



November 10, 2022

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 : **Unaudited Financial Results of HealthCare Global Enterprises Limited (“the Company”)**

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

Reference : **Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)**

We wish to inform you that, the Board of Directors of the Company (“Board”), at their meeting held on this day, November 10, 2022, *inter alia*, has considered and approved the following agenda:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2022 together with Limited Review Report thereon;
2. Issue and allotment of 12,175 (Twelve Thousand One Hundred Seventy Five) equity shares of the Company of INR 10 each, upon exercise of Employee Stock Options in accordance with the existing Employee Stock Option Schemes.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2022;
2. Limited Review Report of the Statutory Auditors on the Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2022.



The Meeting of the Board of Directors commenced at 11.30 a.m. and concluded at 05.20 p.m.

Kindly take the intimation on record and acknowledge receipt of the same.

Thanking you,

For **HealthCare Global Enterprises Limited**

Sunu Manuel
Company Secretary & Compliance Officer

Encl: a/a.

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
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Limited Review Report on unaudited standalone financial results of HealthCare Global Enterprises Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of HealthCare Global Enterprises Limited ("the Company") for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Vikash Gupta

Partner

Bangalore

10 November 2022

Membership No.: 064597

UDIN:22064597BCSLOC8268

Registered Office

HealthCare Global Enterprises Limited

CIN : L15200KA1998PLC023489

Regd. Office: HCG Tower, No 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India
Corp. Office: Tower Block, Unity Building Complex, No 3, Mission Road, Bengaluru 560 027, Karnataka, India

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(Rs. in Lakhs except share data)

Sl. No.	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six months ended	Six months ended	Previous year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	25,254	24,267	21,517	49,521	41,527	84,983
	(b) Income from government grant	53	50	49	103	99	213
	(c) Other income	127	187	154	314	607	1,029
	Total income	25,434	24,504	21,720	49,938	42,233	86,225
2	Expenses						
	(a) Purchases of medical and non-medical items	6,032	5,749	5,379	11,781	11,241	21,326
	(b) Changes in inventories	(219)	(217)	306	(436)	(405)	(294)
	(c) Employee benefits expense	4,329	4,444	3,845	8,773	7,727	15,663
	(d) Finance costs	1,167	972	1,035	2,139	2,285	4,280
	(e) Depreciation and amortisation expense (refer note 2)	2,240	2,170	2,130	4,410	4,227	8,836
	(f) Medical consultancy charges	5,006	4,654	3,830	9,660	7,530	16,073
	(g) Other expenses	5,487	5,091	4,467	10,578	8,707	17,528
	Total expenses	24,042	22,863	20,992	46,905	41,312	83,412
3	Profit before exceptional items and tax (1-2)	1,392	1,641	728	3,033	921	2,813
4	Exceptional items, net gain (refer note 3)	-	-	12,542	-	12,542	5,291
5	Profit before tax (3+4)	1,392	1,641	13,270	3,033	13,463	8,104
6	Tax expense						
	- Current tax	(173)	543	1,179	370	1,222	1,570
	- Deferred tax (refer note 4)	465	13	2,701	478	2,711	2,709
	Total tax expense	292	556	3,880	848	3,933	4,279
7	Profit for the period / year (5-6)	1,100	1,085	9,390	2,185	9,530	3,825
8	Other comprehensive income / (loss)						
	(i) Items that will not be reclassified subsequently to profit or loss						
	- Remeasurements of the defined benefit plans	-	-	-	-	-	(68)
	- Income tax effect on (i) above	-	-	-	-	-	24
	(ii) Items that will be reclassified to profit or loss						
	- Effective portion of gain on hedging instruments in a cash flow hedge	-	-	-	-	118	118
	- Income tax effect on (ii) above	-	-	-	-	(41)	(41)
	Other comprehensive income / (loss) for the period / year, net of taxes	-	-	-	-	77	33
9	Total comprehensive income for the period / year (7+8)	1,100	1,085	9,390	2,185	9,607	3,858
10	Paid-up equity share capital (Face value of Rs. 10 each)	13,908	13,902	12,542	13,908	12,542	13,901
11	Reserves, i.e. 'Other equity'						95,868
12	Earnings / (Loss) per equity share (face value of Rs. 10 each)	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised
	(a) Basic	0.79	0.78	7.49	1.57	7.60	2.95
	(b) Diluted	0.79	0.78	7.00	1.57	7.15	2.83
	See accompanying notes to the Standalone Financial Results						



