

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Global Health Patliputra Private Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Global Health Patliputra Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Other Information

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

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

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

We have nothing to report in this regard.



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

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

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

Auditor's responsibilities for the audit of the financial statements

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



INDEPENDENT AUDITOR'S REPORT

To the Members of Global Health Patliputra Private Limited
Report on audit of the Financial Statements
Page iii of iv

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) 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:
 - i. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2019.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.



INDEPENDENT AUDITOR'S REPORT

To the Members of Global Health Patliputra Private Limited
Report on audit of the Financial Statements
Page iv of iv

12. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

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



Abhishek Rara
Partner
Membership Number 077779
UDIN: 19077779AAAABM1707
Place of signature: Gurugram
Date: September 26, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements for the year ended March 31, 2019

Page 1 of 2

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

1. We have audited the internal financial controls with reference to financial statements of Global Health Patliputra Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide



Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements for the year ended March 31, 2019

Page 2 of 2

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

7. 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 control 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Abhishek Rara
Partner
Membership Number 077779
UDIN: 19077779AAAABM1707
Place: Gurugram
Date: September 26, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements as of and for the year ended March 31 2019

- i. The Company does not have any fixed assets as at balance sheet date. Therefore, the provisions of Clause 3(i) (a), (b) and (c) of the said Order are not applicable to the Company.
- ii. The Company does not hold any inventory as at balance sheet date. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases and is regular in depositing the undisputed statutory dues, including goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 25(a) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In our opinion, and according to the information and explanations given to us, term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 12 of our main audit report.



Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Global Health Patliputra Private Limited on the financial statements as of and for the year ended March 31 2019
Page 2 of 2

- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Abhishek Rara
Partner
Membership Number 077779
UDIN: 19077779AAAABM1707
Place of signature: Gurugram
Date: September 26, 2019

Global Health Patliputra Private Limited (CIN No. U74999DL2015PTC283932)
Balance sheet as at 31 March 2019

		(Rs. in lakhs)	
	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Capital work-in-progress	6	15,016.89	4,584.97
Financial assets			
Other Bank Balances	7	5.99	5.59
Other non-current assets	8 A	717.15	1,290.94
Total non-current assets		15,740.03	5,881.50
Current assets			
Financial Assets			
Cash and cash equivalents	9	8.01	246.69
Other current assets	8 B	198.34	192.01
Total current assets		206.35	438.70
Total assets		15,946.38	6,320.20
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5,500.00	2,300.00
Other equity	11	(1,699.66)	(1,226.17)
Total of equity		3,800.34	1,073.83
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	11,000.00	-
Provisions	13	170.10	170.10
Total non current liabilities		11,170.10	170.10
Current liabilities			
Financial liabilities			
Borrowings	14	-	4,200.00
Trade Payable	15	-	-
-Total outstanding of micro enterprises and small enterprise.		-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises.		5.24	3.74
Other financial liabilities	16	906.87	863.73
Other current liabilities	17	63.83	8.80
Total current liabilities		975.94	5,076.27
Total liabilities		12,146.04	5,246.37
Total Equity & Liabilities		15,946.38	6,320.20


The accompanying notes are integral part of the financial statements.

This is the balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016
Chartered Accountant

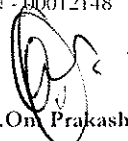
For and on behalf of the Board of Directors


Abhishek Rara
Partner
Membership No. 077779


Dr. Naresh Trehan
Director
DIN - 00012148


Mr Anil Kumar Virmani
Director
DIN - 00064632

Place: Gurugram
Date: September 26, 2019


Mr. Om Prakash Choubey
Company Secretary


Global Health Patliputra Private Limited (CIN No. U74999DL2015PTC283932)
 Statement of profit and loss for the year ended 31 March 2019
 CIN No. U74999DL2015PTC283932

