred tax rate *	-	(40.38)
Others	-	(8.07)
	263.95	**272.50**

* The Company plans to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from the financial year 2023-24. Accordingly, the Company has recognised deferred taxes based on the rates applicable for the year when these deferred taxes are expected to be realized/settled. The impact of this change is recognised in the Statement of Profit and Loss for the year ended 31 March 2023.

32.2 Income tax recognised in other comprehensive income

(₹ in million)

Particulars	31 March 2024	31 March 2023
Income tax arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	1.55	1.01
Total income tax recognised in other comprehensive income	**1.55**	**1.01**

32.3 Net deferred tax Assets and liabilities

(₹ in million)

Deferred tax balances	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	70.58	52.74
Deferred tax liabilities	(60.75)	(123.66)
Net	**9.83**	**(70.92)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

32 Income tax expense (Contd..)

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2024 are as follows:

Deferred tax assets / (liabilities) in relation to	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Property, plant and equipment and intangible assets	(524.47)	10.15	-	(514.32)
Right-of use assets	(681.09)	(162.50)		(843.59)
Goodwill	(169.55)	-	-	(169.55)
Sec 43B items	72.91	7.76	1.55	82.22
Provision for doubtful debts/advances	142.39	45.95	-	188.34
Tax losses	17.85	2.44	-	20.29
Lease liabilities	940.43	268.04		1,208.47
Financial assets at amortised cost	31.95	(96.32)		(64.37)
Others	98.66	3.68	-	102.34
Total	**(70.92)**	**79.20**	**1.55**	**9.83**

Significant components of net deferred tax assets and liabilities for the year ended 31 March 2023 are as follows:

Deferred tax assets / (liabilities) in relation to	Opening balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment and intangible assets	(722.67)	198.20	-	(524.47)
Right-of use assets	(951.24)	270.15	-	(681.09)
Goodwill	(169.55)	-	-	(169.55)
MAT credit entitlement	148.22	(148.22)	-	-
Sec 43B items	89.21	(17.31)	1.01	72.91
Provision for doubtful debts/advances	239.09	(96.70)	-	142.39
Tax losses	19.89	(2.04)	-	17.85
Lease liabilities	1,244.77	(304.34)	-	940.43
Financial assets at amortised cost	49.89	(17.94)	-	31.95
Others	99.17	(0.51)	-	98.66
Total	**46.78**	**(118.71)**	**1.01**	**(70.92)**

Under the Indian Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax ('MAT') if the tax payable under normal provisions is less than tax payable under MAT. Excess tax paid under MAT over tax under normal provision can be carried forward for a period of 15 years and can be set off against the future tax liabilities.Unabsorbed business losses expire 8 years after the year in which they originate and unabsorbed depreciation can be carried forward indefinitely unless there is a substantial change in the ownership. Tax benefits on unabsorbed business losses, unabsorbed depreciation and MAT credit entitlement have been recognised as deferred tax asset as it is more probable than not that the future economic benefits associated with the asset will be realised.

Unrecognised deferred tax assets: Deferred tax assets in respect of certain subsidiaries have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Gross amount	Unrecognised tax effect *	Gross amount	Unrecognised tax effect *
Deductible temporary differences	821.26	286.98	524.66	183.34
Tax losses	2,046.99	715.30	2,602.05	909.26
	2,868.25	**1,002.28**	**3,126.71**	**1,092.60**

* At applicable rate for respective entities

Tax losses for which no deferred tax asset was recognised expire as follows:

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amount	Expire during	Amount	Expire during
Expire	1,119.78	2025-2032	1,402.72	2024-2031
Never expire	927.21		1,199.33	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

32 Income tax expense (Contd..)

Unrecognised deferred tax liabilities: As at 31 March 2024, there was a deferred tax liability of ₹ 203.96 million (31 March 2023: ₹ 145.71 million) in respect of temporary differences of ₹ 810.40 million (31 March 2023: ₹ 578.96 million) related to investments in subsidiaries. However, this liability was not recognised because the Group controls the dividend policy of its subsidiaries i.e. the Group controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

32.4 Other tax assets (net)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Tax deducted at source, advance tax (net of Provision)	769.69	574.40
	769.69	**574.40**

32.5 Current tax liabilities (net)

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax, (net of advance tax, tax deducted at source)	21.98	24.68
	21.98	**24.68**

33 Contingent liabilities

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the Group not acknowledged as debt relating to:		
Customs duty (Refer note (i) below)	4.48	4.48
Excise and service tax (Refer note (ii) below)	31.72	31.72
Value added tax (Refer note (iii) below)	49.97	49.97
Sales tax (Refer note (iii) below)	26.00	26.00
Goods and Services Tax (Refer note (iii) below)	16.44	-
Income tax (Refer note (iv) below)	33.37	33.37
Duties and taxes in respect of EPCG licenses (Refer note (v) below)	544.38	609.93
Bonus to employees pursuant to retrospective Amendment to the Payment of Bonus Act, 1965 (Refer note (vi) below)	9.98	9.98
Other claims against the Group by its former employees, not acknowledged as debt (Refer note (vii) below)	17.15	17.15

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

Notes:

(i) HCG Medisurge Hospitals Private Limited imported (HCG Medisurge) radiation equipment, Linear Accelerator-True Beam with standard accessories in two consignments. First consignment with main Linear Accelerator equipment was cleared by paying CVD @ 5% and second consignment was cleared as accessories of the medical equipment with Nil rate of CVD by claiming benefit under Notification No.06/2006 dated 01.03.2006. The Commissioner of Customs has passed the order against the import of the second consignment as ""Accessories/spare parts of Linear Accelerator"" which attracts CVD @ 5% and declined the benefit of Notification No. 06/2006 and levied duty of ₹ 2.24 million and penalty of ₹ 2.24 million along with applicable interest. The HCG Medisurge has appealed before Customs, Excise & Service Tax Appellate Tribunal, Mumbai and is positive of claiming benefit under said notification."

(ii) (a) Excise Commissionerate-III, Bengaluru has passed Order against the Company adjudicating that the product Fluro-deoxy-glucose ('FDG') is excisable and levied excise duty for the period under scrutiny from April 2009 to March 2014 of ₹ 6.80 million, interest on duty amount, penalty of ₹ 6.80 million, redemption fine of ₹ 0.6 million in lieu of confiscation of goods not available. The order also imposed a penalty of ₹ 1 million on Dr. B.S.Ajaikumar, Chairman & CEO of the Company. The Company has filed an appeal before CESTAT by paying Central Excise Duty of ₹ 0.6 million.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

33 Contingent liabilities (Contd..)

Additional Commissionerate of Central Excise, Chennai, has passed the Order confirming the excisability on sale of FDG for the period March 2013 to June 2015 levying excise duty of ₹ 6.57 million, interest on duty amount and penalty of ₹ 6.57 million.

If it is excisable the same has to be classified under Chapter 30 which attracts excise duty at 6% and valuation of captively consumed FDG will reduce the demand. The Group is positive of winning the case on the ground that FDG is not excisable as there is no specific entry in the Central Excise Tariff Act 1985.

(ii) (b) HealthCare Global Senthil Multispecialty Hospitals Private Limited (HCG-Senthil), has undergone service tax audit for the period 2008-09 to 2012-13 and noted that during the period July 2010 to April 2011, medical services provided to TPA are chargeable to service tax for which a demand of ₹ 2.09 million is raised for short payment of service tax. Also purchase volume discount has been classified as business auxiliary services for which a demand of ₹ 1.29 million has been raised by Joint Commissioner, Salem. HCG-Senthil appealed before Commissioner of Central Excise (Appeals) where the order was passed in favour of Revenue. Subsequently, the Company has filed an appeal before CESTAT, Chennai. The HCG-Senthil has served to the patients under Tamil Nadu Government Scheme and the settlement is done by TPA, which is exempt from Service tax and purchase volume discount has been wrongly categorised as business auxiliary service which is out of the ambit of Service tax. Hence the HCG-Senthil believes there would be no service tax liability.

(iii) (a) HealthCare Global Vijay Oncology Private Limited is merged with Company effective from 1 April 2015, has undergone departmental VAT audit for the period from 2011-12 to 2014-15 and noted that the Company has not charged and paid VAT on supply of food to patients and raised a AP-VAT demand of ₹ 2 million. Further, the Deputy Commercial Tax Officer, Vijayawada has passed the penalty order for ₹ 0.5 million against the above AP-VAT audit order. The Company has filed an writ petition before Andhra Pradesh High Court by paying ₹ 0.4 million VAT amount to department.

The Company is positive of winning the case on the ground that various High Courts in India have ruled that the supply of food to patient is pursuant to provision of medical service and is not sale of goods.

(iii) (b) HCG Medisurge Hospitals Private Limited's (HCG Medisurge) VAT Assessment has been done for FY 2011-12 and noted that HCG Medisurge has not paid VAT totalling ₹ 9.49 million on goods which HCG Medisurge claimed as Exempted goods. The AO has levied interest of ₹ 4.56 million and penalty of ₹ 1.64 million by wrongly assessing service income as a taxable item and levying VAT on cafeteria which was offered by HCG Medisurge to VAT under different VAT registration.