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

STANDALONE BALANCE SHEET

(Rs in Lakhs)

Particulars	As at	As at
	30 September 2022	31 March 2022
	Unaudited	Audited
A ASSETS		
I Non-current assets		
(a) Property, plant and equipment	45,527	47,704
(b) Capital work in progress	6,096	482
(c) Right-of-use assets	16,490	17,627
(d) Goodwill	9,626	9,626
(e) Other intangible assets	1,922	2,427
(f) Financial assets		
(i) Investments	45,104	43,866
(ii) Loans receivable	390	390
(iii) Other financial assets	3,281	2,123
(g) Deferred tax assets (net)	-	7
(h) Income tax assets (net)	4,284	2,995
(i) Other non-current assets	1,103	1,499
Total non-current assets	133,823	128,746
II Current assets		
(a) Inventories	2,167	1,730
(b) Financial assets		
(i) Trade receivables	20,007	16,025
(ii) Cash and cash equivalents	8,421	11,996
(iii) Bank balance other than cash and cash equivalents above	11	-
(iv) Loans receivable	109	102
(v) Other financial assets	4,976	4,084
(c) Other current assets	1,722	1,679
Total current assets	37,413	35,616
Total assets	171,236	164,362
B EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	13,908	13,901
(b) Other equity	98,451	95,868
Total equity	112,359	109,769
II Liabilities		
1 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	11,828	8,203
(ii) Lease liability	20,907	21,778
(iii) Other financial liabilities	469	542
(b) Provisions	858	779
(c) Deferred tax liabilities (net)	471	-
(d) Other non-current liabilities	2,391	1,783
Total non-current liabilities	36,924	33,085
2 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	540	2,542
(ii) Lease liability	2,778	2,376
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	149	117
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,007	9,517
(iv) Other financial liabilities	3,003	2,981
(b) Other current liabilities	2,956	2,563
(c) Provisions	1,520	1,412
Total current liabilities	21,953	21,508
Total equity and liabilities	171,236	164,362

See accompanying notes to the Standalone Financial Results



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

Particulars	(Rs in Lakhs)	
	For the	For the
	six months ended	six months ended
	30 September 2022	30 September 2021
	Unaudited	Unaudited
Cash flows from operating activities		
Profit before tax	3,033	13,463
Adjustments for:		
Finance costs	2,139	2,285
Gain on investment revalued at FVTPL	(1)	(10)
Guarantee commission income	(80)	(90)
Loss on disposal of property, plant and equipment	106	1
Provision for bad and doubtful receivables and expenses on employee stock option scheme	1,156	285
Interest income	(217)	(437)
Income from government grant	(103)	(99)
Depreciation and amortisation expense	4,410	4,227
Net foreign exchange loss/(gain)	(8)	(9)
Exceptional items (refer note 3)	-	(12,542)
Movements in working capital:		
Changes in trade receivables	(4,815)	(2,699)
Changes in inventories	(436)	(405)
Changes in loans, financial assets and other assets	(989)	(508)
Changes in trade payables, financial liabilities and other liabilities	1,702	647
Changes in provisions	186	56
Cash generated from operations	6,083	4,145
Income taxes paid (net of refunds)	(1,659)	(830)
Net cash generated from operating activities (A)	4,424	3,295
Cash flows from investing activities		
Fixed deposits invested	(1,888)	(8,215)
Proceeds from maturity of margin money deposits	910	10,936
Acquisition of property, plant and equipment and others	(5,630)	(1,667)
Interest received	158	322
Investment in subsidiaries	(1,262)	(5,491)
Payment for acquisition of business (net)	-	(7,430)
Advance for acquisition of business (refer note 5)	(200)	-
Proceeds from sale of investment in joint venture (net of expenses incurred towards sale of investment) [Refer note 3(d)]	-	15,770
Proceeds from repayment of Inter-corporate deposits	-	45
Proceeds from disposal of property, plant and equipment	721	-
Net cash generated / (used) in investing activities (B)	(7,191)	4,270
Cash flows from financing activities		
Proceeds from issue of equity shares and warrants	67	35
Proceeds from bills discounting	-	2,528
Bills discounted settled	-	(6,516)
Proceeds from long-term borrowings	3,888	8,558
Repayment of long-term borrowings	(2,171)	(12,139)
Loan foreclosure and refinancing expenses [Refer note 3(e)]	-	(503)
Repayment of principal portion of lease liability	(724)	(1,034)
Interest paid on lease liability	(1,136)	(1,295)
Interest and other borrowing cost paid	(669)	(1,082)
Net cash generated / used in financing activities (C)	(745)	(11,448)
Net decrease in cash and cash equivalents (A+B+C)	(3,512)	(3,883)
Cash and cash equivalents at the beginning of the period	11,933	(1,267)
Cash and cash equivalents at the end of the period	8,421	(5,150)