	Note	For the year ended 31 March 2019	(Rs. in lakhs) For the year ended 31 March 2018
Revenue			
Other income	18	0.44	0.40
Total revenue		0.44	0.40
Expenses			
Employee benefits expense	19	3.38	3.15
Other expenses	20	470.55	427.08
Total expenses		473.93	430.23
Loss before tax		(473.49)	(429.83)
Tax expense	21	-	-
Current tax		-	-
Deferred tax		-	-
Loss for the year		(473.49)	(429.83)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		(473.49)	(429.83)
Earnings per equity share	22		
Basic earning per share(Rs.)(Face value of Rs. 10 each)		(1.13)	(2.58)
Diluted earning per share(Rs.)(Face value of Rs. 10 each)		(1.13)	(2.58)


The accompanying notes are integral part of the financial statements.

This is the statement of profit or loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016
 Other financial liabilities

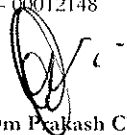

 Abhishek Rara
 Partner
 Membership No. 077779

For and on behalf of the Board of Directors


 D. Naresh Trehan
 Director
 DIN - 00012148


 Mr Anil Kumar Virmani
 Director
 DIN - 00064632

Place: Gurugram
 Date: September 26, 2019


 Mr. Om Prakash Choubey
 Company Secretary

A Equity share capital*

(Rs. in lakhs)

Particulars	Opening balance as at 1st April 2017	Changes in equity share capital during the period	Balance as at 31 March 2018	Changes in equity share capital during the year	Balance as at 31 Mar, 2019
Equity share capital	1,200.00	1,100.00	2,300.00	3,200.00	5,500.00

B Other equity**

(Rs. in lakhs)

Particulars	Reserves and surplus	Total
	Retained earnings	
Balance as at 1 April 2017	(796.34)	(796.34)
Loss for the year	(429.83)	(429.83)
Balance as at 31 March 2018	(1,226.17)	(1,226.17)
Loss for the year	(473.49)	(473.49)
Balance as at 31 March 2019	(1,699.66)	(1,699.66)

*Refer note 10 for details

**Refer note 11 for details

The accompanying notes are integral part of the financial statements.

This is the statement of comprehensive income referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Chartered Accountant

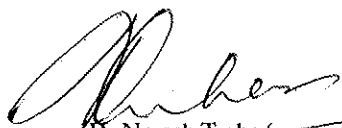


Abhishek Rara

Partner

Membership No. 077779

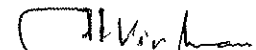
For and on behalf of the Board of Directors



Dr Naresh Trehan

Director

DIN - 00012148



Mr Anil Kumar Virmani

Director

DIN - 00064632



Mr. Om Parkash Choubey

Company Secretary

Place: Gurugram

Date: September 26, 2019

Global Health Patliputra Private Limited (CIN No. U74999DL2015PTC283932)
Cash Flow Statement for the year ended 31 March 2019

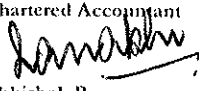
	For the year ended 31 March 2019	(Rs. in lakhs) For the year ended 31 March 2018
A CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(473.49)	(429.83)
Adjustments for:		
Interest income	(0.44)	(0.40)
Provision for contingencies	-	61.00
Operating loss before working capital changes	(473.93)	(369.23)
Movement in working capital		
Increase in other current assets	(6.33)	(10.62)
Increase in other current liabilities	55.03	1.67
Increase in trade payables	1.50	(1.29)
Cash generated from operations	(423.73)	(379.47)
Income tax paid	(0.04)	(0.04)
Net cash outflow from operating activities	(423.77)	(379.51)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Movement in Fixed Deposit	(0.40)	(0.36)
Interest received	0.44	0.40
Capital work-in-progress including capital advances	(9,096.40)	(4,571.77)
Net cash outflow from investing activities	(9,096.36)	(4,571.65)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of capital	3,200.00	1,100.00
Proceeds from borrowings	11,000.00	6,200.00
Repayment of borrowings	(4,200.00)	(2,000.00)
Interest Paid	(718.55)	(161.90)
Net cash inflow from financing activities	9,281.45	5,138.10
Net (decrease)/increase in cash and cash equivalents	(238.68)	186.94
Cash and cash equivalents at the beginning of the year	246.69	59.75
Cash and cash equivalents at end of the year	8.01	246.69
Reconciliation of cash and cash equivalents as per the cash flow statement -		
Cash and cash equivalents comprise of the following	As at 31 March 2019	As at 31 March 2018
Current accounts*	7.90	246.60
Cash on hand*	0.11	0.09
Balances as per statement of cash flows	8.01	246.69