HCG Medisurge has filed an appeal before the Joint Commissioner of Commercial Taxes producing the relevant supporting documents for supply of exempted goods, provision of medical Services and offering of cafeteria sales under different VAT registration number. HCG Medisurge believes that the VAT demand will be dropped and no adverse effect on financial statement.

HCG Medisurge's VAT Assessment has been done for FY 2013-14, FY 2014-15 and 2015-16 wherein demand of ₹ 0.94 million, ₹ 1.18 million and ₹ 0.48 million has been raised. The only issue in the order is that ITC is being disallowed.

HCG Medisurge has filed an appeal before the Joint Commissioner of Commercial Taxes which is pending. HCG Medisurge has all the relevant documents to substantiate its claim for ITC. HCG Medisurge believes that the VAT demand will be dropped and no adverse effect on financial statement.

(iii) (c) HealthCare Global Enterprises Limited assessment for Karnataka Value Added Tax (VAT) has been done for FY 2013-14 to FY 2016-17 wherein demand of ₹ 33.02 million has been raised. The demand has mainly arisen on account of differential rate of tax on canteen income, denial of input credit, wrongly taxing other income and ignoring the details of sales / sales returns. The entire demand has been recovered from the Company. Presently, appeals for FY 2015-16 and FY 2016-17 are pending before the Joint Commissioner, Department of Commercial Taxes.

With respect to FY 2013-14 and 2014-15, the appeal filed by the Company before Karnataka Appellate Tribunal ('KVAT Tribunal') was dismissed ex-parte by the KVAT Tribunal due to non-appearance of the Company's counsel, vide Order dated 14 July 2022. However, the Company could not be present on the date of hearing nor make any representation as both the Company and its Counsel did not receive any intimation regarding the hearing. Subsequently in December 2022, the Company has filed an application before the KVAT Tribunal for restoration of the appeal. KVAT Tribunal vide order dated 03 April 2023 allowed the application and restored the appeal to its original form.

The Company believes that the VAT demand will be dropped and there would be no adverse impact in the financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

33 Contingent liabilities (Contd..)

Also, Gujarat Value Added Tax (VAT) assessment has been closed for FY 2014-15, FY 2015-16 and FY 2016-17 wherein demand of ₹ 7.84 Million, ₹ 3.58 million and ₹ 1.52 million have been raised. The Company being aggrieved, has filed an appeal for the above years on the ground that Sales Tax is not applicable on IP sales and there is no mismatch in ITC taken by the Company. The Company has paid ₹ 1.30 million as pre-deposit against these orders. Currently, the appeal against the order is pending before the Deputy Commissioner of State Tax.

(iii) (d) HealthCare Global Enterprises Limited assessment for Central Sales Tax (CST) has been done for FY 2014-15, FY 2015-16 and FY 2016-17 wherein demand of ₹ 9.46 million was raised. The demand has mainly arisen on account of non-submission of 'F' Forms before the AO. Though, demand has arisen, it is to be noted that the transactions has been reported correctly and it is mere a procedural challenge leading to the demand. Entire demand has been recovered from the Company. Currently, the cases are pending before the Deputy Commissioner of Commercial Taxes. The Group does not expect any adverse impact on the consolidated financial statements.

(iii) (e) GST demand of ₹ 6.95 million has been raised against the Company on corporate guarantee services provided to its subsidiaries for the financial year 2017-18. The Company has filed an appeal before the appellate authority and no adverse impact of this dispute is expected on the consolidated financial statements. Further, GST demand of ₹ 9.49 million has been raised against HCG Oncology Hospitals LLP alleging incorrect input credit claimed during the financial year 2019-20. Appeal has been filed before the appellate authority and no adverse impact of this dispute is expected on the consolidated financial statements.

(iv) (a) During the Financial Year 2011-12, HCG Medisurge had made payment to Aastha Oncology Private Limited towards their medical / professional consultancy services after deducting TDS @ 2% (Sec 197 certificate issued for ₹ 31 Million) and there after @ 10% under Section 194J. However, the AO has erred in arriving at the total amount paid/payable to Aastha Oncology Private Limited due to not considering the revised quarterly e-TDS return amount while making TDS assessment and has levied short payment of TDS of ₹ 1.51 million and interest of ₹ 1.23 million. HCG Medisurge has produced the supporting documents during appeal and also accepted a short payment of TDS after considering all transactions with Aastha Oncology Private Limited amounting to ₹ 0.02 million. The Group does not expect any adverse impact on the consolidated financial statements.

(iv) (b) Contingent liability of ₹ 30.63 million relates to possible claim against the Company with respect to disallowance of expenditure relating to capital projects which have been abandoned. Having regard to various judicial decisions on the similar matters, the management including its tax advisors expect that its position will likely be upheld on ultimate resolution. Further, against few other allowances / disallowances, there could be possible claims which management does not expect to be material.

(v) (a) The Group has availed benefit of custom duties on import of capital goods through Export Promotion and Capital Goods (EPCG) licenses against export obligations to be fulfilled within stipulated time period as per Foreign Trade Policy. During the current year, the Directorate General of Foreign Trade (DGFT) issued a notice on 20 January 2023 providing certain relaxations. In addition to the above, the Group has received extension of the time period by 2 years to meet its export obligations for certain licenses. Should the Group not be able to fulfill its export obligations within the stipulated time period, it will be liable to pay the duty benefit availed, upto an amount of ₹ 419.90 million estimated as of 31 March 2024 (as at 31 March 2023: ₹ 452.36 million) along with other levies, if applicable, which may be levied on evaluation of facts and circumstances by the respective authorities.

(v) (b) Demand of ₹ 82.94 million plus interest as applicable and 100% penalty equal to demand amount and additional redemption fine of ₹ 33 million was raised on certain subsidiaries for wrong classification and wrong availment of duty in Bill of Entries. Personal penalty was also imposed on certain employees aggregating to ₹ 10.75 million. The Group has filed appeals before the appellate authority (by payment of ₹ 1.90 million as tax paid under protest during the year ended 31 March 2024) and no adverse impact of this dispute is expected on the consolidated financial statements. Further, the Group has also re-assessed the classification in the Bill of Entry, enhanced the EPCG license and the differential duty has been debited to the EPCG license and has recognised ₹ 41.31 million plus applicable interest thereon as part of Provision for contingency for duties and taxes in view of shortfall in meeting export obligations as required as at 31 March 2023. Of the total provision recognised of ₹ 41.31 million plus applicable interest, the Group has paid ₹ 16.32 million plus applicable interest during the current year ended 31 March 2024.

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33 Contingent liabilities (Contd..)

(vi) The Payment of Bonus (Amendment) Act, 2015 has been enacted on 31 December 2015 with the retrospective effect from 01 April 2014. The Group has taken a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision for the year ended 31 March 2015 of ₹ 9.98 million is required.

(vii) Certain former employees of the Group's overseas subsidiaries have raised claims demanding additional compensation for termination of their employment contracts. The management reasonably expects that these disputes, when ultimately concluded and determined, will not have any material adverse effect on the consolidated financial statements.

(viii) The Hon'ble Supreme Court has, in a recent decision dated 28 February 2019, ruled that special allowance would form part of wages for computing the Provident Fund (PF) contribution. The Group keeps a close watch on further clarifications and directions from the respective department based on which suitable action would be initiated, if any.

(ix) The Group is involved in other disputes, law suits and other claims including commercial matters which arise from time to time in the ordinary course of business. The Group believes that there are no such pending matters that are expected to have any material adverse effect on the consolidated financial statements.

34 Commitments

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	872.20	596.44
Lease commitments (refer note 6)	2,920.58	2,030.00

35 Earnings per share

The calculations of loss attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings and diluted earnings per share calculations are as follows:

35.1 Basic earnings per share

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year attributable to owners	481.55	293.49
Profit used in the calculation of basic earnings per share	481.55	293.49
Weighted average number of equity shares for the purposes of basic earnings per share	139,237,131	139,073,790
Basic earnings per equity share of ₹ 10 each (Amount in ₹)	**3.46**	**2.11**

35.2 Diluted earnings per share

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit used in the calculation of basic earnings per share	481.55	293.49
Profit used in the calculation of diluted earnings per share	481.55	293.49
Weighted average number of equity shares used in the calculation of diluted earnings per share	140,406,336	139,713,216
Diluted earnings per equity share of ₹ 10 each (Amount in ₹)	**3.43**	**2.10**
The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
Weighted average number of equity shares used in the calculation of basic earnings per share	139,237,131	139,073,790
Shares deemed to be issued for no consideration in respect of employee stock options and warrants	1,169,206	639,425
Weighted average number of equity shares used in the calculation of diluted earnings per share	**140,406,336**	**139,713,216**

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36 Segment information

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

Geographical information

Geographical information analyses the group's revenue and non-current assets by the group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been presented based on the geographical location of the customers and segment assets has been presented based on the geographical location of the assets.