Break up of cash and cash equivalents at the end of the period	As at	As at
	30 September 2022	30 September 2021
Cash and cash equivalents at the end of the period	8,421	1,375
Less: Bank overdrafts repayable on demand	-	(6,525)
Cash and cash equivalents at the end of the period	8,421	(5,150)



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

Notes:

1. The statement of unaudited standalone financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') for the quarter and six months ended 30 September 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 November 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

The Statement has been subjected to limited review by the statutory auditors of the Company. The review report of the auditors is unqualified.

2. During the preceding quarter ended 30 June 2022, 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 this revision on depreciation expense of such assets for the six months ended 30 September 2022 is as mentioned below:

Particulars	Rs. in lakhs		
	Quarter ended 30 September 2022	Preceding quarter ended 30 June 2022	Six months ended 30 September 2022
Depreciation charge on such assets is lower and profit before tax is higher by	113	101	214

3. **Exceptional items for the quarter and year ended 31 March 2022:**
- a) During the quarter and year ended 31 March 2022, the Company performed impairment assessment for all its investments. Given the continued losses incurred and weaker forecasts, the recoverable amount of its investments in HCG EKO Oncology LLP (considering the future cash flows) was estimated to be lower than its carrying value, resulting into an impairment charge amounting to Rs. 2,700 Lakhs.
- b) 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 quarter ended 31 December 2021, 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 on the said premise. Accordingly, the Company recognized impairment of capital work-in progress, right-of use assets and security deposit for the quarter ended 31 December 2021 aggregating to Rs. 4,725 Lakhs, after considering minimum lease payable and other committed costs of the project.
- c) The Company invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) on 18 November 2021 through primary funding, which resulted in increase in the Company's stake in Suchirayu from 17.7% to 78.6%, consequent to which Suchirayu became subsidiary of the Company. The Company remeasured its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements were cancelled.
- d) During the quarter ended 30 September 2021, the Company sold its investment in Strand Life Sciences Private Limited ('Strand') for a total consideration of Rs. 15,778 lakhs, resulting in a gain of Rs. 12,769 lakhs (net of expenses / other provisions). The Company also entered into Business Transfer Agreement with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs. 8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. The Company incurred Rs. 55 Lakhs towards legal and professional fees in respect of this acquisition during the year ended 31 March 2022.
- e) During the quarter ended 30 September 2021, the Company refinanced its certain borrowings from banks and financial institutions. On account of this, the Company incurred one time expenses of Rs. 172 lakhs, net, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.
4. 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 period when these deferred taxes are expected to be realized/settled. The impact of this change will be recognised in the Statement of Profit and Loss over the financial year 2022-23 based on the effective tax rate. The proportionate impact of this change recognised during the quarter and six month ended 30 September 2022 is deferred tax credit of Rs. 198 Lakhs.
5. During the preceding quarter, the Company 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 Rs. 1,600 Lakhs, of which partial consideration of Rs. 200 Lakhs were paid in advance. As the proposed transfer of business is subject to satisfaction of certain conditions precedent to the closing date as per the terms of BTA which are still under progress and accordingly, control is not obtained as at 30 September 2022, hence the effect for acquisition of this business is not given in this results.
6. The Company has a single operating segment of 'setting up and managing hospitals and medical diagnostic services'.