*Refer note 9

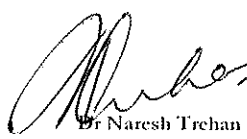
The accompanying notes are integral part of the standalone financial statements.


This is the cash flow statement referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016
Chartered Accountant



Abhishek Rara
Partner

For and on behalf of the Board of Directors


Dr Naresh Trehan
Director
DIN - 00012148


Mr Anil Kumar Virmani
Director
DIN - 00064632

Place: Gurugram
Date: September 26, 2019


Mr. Om Prakash Choubey
Company Secretary

Global Health Patliputra Private Limited

Notes to the financial statements for the year ended 31 March 2019

1. Background

Global Health Patliputra Private Limited ('Private Company') is engaged in the business of providing healthcare services. The Company is domiciled in India and its registered office is situated at E – 18, Defence Colony, New Delhi – 110024. The company has entered into a concession agreement with the Health Department, Government of Bihar for the development, operation and maintenance of super-speciality hospital on public private partnership mode in Patna, Bihar on August 22, 2015. This agreement has been subsequently amended on April 16, 2019.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3. Basis of preparation and compliance with Indian Accounting Standards (Ind AS)

(i) The financial statements ('financial statements') comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost convention on a going concern basis, except for certain financial assets and financial liabilities are measured at fair value.

4. Basis of accounting

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for share based payments and certain financial assets and financial liabilities which are measured at fair value.

5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III of Companies Act, 2013.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

5.2 Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Property, plant and equipment purchased on deferred payment basis are recorded at equivalent cash price. The difference between the cash price equivalent and the total payment is recognised as interest expense over the period until payment.



Global Health Patliputra Private Limited

Notes to the financial statements for the year ended 31 March 2019

Subsequent Costs and disposal

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

Items such as spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. Capital work-in-progress excluding capital advances includes property, plant and equipment under construction and not ready for intended use as on Balance Sheet date.

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in statement of profit and loss when the asset is derecognised.

5.3 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Company as a lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset during the lease term are classified as operating leases. Lease rental (net of any incentives received from the lessor) are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensates the lessor for its expected inflationary costs.

Assets taken under leases where the Company has substantially all the risks and rewards of ownership are classified as Finance leases. Such assets are capitalised at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a financial liability (net of finance charges) is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each year.

Under the concession agreement, the company is obligated to pay a fixed fees or on the basis of the revenue sharing model defined in the agreement, whichever is higher. The concession fees is expensed of in the year when incurred.

(ii) Company as a lessor

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset during the lease term are classified as operating leases. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with its expected inflationary costs.

5.4 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at



Global Health Patliputra Private Limited

Notes to the financial statements for the year ended 31 March 2019

the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

5.5 Foreign currency

Functional and presentation currency

Items included in the financial statement of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

5.6 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Non-derivative financial assets

Subsequent measurement

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

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



Global Health Padliputra Private Limited

Notes to the financial statements for the year ended 31 March 2019

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Non-derivative financial liabilities

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are initially recognised at their fair value and subsequently measured at amortised cost using the effective interest method.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

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

Borrowings (including finance lease payables)

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing Cost

General & specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities



Global Health Patliputra Private Limited

Notes to the financial statements for the year ended 31 March 2019

simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

5.7 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

5.8 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income. In this case, the tax is also recognised in equity or in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability that at the time of the transaction affects neither accounting profit nor taxable profit. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred tax assets and tax liabilities are offset where there is a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred income tax is determined using tax rates (and laws) that have been enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



Global Health Patliputra Private Limited
Notes to the financial statements for the year ended 31 March 2019

5.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with the banks, other short term highly liquid investments with original maturity of three months and less.