(i) Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	18,898.41	16,815.13
Outside India	180.30	99.01
Total	**19,078.71**	**16,914.14**

(ii) Non current assets*

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	19,196.76	16,229.38
Outside India	453.32	463.77
Total	**19,650.08**	**16,693.15**

*Non-current assets exclude financial assets and deferred tax assets.

37 Employee benefit plans

37.1 Defined contribution plans

The Group has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group Companies contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contribution to Provident Fund included under contribution to provident and other funds	139.08	131.58
Contribution to Employee State Insurance Scheme, included under staff welfare expenses	10.99	11.66
	150.07	**143.24**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

37 Employee benefit plans (Contd..)

37.2 Defined benefit plans

The Group offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Amounts recognised in consolidated statement of profit and loss in respect of this defined benefit plan are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Service cost recognised in employee benefits expense in note 27	31.13	26.43
Net interest expense recognised in finance costs in note 28	15.18	10.13
Components of defined benefit costs recognised in the Statement of profit and loss	**46.31**	**36.56**
Remeasurement of the net defined benefit plan:		
Actuarial losses arising from changes in demographic assumptions	-	4.39
Actuarial gains arising from changes in financial assumptions	1.91	(7.79)
Actuarial losses arising from experience adjustments	6.06	8.55
Remeasurement of the net defined benefit plan recognised in other comprehensive income	**7.97**	**5.15**

The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of funded defined benefit obligation	218.14	183.89
Fair value of plan assets	1.62	1.53
Unfunded status	**216.52**	**182.36**
Net liability arising from defined benefit obligation	**216.52**	**182.36**
Non-current (refer note 21)	156.62	131.86
Current (refer note 21)	59.90	50.50

Movements in the present value of the defined benefit obligation are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening defined benefit obligation	183.89	154.35
Current service cost	31.13	26.43
Interest cost	15.27	10.13
Remeasurement (gains)/losses:		
Actuarial losses arising from changes in demographic assumptions	-	4.39
Actuarial gains arising from changes in financial assumptions	1.91	(7.79)
Actuarial losses arising from experience adjustments	6.06	8.55
Benefits paid	(20.12)	12.17
Closing defined benefit obligation	**218.14**	**183.89**

Movements in the fair value of the plan assets are as follows:

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening fair value of plan assets	1.53	1.43
Interest income	0.11	0.08
Excess return over interest income on plan assets	(0.02)	0.02
Closing fair value of plan assets	**1.62**	**1.53**

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for the year ended 31 March 2024

37 Employee benefit plans (Contd..)

The fair value of the plan assets at the end of the reporting period for each category, are as follows

(₹ in million)

Particulars	Fair value of plan assets as at	
	31 March 2024	31 March 2023
Insurer-managed funds	1.62	1.53
Total	**1.62**	**1.53**

Plan assets consists of assets held in a 'long-term benefit fund' for the sole purpose of making future benefit payments when they fall due. Plan assets include qualifying insurance policies and are not quoted in the market.

The actual return on plan assets was ₹ 0.09 million (for the year ended 31 March 2023: ₹ 0.08 million).

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

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in million)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(6.03)	6.42	(5.00)	5.32
Future salary increase (1% movement)	13.91	(12.67)	11.61	(10.59)
Attrition rate (10% movement)	(2.78)	2.97	(2.03)	2.13

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The average duration of the benefit obligation at 31 March 2024 is 5.09 years (as at 31 March 2023 is 4.81 years).

The principal assumptions used for the purposes of the actuarial valuations were as follows.

(₹ in million)

Particulars	Valuation as at	
	31 March 2024	31 March 2023
Discount rate(s)	6.90% to 7.00%	7.20% to 7.30%
Expected rate(s) of salary increase	5.00% to 7.50%	5.00% to 7.50%
Rate of return on plan assets	7.34% to 7.50%	5.4% to 7%
Mortality table	IALM 2012-14	IALM 2012-14
Employee turnover rate	13.40% to 30.00%	13.40% to 30.00%

Each actuarial assumption made in the measurement of the defined benefit obligation is a source of risk. There are additional risks which can have an adverse impact on the plan, but are not allowed for in the measurement of the defined benefit obligation, such as liquidity and counterparty default risks. Some of the most significant risks are listed below.

Discount rate: Variations in discount rate don't affect the level of benefits under the plan. However, it is still a very significant assumption as it does affect the discount due to time value of money. A fall in discount rate will increase the present value of the obligation.

Salary increases: Since the plan benefits are linked to final salary, higher than expected salary increases will increase the cost of benefits under the plan. An increase in the salary escalation assumption will increase the present value of the obligation.

Attrition rates: Deviations in actual attrition experience compared to the attrition assumption will change the level of benefits and therefore the cost of those benefits. A change in the attrition assumption will also affect the present value of the obligation.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

37 Employee benefit plans (Contd..)

Regulatory risk: Since the minimum benefits under the plan are set by law, there is risk that a change in law could require the employer to pay higher benefits, increasing the cost as well as the present value of obligation.

Maturity profile of defined benefit obligation:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Within 1 year	61.48	52.00
1-2 year	46.24	40.99
2-3 year	38.05	32.37
3-4 year	31.39	26.02
4-5 year	24.82	20.74
5-10 year	55.89	46.85
> 10 years	15.61	13.43

38 Share-based payments

A Employee share option plan of the Company

(a) ESOP 2014

Pursuant to the shareholders' approval in the extraordinary general meeting held on 28 March 2014, the Board of Directors formulated the Scheme titled "Employee Stock Option Scheme 2014"" (ESOP 2014). The ESOP 2014 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share.

As per the Scheme, the Remuneration Committee grants the options to the employees deemed eligible. The Exercise Price shall be a price that is not less than the face value per share per option. Options Granted under ESOP 2014 would vest not less than one year and not more than five years from the date of Grant of such Options. Vesting of Options would be a function of continued employment with the Company (passage of time) and achievement of performance criteria as specified by the Nomination and Remuneration Committee as communicated at the time of grant of options. The option holders may exercise those options vested within a period as specified which may range upto 10 years from the date of grant.

Upon ESOP 2021 becoming effective, no further stock option grants will be made under ESOP 2014. However, all the employee stock options already granted under this Scheme shall be eligible for being vested and exercised as per the terms of ESOP 2014.

(b) ESOP 2021

Pursuant to the shareholders' approval vide their special resolution passed through postal ballot on 23 May 2021, the Board of Directors formulated the Scheme titled "Employee Stock Option Scheme 2021"" (ESOP 2021). The ESOP 2021 allows the issue of options to employees of the Company and its subsidiaries. Each option comprises one underlying equity share. Under the Scheme, a maximum of 6,267,000 Options can be granted.

As per the Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible subject to fulfillment of such eligibility criteria(s) as may be specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI (SBEB) Regulations") and/or as may be determined by NRC from time to time. Exercise Price for the purpose of grant of options shall be as decided by the NRC, subject to a minimum of the face value per share. The vesting of an option would also be subject to the terms and conditions as may be stipulated by the NRC from time to time including but not limited to performance of the stock of the Company, performance of the employees, their continued employment with the Company / its subsidiaries, as applicable. The vesting period shall commence any time after the expiry of one year from the date of the grant of the options to the employee and shall end over a maximum period of 7 years from the date of the grant of the options. The options could vest in tranches. The exercise period may commence from the date of vesting and the vested options would be eligible to be exercised on the vesting date itself or any time after vesting in terms of the ESOP Scheme. The options will lapse if not exercised within the specified exercise period. The number of stock options and terms of the same made available to employees (including the vesting period) could vary at the discretion of the NRC.

Employee stock options will be settled by delivery of shares.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

38 Share-based payments (Contd..)

B (i) **The detail of fair market value and the exercise price is as given below:**

Particulars	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014
Date of grant	10-Nov-16	22-May-18	09-Nov-18	07-Feb-19	08-Aug-19	08-Aug-19
Fair market value of option at grant date (₹)	232.48	298.55	220.74	181.62	48.45	94.94
Fair market value of share at grant date (₹)	240.15	306.81	231.85	187.00	102.35	102.35
Exercise price (₹)	10.00	10.00	10.00	10.00	110.68	10.00
No. of options	165,400	55,000	25,000	47,000	30,000	141,800

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	11-Jun-21	11-Jun-21	09-Nov-21	09-Nov-21	10-Feb-22	10-Feb-22
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	108.77	46.04	169.57	76.02	160.10	95.06
Fair market value of share at grant date (₹)	197.65	197.65	261.85	261.85	249.70	249.70
Exercise price (₹)	130.00	130.00	130.00	130.00	130.00	130.00
No. of options	780,000	1,820,000	138,000	322,000	73,500	171,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	26-May-22	26-May-22	10-Aug-22	10-Aug-22	10-Nov-22	10-Nov-22
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	188.05	122.56	196.35	123.93	211.54	133.51
Fair market value of share at grant date (₹)	275.55	275.55	284.20	284.20	298.85	298.85
Exercise price (₹)	130.00	130.00	130.00	130.00	130.00	130.00
No. of options	6,000	14,000	34,500	80,500	34,500	80,500