Bengaluru, 10 November 2022

Dr. B. S. Ajakumar
Executive Chairman



B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor, No. 13/2,
Off Intermediate Ring Road,
Bengaluru-560 071 India

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Limited Review Report on unaudited consolidated financial results of HealthCare Global Enterprises Limited for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of HealthCare Global Enterprises Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended 30 September 2022 and year-to-date results for the period from 1 April 2022 to 30 September 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I of this limited review report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the separate/consolidated review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Vy.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4 Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Co. LLP

6. We did not review the financial information/ financial results of 8 Subsidiaries and step down subsidiaries included in the Statement, whose financial information/ financial results reflect total assets of Rs 37,425 lakhs as at 30 September 2022 and total revenues of Rs 5,634 lakhs and Rs 10,857 lakhs, total net loss after tax of Rs 873 lakhs and Rs 1,957 lakhs and total comprehensive loss of Rs 824 lakhs and Rs 1,817 lakhs, for the quarter ended 30 September 2022 and for the period from 1 April 2022 to 30 September 2022, respectively, and cash outflows (net) of Rs 13 lakhs for the period from 1 April 2022 to 30 September 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil, for the quarter ended 30 September 2022 and for the period from 1 April 2022 to 30 September 2022, as considered in the Statement, in respect of a joint venture, whose financial information/ financial results has not been reviewed by us. These financial information/ financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion 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

Bangalore

10 November 2022

Membership No.: 064597

UDIN:22064597BCSMJF8884

B S R & Co. LLP

Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship	Country of incorporation
1	BACC Healthcare Private Limited	Subsidiary	India
2	HCG Medi-Surge Hospitals Private Limited	Subsidiary	India
3	HCG Oncology LLP	Subsidiary	India
4	Apex HCG Oncology Hospitals LLP	Subsidiary	India
5	HCG Manavata Oncology LLP	Subsidiary	India
6	Malnad Hospital & Institute of Oncology Private Limited	Subsidiary	India
7	HealthCare Diwan Chand Imaging LLP	Subsidiary	India
8	HCG NCHRI Oncology LLP	Subsidiary	India
9	HCG EKO Oncology LLP	Subsidiary	India
10	HCG Sun Hospitals LLP	Subsidiary	India
11	Niruja Product Development & Healthcare Research Private Limited	Subsidiary	India
12	HealthCare Global Senthil Multi Specialty Private Limited	Subsidiary	India
13	Suchirayu Health Care Solutions Limited	Subsidiary	India
14	HCG (Mauritius) Private Limited	Step-down subsidiary	Mauritius
15	HealthCare Global (Africa) Private Limited	Step-down subsidiary	Mauritius
16	Healthcare Global (Uganda) Private Limited	Step-down subsidiary	Uganda
17	Healthcare Global (Tanzania) Private Limited	Step-down subsidiary	Tanzania
18	Healthcare Global (Kenya) Private Limited	Step-down subsidiary	Kenya

Vy

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Sr. No	Name of component	Relationship	Country of incorporation
19	Cancer Care Kenya Limited	Step-down subsidiary	Kenya
20	Advanced Molecular Imaging Limited	Joint Venture	Kenya

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HealthCare Global Enterprises Limited

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(Rs. in Lakhs except share data)