5.10 Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc.. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

5.11 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed unless the likelihood of an outflow of resources is remote and there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

5.12 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

5.13 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

Results of the operating segments are reviewed regularly by the country leadership team (Chief Financial Officer and Chief Operating Officer) which has been identified as the chief operating decision maker (CODM), to assess the financial performance and position of the Company and make strategic decision.

5.14 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.



Global Health Patliputra Private Limited
Notes to the financial statements for the year ended 31 March 2019

5.15 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policy. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- a) **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.
- b) **Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c) **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.
- d) **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



6 Capital Work - in progress		(Rs. in lakhs)
Particulars		Amount
Balance as at 31 March 2017		266.12
Additions		4,318.85
Balance as at 31 March 2018		4,584.97
Additions		10,431.92
Balance as at 31 March 2019		15,016.89

INR 718.55 lakhs (2017-18 : 161.90) of borrowing costs has been capitalised during the year, since all the assets are qualifying assets.

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	As at 31 March 2019	(Rs. in lakhs) As at 31 March 2018
Note - 7		
A Other financial assets		
Bank deposits	5.99	5.59
	<u>5.99</u>	<u>5.59</u>
* Fixed Deposit is made against guarantee issued by bank on behalf of company in favour of Government authorities.		
Note - 8		
A Other non-current assets		
Advance tax	0.11	0.07
Capital advances	717.04	1,290.87
Total other non-current assets	<u>717.15</u>	<u>1,290.94</u>
B Other current assets		
Advance to staff	0.35	1.00
Prepaid expenses	197.99	191.01
Total other current assets	<u>198.34</u>	<u>192.01</u>
Note - 9		
Cash and cash equivalents		
Balances with banks - in current accounts	7.90	246.60
Cash in hand	0.11	0.09
Total cash and cash equivalents	<u>8.01</u>	<u>246.69</u>

	As at 31 March 2019		As at 31 March 2018	
(Rs. in lakhs)				
Note - 10				
Equity share capital				
i Authorised				
Equity share capital of fair value of Rs. 10 each	Number	Amount	Number	Amount
	100,000,000	10,000.00	50,000,000	5,000.00
	<u>100,000,000</u>	<u>10,000.00</u>	<u>50,000,000</u>	<u>5,000.00</u>
ii Issued, subscribed and fully paid up				
Equity share capital of face value of Rs. 10 each	Number	Amount	Number	Amount
	55,000,000	5,500.00	23,000,000	2,300.00
	<u>55,000,000</u>	<u>5,500.00</u>	<u>23,000,000</u>	<u>2,300.00</u>
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
	As at 31 March 2019		As at 31 March 2018	
Equity shares	Number	Amount	Number	Amount
Balance at the beginning of the year	23,000,000	2,300.00	12,000,000	1,200.00
Add: Issued during the year	32,000,000	3,200.00	11,000,000	1,100.00
Balance at the end of the year	<u>55,000,000</u>	<u>5,500.00</u>	<u>23,000,000</u>	<u>2,300.00</u>
iv Share of the Company held by the Holding Company				
	As at 31 March 2019		As at 31 March 2018	
Name of the equity shareholder*	Number	"	Number	"
Global Health Private Limited	54,999,900	99.99"	22,999,900	99.99"
* 100 shares are by Dr.Naresh Trehan, a nominee shareholder				
v Details of shareholder holding more than 5% of share capital				
Global Health Private Limited	54,999,900	99.99"	22,999,900	99.99"



vi Rights, preferences and restrictions attached to equity shares :

- a) The Company has equity shares with paid up value of Rs. 10 per share.
- b) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 of the Companies Act, 2013, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of special resolution passed at a separate meeting of the holders of the shares of that class.
- c) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in species or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind, or not. For the purpose of aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out between the members or different classes of members. The liquidator may vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept to any shares or other securities whereon there is any liability.