Particulars	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Date of grant	09-Feb-23	09-Feb-23	01-Apr-23	01-Apr-23	09-Aug-23	09-Aug-23
Vesting basis	Time based	Performance based	Time based	Performance based	Time based	Performance based
Fair market value of option at grant date (₹)	200.22	139.21	139.90	58.82	208.12	64.08
Fair market value of share at grant date (₹)	287.45	287.45	262.45	262.45	338.10	338.10
Exercise price (₹)	130.00	130.00	200.00	200.00	200.00	200.00
No. of options	18,000	42,000	150,000	350,000	12,000	28,000

Particulars	ESOP 2021	ESOP 2021
Date of grant	09-Nov-23	09-Nov-23
Vesting basis	Time based	Performance based
Fair market value of option at grant date (₹)	241.10	66.75
Fair market value of share at grant date (₹)	373.10	373.10
Exercise price (₹)	200.00	200.00
No. of options	66,000	154,000

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

38 Share-based payments (Contd..)

(ii) The assumptions used for calculating fair value of the ESOPs granted during the year ended 31 March 2024 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	01-Apr-23	09-Aug-23	09-Nov-23
Risk free interest rate	7.15% to 7.18%	7.15% to 7.19%	7.23% to 7.29%
Expected life	1 to 6 years	1 to 6 years	1 to 6 years
Expected annual volatility of shares	34.47% to 38.44%	34.86% to 37.94%	34.53% to 37.27%
Expected dividend yield	0.00%	0.00%	0.00%

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	01-Apr-23	09-Aug-23	09-Nov-23
Volume weighted average price of stock as on grant date	286.53	296.83	272.08
Risk free interest rate	7.17%	7.15%	7.22%
Expected life	5.50 years	5.14 years	4.89 years
Expected annual volatility of shares	35.89%	36.79%	37.01%

The assumptions used for calculating fair value of the ESOPs granted during the previous year ended 31 March 2023 are as below:

Time based options

The Black-Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Risk free interest rate	6.97% to 7.14%	6.91% to 7.10%	7.22% to 7.34%	7.18% to 7.26%
Expected life	1 to 6 years	1 to 6 years	1 to 6 years	1 to 6 years
Expected annual volatility of shares	38.95% to 34.17%	39.52% to 34.44%	39.43% to 34.66%	39.01% to 34.73%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%

Performance based options

The Monte Carlo Simulation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	ESOP 2021	ESOP 2021	ESOP 2021	ESOP 2021
Grant date	26-May-22	10-Aug-22	10-Nov-22	09-Feb-23
Volume weighted average price of stock as on grant date	247.68	260.63	272.08	282.84
Risk free interest rate	7.04%	6.95%	7.23%	7.18%
Expected life	4.60 years	4.39 years	4.14 years	3.89 years
Expected annual volatility of shares	37.62%	38.41%	39.13%	39.11%

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for the year ended 31 March 2024

38 Share-based payments (Contd..)

C Employee stock options details as on the Balance Sheet date are as follows:

(₹ in million)

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (₹)	Options (Numbers)	Weighted average exercise price per option (₹)
Option outstanding at the beginning of the year:				
- ESOP 2014	68,300	54.22	119,880	35.20
- ESOP 2021	3,092,080	130.00	3,153,000	130.00
Granted during the year:				
- ESOP 2014	-	-	-	-
- ESOP 2021	760,000	200.00	310,000	130.00
Forfeited during the year:				
- ESOP 2014	5,220	10.00	-	-
- ESOP 2021	5,130	130.00	-	-
Exercised during the year:				
- ESOP 2014	25,700	10.00	38,970	10.00
- ESOP 2021	147,925	130.00	65,100	130.00
Lapsed during the year:				
- ESOP 2014	1,000	10.00	12,610	10.00
- ESOP 2021	227,000	139.71	305,820	130.00
Options outstanding at the end of the year:				
- ESOP 2014	36,380	93.02	68,300	54.22
- ESOP 2021	3,472,025	144.69	3,092,080	130.00
Options exercisable at the end of the year:				
- ESOP 2014	36,380	93.02	33,100	64.75
- ESOP 2021	383,491	130.00	234,444	130.00

* Options available for grant are as under:

- ESOP 2021: 2,581,950 as at 31 March 2024 (as at 31 March 2023: 3,109,820)

** The above figure include options granted to employees of the subsidiaries.

The weighted average share price at the date of exercise for share options exercised during the year ended 31 March 2024 is ₹ 334.24 (31 March 2023: ₹ 286.43).

The options outstanding at the end of the reporting period has exercise price in the range of ₹ 10 to ₹ 200 (31 March 2023: ₹ 10 to ₹ 130) and weighted average remaining contractual life of 4.82 years (31 March 2023: 5.46 years).

D For details of expense recognised in statement of profit and loss please refer note 27 and for details of movement in share options outstanding account refer note 16.2.

39 Financial instruments

A Accounting classification and fair values

The following table shows the carrying amount and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in million)

As at 31 March 2024	Carrying amount	Fair value			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets measured at fair value					
FVTPL					
Investments in unquoted equity instruments / other funds	50.72	-	-	50.72	50.72
Investments in mutual fund (quoted)	18.93	18.93	-	-	18.93
Financial assets not measured at fair value					
Amortised cost					
Loans	19.43	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

39 Financial instruments (Contd..)

(₹ in million)

As at 31 March 2024	Carrying amount	Fair value			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Trade receivable	2,940.26	-	-	-	-
Cash and cash equivalents (including other bank balances)	3,030.73	-	-	-	-
Other financial assets	553.95	-	-	-	-
	6,614.02				
Financial liabilities measured at fair value					
FVTPL					
Contingent consideration	27.82	-	-	27.82	27.82
Financial liabilities not measured at fair value					
Amortised cost					
Loans and Borrowings (including short-term borrowings)	6,727.57	-	6,776.86	-	6,776.86
Trade payables	2,810.65	-	-	-	-
Other financial liabilities	520.87	-	-	-	-
Gross obligation on written put option	1,060.00	-	-	1,060.00	1,060.00
	11,174.73				

(₹ in million)

As at 31 March 2023	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
FVTPL					
Investments in unquoted equity instruments / other funds	51.62	-	-	51.62	51.62
Investments in mutual fund (quoted)	16.76	16.76	-	-	16.76
Financial assets not measured at fair value					
Amortised cost					
Loans	17.69	-	-	-	-
Trade receivable	3,025.11	-	-	-	-
Cash and cash equivalents (including other bank balances)	1,966.39	-	-	-	-
Other financial assets	614.63	-	-	-	-
	5,692.20				
Financial liabilities not measured at fair value					
Amortised cost					
Loans and Borrowings (including short-term borrowings)	3,993.35	-	4,022.72	-	4,022.72
Trade payables	2,484.54	-	-	-	-
Other financial liabilities	433.81	-	-	-	-
Gross obligation on written put option	970.00	-	-	970.00	970.00
	7,881.70				

Refer note 18 for details related to pledge of financial assets

There have been no transfers among Level 1, Level 2 and Level 3 during each of the years presented above.

Financial instruments measured at fair value (Level 2 and Level 3):

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity instruments / funds	Recent completed transaction in the underlying investment	1. Price per share 2. Qualitative factors on operating performance vis a vis budgets 3. Regulatory factors	Not applicable

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39 Financial instruments (Contd..)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Contingent consideration	In determining the fair value, the risk adjusted revenues for forward 12 months' revenue from the acquisition date was estimated using a Monte Carlo Simulation model. The undiscounted contingent consideration payable based on expected revenue is then present valued using the risk adjusted discount rate to arrive at the fair value of contingent consideration.	1. Risk adjusted revenues for forward 12 months' revenue from the acquisition date 2. Risk adjusted discount rate: 11.7%	The estimated fair value would increase / (decrease) if: • the future revenues are higher (lower); • the discount rate is lower (higher);
Gross obligation on written put option	The fair value is estimated using Discounted Cash Flow method.	1. Risk adjusted discount rate: 13.93% 2. Revenue growth rate: 8% to 17% 3. Terminal growth rate: 5%	The estimated fair value would increase / (decrease) if: • the future cash flows are higher (lower); • the discount rate is lower (higher); • the terminal growth rare is higher (lower)

The Group's borrowings have been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

Details of assets and liabilities considered under Level 3 classification

(₹ in million)

Particulars	Investment in equity instruments
Balance as at 1 April 2022	**41.62**
Investment during the year	10.00
Balance as at 31 March 2023	**51.62**
Redemption of investment during the year	(0.90)
Balance as at 31 March 2024	**50.72**

As at 31 March 2024 and 31 March 2023, a one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets does not have a significant impact in its value.

(₹ in million)

Particulars	Gross obligation on written put option
Balance as at 1 April 2022	**587.00**
Change in fair value (Refer note 16.6)	383.00
Balance as at 31 March 2023	**970.00**
Change in fair value (Refer note 16.6)	90.00
Balance as at 31 March 2024	**1,060.00**

There is a wide range of possible fair value measurements for the valuation of exercise price of written-put option included in Level 3 of fair value hierarchy and the amount considered above represents the estimate of the fair value within that range.