Sl. No.	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Six months ended	Six months ended	Previous year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	41,921	40,731	35,125	82,652	67,367	139,478
	(b) Income from government grant	79	74	71	153	143	301
	(c) Other income	197	291	330	488	674	1,267
	Total income	42,197	41,096	35,526	83,293	68,184	141,046
2	Expenses						
	(a) Purchases of medical and non-medical items	10,580	10,186	8,820	20,766	18,150	36,097
	(b) Changes in inventories	(344)	(406)	301	(750)	(715)	(607)
	(c) Employee benefits expense	6,833	6,871	5,612	13,704	11,192	23,365
	(d) Finance costs	2,581	2,498	2,323	5,079	4,961	9,777
	(e) Depreciation and amortisation expense (refer note 2)	4,083	3,967	3,802	8,050	7,580	15,828
	(f) Medical consultancy charges	8,979	8,667	6,990	17,646	13,699	29,582
	(g) Other expenses	8,483	8,271	7,299	16,754	13,887	27,544
	Total expenses	41,195	40,054	35,147	81,249	68,754	141,586
3	Profit / (loss) before share of profit/(loss) of an associate / joint venture, exceptional items and tax (1-2)	1,002	1,042	379	2,044	(570)	(540)
4	Share of loss of an associate / joint venture	-	-	(200)	-	(143)	(144)
5	Profit / (loss) before exceptional items and tax (3+4)	1,002	1,042	179	2,044	(713)	(684)
6	Exceptional items, net gain (refer note 3)	-	-	14,012	-	14,012	9,461
7	Profit before tax (5+6)	1,002	1,042	14,191	2,044	13,299	8,777
8	Tax expense						
	- Current tax	7	750	1,350	757	1,494	2,371
	- Deferred tax (refer note 4)	466	44	2,942	510	3,158	2,514
	Total tax expense	473	794	4,292	1,267	4,652	4,885
9	Profit for the period / year (7-8)	529	248	9,899	777	8,647	3,892
10	Other comprehensive income / (loss)						
	(i) Items that will not be reclassified subsequently to profit or loss						
	- Remeasurements of the defined benefit plans	-	-	-	-	-	(69)
	- Income tax effect on (i) above	-	-	-	-	-	19
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of financial statements of foreign operations	49	91	(217)	140	(55)	(178)
	- Effective portion of gain on hedging instruments in a cash flow hedge	-	-	-	-	116	116
	- Income tax effect on (ii) above	-	-	-	-	(41)	(41)
	Other comprehensive income / (loss) for the period / year, net of taxes	49	91	(217)	140	20	(153)
11	Total comprehensive income for the period / year (9+10)	578	339	9,682	917	8,667	3,739
	Profit / (loss) for the period / year attributable to:						
	Owners of the Company	738	605	10,309	1,343	9,352	5,373
	Non-controlling interests	(209)	(357)	(410)	(566)	(705)	(1,481)
	Other comprehensive income / (loss) for the period / year attributable to:						
	Owners of the Company	27	75	(217)	102	20	(134)
	Non-controlling interests	22	16	-	38	-	(19)
	Total comprehensive income / (loss) for the period / year attributable to:						
	Owners of the Company	765	680	10,092	1,445	9,372	5,239
	Non-controlling interests	(187)	(341)	(410)	(528)	(705)	(1,500)
12	Paid-up equity share capital (Face value of Rs. 10 each)	13,908	13,902	12,542	13,908	12,542	13,901
13	Reserves, i.e., 'Other equity'						73,128
14	Earnings per share (face value of Rs. 10 each)	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised
	(a) Basic	0.53	0.44	8.22	0.97	7.46	4.14
	(b) Diluted	0.53	0.43	7.69	0.96	7.02	3.97
	See accompanying notes to the Consolidated Financial Results						



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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

CONSOLIDATED BALANCE SHEET

(Rs in Lakhs)