Note - 11	(Rs. in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Other equity		
Reserves and surplus		
Profit & Loss Account		
Balance as at the beginning of the year	(1,226.17)	(796.34)
Add: Loss for the year	(473.49)	(429.83)
Total Profit & Loss	(1,699.66)	(1,226.17)

Note - 12

Borrowings -Non Current

Secured

Borrowings

	11,000.00	-
	11,000.00	-

Note:

- The term loan is secured by way of Hypothecation of property, where hypothecated property means all present and future current and movable fixed assets of the borrower, including without limitation, the stocks, book debts, plant and machinery, receivables, bills of exchange, movable fittings, equipments, computer hardware, computer software, machinery spares, tools and accessories and other movables, both present and future whether now lying loose, or in cases or which are now lying or stored in or about or shall thereafter from time to time during the continuance of the security of the loan be brought into or upon be stored or be in or all the borrower's premises, warehouses, stockyards, godowns, but not limited to those movable assets of the borrower.
- An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.
- Interest is charged at the rate of bank's three month MCLR+0.05% p.a. payable monthly.
- Loan is repayable in quarterly installments starting from June 2022
- Refer Note No. 27 (Capital Management for financial covenants)
- Vide letter dated July 15, 2019, the Company sought consent from Joint Secretary, Health Department, Government of Bihar for creation of hypothecation of Project Assets and approval for executing substitution agreement along with the bank. The Company has now received intimation from authorities vide its letter dated September 19, 2019 to execute substitution agreement on September 24, 2019.

Note - 13

Provisions - non-current

Provision for contingencies*

Total provisions

	170.10	170.10
	170.10	170.10

*The timing and amount of cash outflow of this provision is not determinable.

Note - 14

Current borrowing

Secured

Loan from bank*

Total current borrowing

	-	4,200.00
	-	4,200.00

*The loan is secured by way of hypothecation on current assets and movable fixed assets (both present and future), mortgage on land and building of the Company situated at Jayprabha Hospital Complex, Patna. An undertaking has also been given by Global Health Private Limited, the holding company to repay the shortfall, if any in the future. Interest is charged at the rate of bank's one month MCLR. Loan is repayable within 6 months of disbursement.

Net Debt Reconciliation

Cash and cash equivalent

Borrowings

Net debt

	8.01	246.69
	-11,000.00	-4,200.00
	-10,991.99	-3,953.31

	Cash and cash equivalent	Current borrowing	Total
Net debt as at 31 March 2018	246.69	-4,200.00	-3,953.31
Cash flows	-238.68	-	-238.68
Proceeds from borrowings	-	-11,000.00	-11,000.00
Repayment of borrowings	-	4,200.00	4,200.00
Interest expense	-	-718.55	-718.55
Interest paid	-	718.55	718.55
Net debt as at 31 March 2019	8.01	-11,000.00	-10,991.99



	As at 31 March 2019	(Rs. in lakhs) As at 31 March 2018
Note - 15		
Trade payable		
Total outstanding of micro enterprises and small enterprises.	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise.	5.24	3.74
Total Trade payable	<u>5.24</u>	<u>3.74</u>
The Company has circularised confirmation to its vendors to confirm the status of MSME. Based on the confirmation received so far, there are no outstanding balances from these MSME creditors as at March 31, 2019. Accordingly no specific disclosures are required under Micro, Small and Medium enterprises Act, 2006.		
Note - 16		
Other financial liabilities - current		
Capital creditors	906.87	863.73
Total other current financial liabilities	<u>906.87</u>	<u>863.73</u>
Note - 17		
Other current liabilities		
Payable to statutory authorities	63.83	8.80
Total other current liabilities	<u>63.83</u>	<u>8.80</u>

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	(Rs. in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Note - 18		
Other income		
Interest income on bank deposits	0.44	0.40
Total other income	0.44	0.40

	(Rs. in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Note - 19		
Employee benefits expense		
Salaries, allowances and other benefits	3.38	3.15
Total employee benefits expense	3.38	3.15

#No provision has been made in the books of accounts for compensated absence and gratuity since the impact is not likely to be material.