(₹ in million)

Particulars	Contingent consideration
Balance as at 1 April 2022	**-**
Addition during the year	-
Balance as at 31 March 2023	**-**
Assumed in a business combination (refer note 45)	26.30
Loss included in 'other expenses'	-
Interest accrued in 'finance cost'	1.52
Balance as at 31 March 2024	**27.82**

Reasonably possible change in the unobservable inputs used in fair valuation of Level 3 assets does not have a significant impact in its value.

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40 Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risks which may adversely impact the fair value of its financial instruments.

(i) Risk management framework

The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to the credit risk from its trade receivables, security deposit, investments, cash and cash equivalents, bank deposits and loans. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

a) Trade and other receivables

Trade receivables are unsecured comprise a widespread customer base. Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set for patients without medical aid insurance. Services to customers without medical aid insurance are settled in cash or using major credit cards on discharge date as far as possible. Credit Guarantees insurance is not purchased.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information wherever required. The expected credit loss allowance is based on the ageing of the receivables from their expected period of recovery and the rates as derived as per the trend of trade receivable ageing of previous years.

1. The Provision matrix at the end of the reporting period is as follows:-

(₹ in million)

Category	As at 31 March 2024	As at 31 March 2023
Less than 1 year	4% to 38%	3% to 32%
1-2 years	47% to 63%	41% to 60%
2-3 years	78% to 90%	80% to 100%
More than 3 years	100%	100%

2. The provision details of the trade receivable is given below.

(₹ in million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Movement in the expected credit loss allowance		
Balance at beginning of the year	475.30	629.40
Additional provision during the year (refer note 30)	229.93	198.35
Written-off during the year *	(4.32)	(352.45)
Balance at end of the year (refer note 13)	**700.91**	**475.30**

* The receivables that are written off would still be subject to enforcement activities for recovery of amounts due.

No single customer accounted for more than 10% of the revenue as of 31 March 2024 and 31 March 2023. There is no significant concentration of credit risk.

Details of geographic concentration of revenue is included in note 36 to the financial statements

b) Investments and cash deposits

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non- performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

40 Financial risk management (Contd..)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Also refer note 41.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023.

(₹ in million)

Particulars	As at 31 March 2024					
	Total	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years
Borrowings *	6,804.89	1,874.56	896.32	852.53	876.81	2,304.67
Lease liabilities	9,969.93	951.27	842.31	851.73	804.61	6,520.01
Trade payables	2,810.65	2,810.65	-	-	-	-
Other financial liabilities	1,636.51	1,636.51	-	-	-	-

(₹ in million)

Particulars	As at 31 March 2023					
	Total	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years
Borrowings *	4,022.72	375.94	641.81	529.93	607.69	1,867.35
Lease liabilities	8,797.79	954.83	787.20	726.92	738.39	5,590.45
Trade payables	2,484.54	2,484.54	-	-	-	-
Other financial liabilities	1,403.81	1,403.81	-	-	-	-

* In respect of borrowings which are repayable with variable rate of interest, principal amount as per the repayment schedule is considered for disclosure of contratual maturities.

(iv) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

(a) Foreign currency risk

The Group's exchange risk arises mainly from its foreign currency borrowings. As a result, depreciation of Indian rupee relative to these foreign currencies will have a significant impact on the financial performance of the Group. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

(i) Exchange rates exposure are managed within approved policy parameters. The following table presents unhedged foreign currency risk from financial instruments as of 31 March 2024 and 31 March 2023

(₹ in million)

As at 31 March 2024	Rupee equivalent of foreign currency amounts		
Particulars	**US $**	**Euro**	**Total**
Assets			
Cash and cash equivalents	16.45	-	16.45
Liabilities			
Borrowings	80.47	133.87	214.34
Lease liabilities	284.27	-	284.27
Trade payable	10.74	0.35	11.09
Net assets/liabilities	**(359.03)**	**(134.22)**	**(493.25)**

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

40 Financial risk management (Contd..)

(₹ in million)

As at 31 March 2023	Rupee equivalent of foreign currency amounts		
Particulars	US $	Euro	Total
Assets			
Cash and cash equivalents	6.64	-	6.64
Liabilities			
Borrowings	93.42	129.11	222.53
Lease liabilities	316.45	-	316.45
Trade payable	2.57	0.31	2.88
Net assets/liabilities	(405.80)	(129.42)	(535.22)

(ii) **Sensitivity analysis**

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments

(₹ in million)

Particulars	Impact on profit or (loss) before tax		Impact on equity, net of tax	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Sensitivity				
₹ / USD - Increase by 1%	(3.59)	(4.06)	(2.69)	(3.04)
₹ / USD - Decrease by 1%	3.59	4.06	2.69	3.04
₹ / Euro - Increase by 1%	(1.34)	(1.29)	(1.34)	(1.29)
₹ / Euro - Decrease by 1%	1.34	1.29	1.34	1.29

(b) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments. Such risks are overseen by the Group's corporate treasury department as well as senior management.

(i) **Interest rate risk exposure**

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate long term borrowings including current maturities	5,320.31	3,728.17
Total borrowings	5,320.31	3,728.17

(ii) **Sensitivity analysis**

Every 1% increase or decrease in interest rate does not have material impact to statement of profit and loss and other components of equity

(₹ in million)

Particulars	Impact on profit or (loss) before tax		Impact on equity, net of tax	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Sensitivity				
1% increase in interest rate	(53.20)	(37.28)	(43.85)	(32.42)
1% decrease in interest rate	53.20	37.28	43.85	32.42

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

41 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

The capital structure is as follows:

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
Total equity attributable to the equity share holders of the Group	8,257.80	8,605.22
As percentage of total capital	69%	81%
Total loans and borrowings	6,727.57	3,993.35
Cash and cash equivalents and other bank balances	3,030.73	1,966.39
Net loans & borrowings	**3,696.84**	**2,026.96**
As a percentage of total capital	31%	19%
Total capital (loans and borrowings and equity)	**11,954.64**	**10,632.18**

42 Due to Micro, Small and Medium Enterprises (refer note 22)

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 and 31 March 2023 have been made in the financial statements based on information received and available with the group. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The group has not received any claim for interest from any supplier.

(₹ in million)

Particulars	As at 31 March 2024	As at 31 March 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year	62.12	48.94
Principal	62.09	48.94
Interest	0.03	-
The amount of interest paid by the buyer under MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.03	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

All trade payables are 'current.' The Group's exposure to currency and liquidity risks related to trade payable is disclosed in note 40.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

43 Related Party Disclosure

Transactions and balances between the Company and its subsidiaries which are related parties of the Company have been eliminated and are not disclosed in this note.

A Details of related parties:

Description of relationship	Names of related parties
Parent entity	Aceso Company Pte Ltd
Intermediate Parent entity	Aceso Investment Holding Pte. Ltd.
Ultimate Parent entity	CVC Capital Partners Asia V L.P.
Joint venture	Advanced Molecular Imaging Limited, Kenya
Fellow subsidiary	Irelia Sports India Private Limited
Key management personnel (KMP)	**Whole-time director**
	Dr. B S Ajaikumar - Executive Chairman
	Meghraj Arvindrao Gore
	Anjali Rossi Ajaikumar
	Non-executive directors
	Amit Soni
	Siddharth Patel
	Independent Directors
	Geeta Mathur
	Rajagopalan Raghavan
	Jeyandran Venugopal
	Pradip M. Kanakia
	Abhay Havaldar (upto 1 April 2023)
	Rajiv Maliwal (with effect from 25 May 2023)
	Other Key Managerial Personnel
	Meghraj Arvindrao Gore - Chief Executive Officer and Whole-time Director
	Srinivasa V. Raghavan - Chief Financial Officer (upto 20 August 2023)
	Ruby Ritolia - Chief Financial Officer (with effect from 21 August 2023)
	Sunu Manuel- Company Secretary
Relatives of KMP	Ms.Anjali Ajaikumar, daughter of Dr. B S Ajaikumar -Whole-time Director
Company / entity in which KMP / Relatives of KMP can exercise control / significant influence	JSS Bharath Charitable Trust
	Sada Sarada Tumor & Research Institute
	B.C.C.H.I Trust
	HCG Foundation
	GHA Global Healthcare Academy Private Limited
	Gutti Malnad Hospital LLP
	International Human Development and Upliftment Academy (Trust)

Transactions and balances between the Company and its subsidiaries which are related parties of the Company, have been eliminated and are not disclosed.