Particulars	As at	As at
	30 September 2022	31 March 2022
	Unaudited	Audited
A ASSETS		
I Non-current assets		
(a) Property, plant and equipment	91,659	93,153
(b) Capital work in progress	6,357	2,173
(c) Right-of-use assets	38,065	40,454
(d) Goodwill	18,130	18,127
(e) Other intangible assets	2,426	2,980
(f) Investment in equity accounted investee	312	301
(g) Financial assets		
(i) Investments	580	580
(ii) Other financial assets	6,987	5,456
(h) Deferred tax assets (net)	540	595
(i) Income tax assets (net)	6,380	4,588
(j) Other non-current assets	2,923	3,311
Total non-current assets	174,358	171,718
II Current assets		
(a) Inventories	3,747	2,997
(b) Financial assets		
(i) Trade receivables	26,673	21,745
(ii) Cash and cash equivalents	13,899	19,731
(iii) Bank balance other than cash and cash equivalents above	11	-
(iv) Loans receivable	175	161
(v) Other financial assets	3,709	3,413
(c) Other current assets	2,613	2,168
Total current assets	52,827	50,235
Total assets	227,185	221,953
B EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	13,908	13,901
(b) Other equity	74,195	73,128
Equity attributable to equity holders of the Company	88,103	87,029
Non-controlling interests	916	1,343
Total equity	89,019	88,372
II Liabilities		
1 Non-current liabilities		
(a) Financials Liabilities		
(i) Borrowings	37,464	36,287
(ii) Lease liabilities	44,805	46,590
(b) Provisions	1,123	1,051
(c) Deferred tax liabilities (net)	583	128
(d) Other non-current liabilities	3,228	2,550
Total non-current liabilities	87,203	86,606
2 Current liabilities		
(a) Financials liabilities		
(i) Borrowings	2,935	4,476
(ii) Lease liabilities	4,826	4,114
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	366	203
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,559	19,192
(iv) Other financial liabilities	10,033	9,359
(b) Other current liabilities	8,233	7,850
(c) Provisions	1,917	1,728
(d) Income tax liabilities (net)	94	53
Total current liabilities	50,963	46,975
Total equity and liabilities	227,185	221,953
See accompanying notes to the Consolidated Financial Results		



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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

Consolidated Cash Flow Statement		(Rs in Lakhs)	
Particulars	For the	For the	
	six months ended	six months ended	
	30 September 2022	30 September 2021	
	Unaudited	Unaudited	
Cash flows from operating activities			
Profit before tax	2,044	13,299	
Adjustments for:			
Finance costs	5,079	4,961	
Gain on investment revalued at FVTPL	(1)	(10)	
Loss on disposal of property, plant and equipment	114	1	
Provision for bad and doubtful receivables and expenses on employee stock option scheme	1,185	475	
Interest income	(430)	(611)	
Gain on termination of lease	(39)	-	
Depreciation and amortisation expense	8,050	7,580	
Income from government grant	(153)	(143)	
Net foreign exchange loss/(gain)	(5)	(9)	
Share of loss of equity accounted investees	-	142	
Exceptional items (refer note 3)	-	(14,012)	
Movements in working capital:			
Changes in trade receivables	(5,771)	(3,248)	
Changes in inventories	(750)	(715)	
Changes in loans, financial assets and other assets	(1,073)	(1,087)	
Changes in trade payables, financial liabilities and other liabilities	3,545	2,071	
Changes in provisions	261	97	
Cash generated from operations	12,056	8,791	
Income taxes paid (net of refunds)	(2,498)	(863)	
Net cash generated from operating activities (A)	9,558	7,928	
Cash flows from investing activities			
Margin money deposits, net	-	(1,226)	
Fixed deposits invested	(2,183)	(8,215)	
Proceeds from maturity of margin money deposits	1,179	11,623	
Proceeds from disposal of property, plant and equipment	724	-	
Acquisition of property, plant and equipment and others	(6,947)	(1,985)	
Receipt from government grant	129	-	
Interest received	264	509	
Proceeds from repayment of Inter-corporate deposits	-	45	
Investment in associate	-	(137)	
Payment of share application money	(25)	(23)	
Acquisition of businesses (net of cash and cash equivalents) [Refer notes 3(c),(e)]	-	(8,271)	
Advance for acquisition of business (refer note 5)	(200)	-	
Proceeds from sale of investment in joint venture (net of expenses incurred towards sale of investment) [Refer note 3(c)]	-	15,769	
Net cash generated / (used) in investing activities (B)	(7,059)	8,087	
Cash flows from financing activities			
Proceeds from issue of equity shares and warrants	67	35	
Proceeds from bills discounting	-	2,528	
Bills discounted settled	-	(6,516)	
Proceeds from long-term borrowings	3,888	15,784	
Repayment of long-term borrowings	(4,094)	(23,885)	
Loan foreclosure and refinancing expenses [Refer note 3(d)]	-	(856)	
Repayment of principle portion of lease liability	(1,497)	(1,749)	
Interest paid on lease liability	(2,518)	(2,679)	
Interest and other borrowing cost paid	(2,243)	(2,138)	
Net cash generated used in financing activities (C)	(6,397)	(19,476)	
Net decrease in cash and cash equivalents (A+B+C)	(3,898)	(3,461)	
Cash and cash equivalents at the beginning of the period	19,269	286	
Cash and cash equivalents at the end of the year	15,371	(3,175)	