B Details of related party transactions during the year:

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of medical and non-medical items		
- Sada Sarada Tumor & Research Institute	3.71	2.47
Income from medical services		
- HCG Foundation	3.39	2.44
- Sada Sarada Tumor & Research Institute	6.23	7.98
Rent charges		
- Sada Sarada Tumor & Research Institute	-	0.62
Reimbursement of capital expenditure/ revenue expenditure cross charged by the Group		
- Sada Sarada Tumor & Research Institute	-	1.49

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

43 Related Party Disclosure (Contd..)

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of Capital Asset		
- Sada Sarada Tumor & Research Institute	1.70	-
Promotion and Marketing of Offline and Online courses		
GHA Global Healthcare Academy Private Limited	10.67	2.24
CSR contribution to		
- International Human Development and Upliftment Academy (Trust)	4.87	1.02
Promotion and Marketing of offline and online courses		
- Irelia Sports India Private Limited	4.86	-
Short-term employee benefits to:		
- Dr. B S Ajaikumar (refer note 44)	48.97	40.87
- Meghraj Arvindrao Gore (refer note 44)	33.08	33.20
- Ms. Anjali Ajaikumar (refer note 44)	15.00	7.95
- Ruby Ritolia	10.88	-
- Srinivasa Raghavan	4.64	13.84
- Sunu Manuel	5.60	5.25
Post-employment benefits to:		
- Dr. B S Ajaikumar	0.91	0.78
- Meghraj Arvindrao Gore	0.47	0.38
- Anjali Ajaikumar	0.27	0.24
- Srinivasa Raghavan	(0.01)	0.12
- Ruby Ritolia	0.05	-
- Sunu Manuel	0.15	0.15
Share based payments to:		
- Srinivasa Raghavan	1.40	3.76
- Sunu Manuel	0.62	0.86
- Meghraj Arvindrao Gore	15.14	16.85
- Ruby Ritolia	5.26	-
Sitting fees to Directors		
- Rajiv Maliwal	2.00	-
- Pradip M. Kanakia	2.36	0.83
- Abhay Prabhakar Havaldar	-	0.77
- Geeta Mathur	2.36	1.24
- Rajagopalan Raghavan	2.36	1.12

Transactions and balances between the company and its subsidiaries which are related parties of the company, have been eliminated and are not disclosed

C Details of related party balances outstanding:

(₹ in million)

Balances outstanding as at	31 March 2024	31 March 2023
Trade receivables		
- Sada Sarada Tumor & Research Institute	2.94	0.81
- B.C.C.H.I. Trust	0.01	0.01
- HCG Foundation	3.21	3.02
- Gutti Malnad LLP	1.35	1.40
Receivable from related parties - Other Financial Assets (current)		
- Sada Sarada Tumor & Research Institute	6.98	3.65
Security deposits (refundable) with		
- Gutti Malnad LLP	3.50	3.50
Accrued employee benefits - Other financial liabilties (current)		
- Dr. B S Ajaikumar	10.67	6.71
- Meghraj Arvindrao Gore	12.99	11.91
- Ms. Anjali Ajaikumar	3.49	1.51
- Ruby Ritolia	3.28	-
- Srinivasa Raghavan	-	2.62
- Sunu Manuel	0.66	0.63

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

43 Related Party Disclosure (Contd..)

(₹ in million)

Balances outstanding as at	31 March 2024	31 March 2023
Provision for post-employment benefits:		
- Dr. B S Ajaikumar	3.34	3.76
- Meghraj Arvindrao Gore	1.14	0.69
- Ms. Anjali Ajaikumar	1.72	1.91
- Srinivasa Raghavan	-	1.50
- Ruby Ritolia	0.11	-
- Sunu Manuel	1.86	1.87
Trade payables		
- HCG Foundation	0.06	0.08

All transactions with the related parties are priced at arm's length basis and resulting outstanding balances are to be settled as per the terms agreed. None of the balances are secured.

44 Managerial remuneration:

For the financial year ended 31 March 2024

The managerial remuneration for the year ended 31 March 2024 was approved by the Nomination and Remuneration Committee, the Board of Directors and is in accordance with the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 considering the approval of the Shareholders of the Company through special resolution obtained on 25 June 2023 in respect of remuneration to Dr. B S Ajaikumar, Meghraj Arvindrao Gore and Anjali Ajaikumar.

For the financial year ended 31 March 2023

The managerial remuneration for the year ended 31 March 2023 was approved by the Nomination and Remuneration Committee, the Board of Directors and is in accordance with the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 considering the approval of the Shareholders of the Company through special resolution obtained on 23 May 2021 in respect of remuneration to Dr. B S Ajaikumar and Anjali Ajaikumar and special resolution obtained on 6 May 2022 in respect of remuneration to Meghraj Arvindrao Gore pursuant to his appointment as whole-time director with effect from 10 February 2022.

45 Acquisitions during the year

45.1 Business acquisition

During the current year ended 31 March 2024, pursuant to the Business Transfer Agreements ("BTA") with SRJ Health Care Private Limited and Amrish Oncology Services Private Limited, the Company has acquired their comprehensive cancer care centre and Radiation unit / centre respectively in Indore on slump sale basis on 3 October 2023. As per the terms of the BTA, the Company has paid upfront consideration aggregating to ₹ 450 million. The BTA also provides for contingent consideration to be paid after 12 months from the date of acquisition for a maximum of upto ₹ 160 million. The amount of contingent consideration is dependent upon the acheivement of financial performance of the business acquired.

Date of business combination - The acquisition was completed on 3 October 2023.

The acquisition contributed revenue of ₹ 121.82 million and loss after tax of ₹ 20.97 million for the period between the acquisition date and 31 March 2024. Statutory financial statements of the acquiree are not available for the period from 01 April 2023 till the date of acquisition and hence it is impracticable to disclose revenue and profit or loss of the acquiree for the current reporting period as if the business combination occurred on 01 April 2023.

a) Business combination

The above transaction qualified as a business combination as per Ind AS 103 - "Business Combinations" and was accounted by applying the acquisition method wherein identifiable assets acquired, liabilities assumed were fair valued against the fair value of the consideration transferred and the resultant goodwill recognised.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

45 Acquisitions during the year (Contd..)

b) Identifiable assets and liabilities assumed

Particulars	₹ in million
Fair value of consideration transferred	
Cash consideration	450.00
Fair Value of Contingent Consideration	26.30
Total (A)	**476.30**
Assets acquired	
Property, plant and equipment	50.71
Right-of-use assets	251.17
Intangible assets: Non-compete	13.00
Other intangible assets	0.21
Inventories	4.31
Other assets	2.45
Total assets acquired (B)	**321.85**
Liabilities assumed	
Lease liabilities	228.04
Trade payables and other liabilities	34.40
Total liabilities assumed (C)	**262.44**
Net assets acquired [D = (B-C)]	**59.41**
Goodwill (A-D)	**416.89**

i) Property, plant and equipment: Cost approach (reproduction cost method) has been adopted to estimate the fair value of Property, plant and equipment.

ii) Intangible assets: Non-compete has been valued using the Lost profit Method. The projected revenues and operating expenses are estimated in a "With" and "Without" scenario for the non- compete agreement, and the differential between the profits from the two scenarios serves as the basis for estimating fair value. Non-compete has useful life of 3 years.

iii) Goodwill is attributable to the synergies expected to be achieved from this acquisition. Goodwill is not tax deductible.

iv) Trade receivables: Fair value and the gross contractual amounts due of the acquired trade receivables as at the acquisition date is ₹ 0.42 million.

v) Contingent consideration: Contingent consideration is linked to pre-determined EBITDA margin (at 14.25%) over the forward 12 months revenue in excess of ₹ 316 million from the acquisition date. Contingent consideration is capped to a maximum of ₹ 160 million. The management has determined the fair value of contingent consideration as at the acquisition date of ₹ 26.30 million. In determining the fair value, the risk adjusted revenues for forward 12 months' revenue from the acquisition date was estimated using a Monte Carlo Simulation model. The undiscounted contingent consideration payable based on expected revenue is then present valued using the discount rate of 11.7 % to arrive at the fair value of contingent consideration. During the period, interest of ₹ 1.52 million has been accrued as a result of which the contingent consideration has increased to ₹ 27.82 million as at 31 March 2024.

c) The Company has incurred ₹ 11.72 million towards legal and professional fees in respect of this business acquisition which has been charged-off in the Statement of profit and loss as Other expenses.

45.2 Acquisition of Nagpur Cancer Hospital & Research Institute Private Limited

During the current year ended 31 March 2024, pursuant to the Share Purchase Agreement with Nagpur Cancer Hospital & Research Institute Private Limited ("NCHRI") and its shareholders, the Company acquired 100% equity shares of NCHRI on 22 August 2023 for a consideration of ₹ 141 million. Hence, NCHRI became wholly owned subsidiary of the Company.

NCHRI has constructed a hospital building on the land leased by Nagpur Improvement Trust, a planning authority for the city of Nagpur established by the Government of Maharashtra. The Group has been operating comprehensive cancer centre of NCHRI under a medical services arrangement, through its subsidiary - HCG NCHRI Oncology LLP. With the acquisition of NCHRI, the Group has obtained control over its assets.

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

45 Acquisitions during the year (Contd..)

The above transaction does not qualify as a business combination as per Ind AS 103 - ""Business Combinations"". Accordingly, the management has accounted this acquisition as an asset acquisition. The acquisition cost of the group of assets (including transaction costs of ₹ 7.94 million towards legal and professional fees in respect of this acquisition) is allocated to the individual assets based on their relative fair values.

Allocation of acquisition cost to the identified assets and liabilities as at 22 August 2023:

Particulars	₹ in million
Acquisition cost allocable	
Cash consideration for acquisition for shares in NCHRI	141.00
Less: consideration attributable to non-controlling partnership share in HCG NCHRI Oncology LLP	(88.00)
Add: Settlement of pre-existing receivable balances of the Group from NCHRI	313.30
Add: Transaction costs in respect of this acquisition	7.94
Total (A)	**374.24**
Assets acquired	
Property, plant and equipment	508.50
Trade receivables	167.23
Cash and cash equivalents	25.65
Other assets	41.37
Total assets acquired (B)	**742.75**
Liabilities assumed	
Borrowings	336.17
Trade payables and other liabilities	32.34
Total liabilities assumed (C)	**368.51**
Allocated costs to net assets (D) = (B-C)	**374.24**

Property, plant and equipment: Depreciated Replacement Cost method is adopted to estimate the fair value of Property, plant and equipment.

Trade receivables: Fair value of the acquired trade receivables as at 22 August 2023 is ₹ 167.23 million. The trade receivables comprise gross contractual amounts due of ₹ 228.23 million, of which ₹ 60.90 million was expected to be uncollectable.

Settlement of pre-existing relationship

As mentioned above, the Group and NCHRI were parties to a long-term service contract under Medical Services Agreement pursuant to which the Group provided medial services to NCHRI. The pre-existing relationship was effectively terminated when the Group acquired NCHRI. The Group concluded that there was no gain / loss on termination of the above mentioned agreement. The balances recoverable from / payable to NCHRI have been settled at recorded amount with no gain / loss.

46 Subsidiaries, Associate & Joint venture

46.1 Details of the Group's subsidiaries at the end of the reporting period are as follows

(₹ in million)

Name of the subsidiary	Note	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March 2024	As at 31 March 2023
HCG Medi-Surge Hospitals Private Limited		India	74.00%	74.00%
Malnad Hospital & Institute of Oncology Private Limited		India	70.25%	70.25%
HealthCare Global Senthil Multi Specialty Hospital Private Limited		India	100.00%	100.00%
Niruja Product Development and Research Private Limited		India	100.00%	100.00%
BACC Healthcare Private Limited		India	100.00%	100.00%
HealthCare Diwan Chand Imaging LLP		India	75.00%	75.00%
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)		India	100.00%	100.00%
HCG Oncology LLP		India	74.00%	74.00%

Notes to the Consolidated Financial Statements
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46 Subsidiaries, Associate & Joint venture (Contd..)

(₹ in million)

Name of the subsidiary	Note	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at 31 March 2024	As at 31 March 2023
HCG NCHRI Oncology LLP	16.6 (ii)	India	100.00%	87.14%
Nagpur Cancer Hospital & Research Institute Private Limited	45.2	India	100.00%	N/A
HCG Manavata Oncology LLP	a	India	51.00%	51.00%
HCG EKO Oncology LLP	16.6 (ii)	India	100.00%	50.50%
HCG (Mauritius) Private Limited		Mauritius	100.00%	100.00%
Healthcare Global (Africa) Private Limited		Mauritius	100.00%	100.00%
Healthcare Global (Uganda) Private Limited, Uganda		Uganda	100.00%	100.00%
Healthcare Global (Kenya) Private Limited, Kenya		Kenya	100.00%	100.00%
Healthcare Global (Tanzania) Private Limited, Tanzania		Tanzania	100.00%	100.00%
Cancer Care Kenya Limited, Kenya		Kenya	81.63%	81.63%
Suchirayu Health Care Solutions Limited		India	78.60%	78.60%
HCG SUN Hospitals LLP		India	100.00%	100.00%

The principal activity of all the above mentioned subsidiaries is providing Healthcare services.

Note:

a) The directors of the Company assessed whether or not the Group has control over the above mentioned entities based on whether the Group has the practical ability to direct the relevant activities of such entities unilaterally. Based on such assessment, the directors concluded that the Group has sufficient management rights to unilaterally direct the relevant activities of such entities and therefore the Group has control.

46.2 Interests in Joint venture

(₹ in million)

Name of the Joint Venture	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
		As at 31 March 2024	As at 31 March 2023
Advanced Molecular Imaging Limited	Kenya	50.00%	50.00%

Investments in Advanced Molecular Imaging Limited is held by HealthCare Global (Kenya) Private Limited. The principal activity of the Joint Venture is to provide Healthcare services.

(₹ in million)

Financial information of the joint venture that is not individually material *	Year ended 31 March 2024	Year ended 31 March 2023
Carrying amount of Goup's interest in the Joint Venture accounted for using the equity method	33.60	28.51
Group's share of profit / (loss) from continuing operations	3.88	(0.18)
Group's share of post-tax profit / (loss) from discontinued operations	-	-
Group's share of other comprehensive income	1.21	-
Group's share of total comprehensive income	5.09	(0.18)

* The management has set materiality at ten percent of the annual consolidated turnover, as per the last audited financial statements of the Company. Based on the materiality set by the management, the joint venture of the Group is not material and hence summarised financial information of the joint venture is not presented.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

46 Subsidiaries, Associate & Joint venture (Contd..)

46.3 Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interest for the year ended 31 March 2024

Name of the entity	Net assets (total assets minus total liabilities) as at 31 March 2024		Share in profit or loss for the year ended 31 March 2024		Share in other comprehensive income for the year ended 31 March 2024		Share of total comprehensive income for the year ended 31 March 2024	
	As % of consolidated net assets	₹ Million	As % of consolidated profit or loss	₹ Million	As % of consolidated Other comprehensive Income	₹ Million	As % of consolidated total comprehensive Income	₹ Million
1) Parent								
HealthCare Global Enterprises Limited *	79.34%	11,885.85	339.05%	339.59	62.85%	(2.91)	352.43%	336.68
2) Subsidiaries								
a) Indian								
HCG Medi-Surge Hospitals Private Limited	5.18%	775.30	244.35%	244.74	19.01%	(0.88)	255.27%	243.86
HCG NCHRI Oncology LLP	(0.28%)	(41.56)	(14.92%)	(14.94)	9.29%	(0.43)	(16.09%)	(15.37)
Nagpur Cancer Hospital & Research Institute Private Limited	(0.05%)	(6.92)	5.40%	5.41	0.00%	-	5.66%	5.41
Niruja Product Development and Research Private Limited	(1.55%)	(231.87)	0.00%	-	0.00%	-	0.00%	-
Malnad Hospital & Institute of Oncology Private Limited	0.49%	74.01	9.27%	9.28	2.81%	(0.13)	9.58%	9.15
HealthCare Global Senthil Multi Specialty Hospital Private Limited	0.01%	1.43	0.00%	-	0.00%	-	0.00%	-
Healthcare Diwan Chand Imaging LLP	0.16%	23.80	(0.07%)	(0.07)	0.00%	-	(0.07%)	(0.07)
BACC Healthcare Private Limited	1.80%	269.03	(11.85%)	(11.87)	11.88%	(0.55)	(13.00%)	(12.42)
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	0.40%	60.17	(115.27%)	(115.45)	3.89%	(0.18)	(121.04%)	(115.63)
HCG Oncology LLP	(1.12%)	(167.16)	10.08%	10.10	11.66%	(0.54)	10.01%	9.56
HCG EKO Oncology LLP	(1.55%)	(232.86)	(196.71%)	(197.02)	4.10%	(0.19)	(206.44%)	(197.21)
HCG Manavata Oncology LLP	2.35%	351.58	(88.47%)	(88.61)	1.73%	(0.08)	(92.84%)	(88.69)
HCG SUN Hospitals LLP	1.04%	155.78	(26.98%)	(27.02)	5.83%	(0.27)	(28.57%)	(27.29)
Suchirayu Health Care Solutions Limited	(0.37%)	(54.85)	25.69%	25.73	5.62%	(0.26)	26.66%	25.47
b) Foreign								
HCG (Mauritius) Pvt. Ltd	2.37%	354.46	0.86%	0.86	(66.52%)	3.08	4.12%	3.94
Healthcare Global (Africa) Private Limited	4.76%	712.99	(1.48%)	(1.48)	0.00%	-	(1.55%)	(1.48)
Healthcare Global (Uganda) Private Limited	(0.01%)	(0.83)	(0.29%)	(0.29)	0.00%	-	(0.30%)	(0.29)
Healthcare Global (Kenya) Private Limited	3.47%	519.39	0.84%	0.84	21.38%	(0.99)	(0.16%)	(0.15)
Cancer Care Kenya Limited	0.73%	110.05	(13.97%)	(13.99)	25.05%	(1.16)	(15.86%)	(15.15)
Healthcare Global (Tanzania) Private Limited	(0.03%)	(4.17)	(1.32%)	(1.32)	0.00%	-	(1.38%)	(1.32)
c) Joint venture								
Advanced Molecular Imaging Limited	0.22%	33.60	3.87%	3.88	(26.13%)	1.21	5.33%	5.09
d) Non-controlling interest	2.63%	393.38	(68.10%)	(68.21)	7.56%	(0.35)	(71.77%)	(68.56)
Total	**100.00%**	**14,980.60**	**100.00%**	**100.16**	**100.00%**	**(4.63)**	**100.00%**	**95.53**
Adjustment arising on consolidation		(6,329.42)		313.18		-		313.18
Total		**8,651.18**		**413.34**		**(4.63)**		**408.71**