Break up of cash and cash equivalents at the end of the period	As at	As at
	30 September 2022	30 September 2021
Cash and cash equivalents at the end of the period	15,899	3,845
Less: Bank overdrafts repayable on demand	(528)	(7,020)
Cash and cash equivalents at the end of the period	15,371	(3,175)



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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

Notes:

1. The statement of unaudited consolidated financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') its subsidiaries (collectively referred to as 'the Group') and its joint venture, for the quarter and six months ended 30 September 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 November 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

The Statement has been subjected to limited review by the statutory auditors of the Company. The review report of the auditors is unqualified.

2. During the preceding quarter ended 30 June 2022, 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 this revision on depreciation expense of such assets for the six months ended 30 September 2022 is as mentioned below:

Particulars	Rs. in lakhs		
	Quarter ended 30 September 2022	Preceding quarter ended 30 June 2022	Six months ended 30 September 2022
Depreciation charge on such assets is lower and profit before tax is higher by	150	138	288

3. Exceptional items for the year ended 31 March 2022:

a) 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 plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. During the budgeting process in the previous year, 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, the Company recognized impairment of capital work-in progress, right-of-use assets and security deposit aggregating to Rs. 4,725 Lakhs during the previous year, after considering minimum lease payable and other committed costs of the project.

b) The Group invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) on 18 November 2021 through primary funding, which resulted in increase in the Group's stake in Suchirayu from 17.7% to 78.6%. Suchirayu became subsidiary of the Group with effect from 18 November 2021, considering the Group's voting rights and its majority representation in the Board of Directors which gives it the current ability to unilaterally direct relevant activities of Suchirayu. The Group remeasured its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements were cancelled.

c) During the quarter ended 30 September 2021, the Company sold its investment in Strand Life Sciences Private Limited ('Strand') for a total consideration of Rs. 15,778 lakhs, resulting in a gain of Rs. 14,194 lakhs (net of expenses / other provisions). The Company also entered into Business Transfer Agreement with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs. 8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. The Company incurred Rs. 55 Lakhs towards legal and professional fees in respect of this acquisition during the year ended 31 March 2022.

d) During the quarter ended 30 September 2021, the Group refinanced its certain borrowings from banks and financial institutions. On account of this, the Group incurred one time expenses of Rs. 750 lakhs, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.

e) As on 30 September 2021, the Group paid CDC Group PLC (CDC) Rs. 411 lakhs towards its put option exercise in accordance with the shareholders agreement. On account of this settlement, Healthcare Global (Africa) Pvt Ltd (HCG Africa) became 100% subsidiary of the Group with effect from 30 September 2021. The Group remeasured its previously held equity interest in HCG Africa at its fair valuation on acquisition of the additional stake and recognized the resultant gain of Rs. 623 lakhs as an exceptional item in accordance with the applicable Indian Accounting Standard.

4. 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 period when these deferred taxes are expected to be realized/settled. The impact of this change will be recognised in the Statement of Profit and Loss over the financial year 2022-23 based on the effective tax rate. The proportionate impact of this change recognised during the quarter and six months ended 30 September 2022 is deferred tax credit of Rs. 198 Lakhs.

5. During the preceding quarter, the Company 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 Rs. 1,600 Lakhs, of which partial consideration of Rs. 200 Lakhs were paid as advance. As the proposed transfer of business is subject to satisfaction of certain conditions precedent to the closing date as per the terms of BTA which are still under progress and accordingly, control is not obtained as at 30 September 2022, hence the effect for acquisition of this business is not given in this results.

6. The Group has a single operating segment of 'setting up and managing hospitals and medical diagnostic services'.

For and on behalf of the Board of Directors.

Dr. B. S. Ajit Kumar
Executive Chairman

Bengaluru, 10 November 2022