* before consolidation adjustments

Notes to the Consolidated Financial Statements
for the year ended 31 March 2024

46 Subsidiaries, Associate & Joint venture (Contd..)

46.4 Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interest:

Name of the entity	Net assets (total assets minus total liabilities) as at 31 March 2023		Share of profit or loss for the year ended 31 March 2023		Other Comprehensive Income for the year ended 31 March 2023		Share of total comprehensive income for the year ended 31 March 2023	
	As % of consolidated net assets	₹ Million	As % of consolidated profit or loss	₹ Million	As % of consolidated Other comprehensive Income	₹ Million	As % of consolidated total comprehensive Income	₹ Million
1) Parent								
HealthCare Global Enterprises Limited *	79.47%	11,451.22	(356.52%)	401.91	12.17%	(1.60)	(318.01%)	400.31
2) Subsidiaries								
a) Indian								
HCG Medi-Surge Hospitals Private Limited	3.69%	531.39	(178.74%)	201.49	3.35%	(0.44)	(159.72%)	201.05
HCG NCHRI Oncology LLP	(0.18%)	(26.35)	68.93%	(77.71)	1.98%	(0.26)	61.94%	(77.97)
Niruja Product Development and Research Private Limited	(1.61%)	(231.87)	(0.08%)	0.09	0.00%	-	(0.07%)	0.09
Malnad Hospital & Institute of Oncology Private Limited	0.45%	65.11	(9.42%)	10.62	(2.66%)	0.35	(8.71%)	10.97
HealthCare Global Senthil Multi Specialty Hospital Private Limited	0.01%	1.43	(0.38%)	0.43	0.00%	-	(0.34%)	0.43
Healthcare Diwan Chand Imaging LLP	0.17%	23.87	0.10%	(0.11)	0.00%	-	0.09%	(0.11)
BACC Healthcare Private Limited	1.95%	280.98	1.83%	(2.06)	1.60%	(0.21)	1.80%	(2.27)
HCG Oncology Hospitals LLP (formerly, Apex HCG Oncology Hospitals LLP)	1.22%	175.91	117.61%	(132.58)	(0.08%)	0.01	105.31%	(132.57)
HCG Oncology LLP	(1.23%)	(176.70)	7.70%	(8.68)	3.04%	(0.40)	7.21%	(9.08)
HCG EKO Oncology LLP	(0.25%)	(35.42)	197.05%	(222.13)	0.61%	(0.08)	176.53%	(222.21)
HCG Manavata Oncology LLP	3.06%	440.29	79.04%	(89.10)	(4.03%)	0.53	70.36%	(88.57)
HCG SUN Hospitals LLP	1.28%	184.06	52.38%	(59.05)	6.01%	(0.79)	47.54%	(59.84)
Suchirayu Health Care Solutions Limited	(0.56%)	(80.39)	(46.75%)	52.70	9.51%	(1.25)	(40.87%)	51.45
b) Foreign								
HCG (Mauritius) Pvt. Ltd	2.46%	354.31	0.43%	(0.48)	(188.59%)	24.80	(19.32%)	24.32
Healthcare Global (Africa) Private Limited	4.89%	704.35	0.16%	(0.18)	0.00%	-	0.14%	(0.18)
Healthcare Global (Uganda) Private Limited	(0.00%)	(0.49)	0.19%	(0.21)	0.00%	-	0.17%	(0.21)
Healthcare Global (Kenya) Private Limited	3.53%	508.57	0.23%	(0.26)	37.11%	(4.88)	4.08%	(5.14)
Cancer Care Kenya Limited	0.87%	124.88	61.87%	(69.75)	231.71%	(30.47)	79.62%	(100.22)
Healthcare Global (Tanzania) Private Limited	(0.02%)	(2.46)	0.27%	(0.30)	0.00%	-	0.24%	(0.30)
d) Joint venture								
Advanced Molecular Imaging Limited	0.20%	28.51	0.16%	(0.18)	0.00%	-	0.14%	(0.18)
e) Non-controlling interest	0.62%	88.94	103.96%	(117.19)	(11.71%)	1.54	91.87%	(115.65)
Total	**100%**	**14,410.14**	**100.00%**	**(112.73)**	**100.00%**	**(13.15)**	**100.00%**	**(125.88)**
Adjustment arising on consolidation		(5,715.98)		289.03		-		289.03
Total		**8,694.16**		**176.30**		**(13.15)**		**163.15**

*before consolidation adjustments

47 Investments, loans, guarantees and security

(a) The Group has made investment in the following companies

(₹ in million)

Investment in equity instruments	As at 1 April 2023	Invested during the year	Sold / (redeemed) during the year	As at 31 March 2024
Investment in other companies / funds				
Zoctr Health Private Limited #	7.64	-	-	7.64
International Stemcell Services Limited	5.61	-	-	5.61
Epigeneres Biotech Private Limited #	10.00	-	-	10.00
Niramai Health Analytix Private Limited	35.86	-	-	35.86
Anthill Venture Capital Advisors LLP	10.00	-	(0.90)	9.10

Fair value of the investments is Nil

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

47 Investments, loans, guarantees and security (Contd..)

(b) The Group has made investment in the following companies during the year ended 31 March 2023

(₹ in million)

Investment in equity instruments	As at 1 April 2022	Invested during the year	Sold during the year	As at 31 March 2023
Investment in other companies / funds				
Zoctr Health Private Limited #	7.64	-	-	7.64
International Stemcell Services Limited	5.61	-	-	5.61
Epigeneres Biotech Private Limited #	10.00	-	-	10.00
Niramai Health Analytix Private Limited	35.86	-	-	35.86
Anthill Venture Capital Advisors LLP	8.00	2.00	-	10.00

Fair value of the investments is Nil

48 Ind AS 115- Revenue from contracts with customers

(₹ in million)

Contract balances	As at 31 March 2024	As at 31 March 2023
(a) Receivables		
Trade receivables (including unbilled revenue)	2,940.26	3,025.11
b) The Group does not have any contract asset as at 31 March 2024 and 31 March 2023.		
c) The contract liability amount from contracts with customers is given below :		
Advance from customers : Refer note 20	181.87	241.50
Revenue recognised in the reporting period that was included in the contract liability balance	241.50	270.41
d) Revenue dis-aggregation as per the industry vertical and geographies has been included in note 23, revenue from operations.		

49 Other statutory information of the Company

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) During the year ended 31 March 2024, 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 Group 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Group or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) During the year ended 31 March 2024, no funds have been received by the Group from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(vi) The Group has not made any private placement of shares or fully or partly convertible debentures during the year. Further, the amount raised in the previous years and partially unutilised as at the previous year end have been used during the year for the purposes for which the funds were raised.

(vii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31 March 2024 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

49 Other statutory information of the Company (Contd..)

(viii) The Group is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

(ix) The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(x) The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended 31 March 2024.

(xi) The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year ended 31 March 2024.

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

As per our reports of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W -100022

Vikash Gupta
Partner
Membership number: 064597

Place : Bengaluru
Date : 29 May 2024

for and on behalf of the Board of Directors of
HealthCare Global Enterprises Limited

Dr. B.S. Ajaikumar
Executive Chairman
DIN: 00713779
Place : Chicago
Date : 29 May 2024

Meghraj Arvindrao Gore
Whole-time Director and Chief Executive Officer
DIN: 07505123
Place : Bengaluru
Date : 29 May 2024

Ruby Ritolia
Chief Financial Officer

Place : Bengaluru
Date : 29 May 2024

Sunu Manuel
Company Secretary

Place : Bengaluru
Date : 29 May 2024

Notes

Notes

Corporate Information

Board of Directors

Dr B S Ajaikumar
Executive Chairman

Raj Gore
Whole-time Director and CEO

Anjali Ajaikumar Rossi
Executive Director

Siddharth Patel
Non-Executive, Non-Independent Director (Nominee Director)

Amit Soni
Non-Executive, Non-Independent Director (Nominee Director)

Geeta Mathur
Non-Executive, Independent Director

Rajagopalan Raghavan
Non-Executive, Independent Director

Jeyandran Venugopal
Non-Executive, Independent Director

Pradip Kanakia
Non-Executive, Independent Director

Rajiv Mailwal
Non-Executive, Independent Director

Chief Financial Officer

Ruby Ritolia

Company Secretary

Sunu Manuel

Statutory Auditors

BSR & Co. LLP

Registrar and Share Transfer Agents

KFin Technologies Limited

Registered Office

HealthCare Global Enterprises Ltd.,
HCG Tower, # 8,
P. Kalinga Rao Road,
Sampangi Ram Nagar,
Bangalore – 560 027

Corporate Office

HealthCare Global Enterprises Ltd.,
#3 Tower Block,
Unity Buildings Complex,
Mission Road,
Bangalore 560027

adding life to years

HealthCare Global Enterprises Ltd

CIN: L15200KA1998PLC023489

Registered office: HCG Tower, # 8,
P. Kalinga Rao Road,
Sampangi Ram Nagar,
Bangalore – 560 027