*Salary of Rs. 33.93lakhs (till 31 March 2018: Rs. 22.16 lakhs) is included in capital work in progress.

	(Rs. in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Note - 20		
Other expenses		
Concession Fee (refer note 26)	387.17	330.65
Rates and Taxes	78.50	88.21
Travelling and Conveyance	1.93	6.64
Audit Fees*	2.18	1.40
Miscellaneous Expenses	0.77	0.18
	470.55	427.08

	(Rs. in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
*Fees (including tax)		
Statutory Audit Fee	2.10	1.18
Out of Pocket Expenses	0.08	0.22
	2.18	1.40

	(Rs. in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Note - 21		
Income tax		
The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 29.12% and the reported tax expense in statement of profit and loss are as follows:		
Loss before income tax	(473.49)	(429.83)
Income Tax Expense		
Current Tax	-	-
Deferred Tax	-	-
Unused tax losses for which no deferred tax asset has been recognised	(1,699.66)	(1,226.17)
Potential tax benefit @29.12%(31 March 2018 - 29.12%)	(494.94)	(378.89)

The company has not recorded a deferred tax asset on the tax losses in absence of reasonable certainty of realisation of such asset.

	(Rs. in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Note - 22		
Earnings per share (EPS)		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Profit/(loss) attributable to equity shareholders	(473.49)	(429.83)
Weighted average number of equity shares for basic EPS	41,882,192	16,687,671
Weighted average number of equity shares adjusted for the effect of dilution	41,882,192	16,687,671
Basic/diluted earning per share (in Rs.)	(1.13)	(2.58)

Note:

There are no dilutive instruments



Note - 23

Financial risk management

(i) Fair value hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

There are no Financial asset and liabilities measured at level 1, 2 or 3 as at 31 March 2019, 31 March 2018 and 31 March 2017

The Carrying value of financial assets and current financial liabilities (cash and cash equivalents, other bank balances, trade receivables, trade payables and other current financial assets and liabilities) are considered to be at fair value.

(ii) Financial instruments by category*

(Rs. in lakhs)

Particulars	31 March 2019	31 March 2018
	Amortised cost	Amortised cost
Financial assets		
Cash and cash equivalents	8.01	246.69
Other bank balances	5.99	5.59
Total financial assets	14.00	252.28
Financial liabilities		
Borrowing	11,000.00	4,200.00
Trade Payable	5.24	3.74
Other financial liabilities	906.87	863.73
Total financial liabilities	11,912.11	5,067.47

*There are no financial assets and liabilities which are measured at Fair value through other comprehensive income.

(iii) Risk management

The Company's activities are exposed to liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents and other bank balances.	Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

The Company has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties. The Company only deals with financial counterparties that have a sufficiently good credit rating.

There are no trade receivables as on reporting date .

Other financial liabilities

(A) Credit risk exposure

(i) Provision for expected credit losses on other financial asset.

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2019

Particulars	(Rs. in lakhs)		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	8.01	-	8.01
Other bank balances	5.99	-	5.99

As at 31 March 2018

Particulars	(Rs. in lakhs)		
	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	246.69	-	246.69
Other Bank Balances	5.59	-	5.59



(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The holding company also provide necessary financial support in case of any shortfall in repayment to bank.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(Rs. in lakhs)				
31 March 2019	Less than 1 year	1-3 years	More than 3 year	Total
Non-derivatives				
Concession Fee	385.94	848.77	29,703.85	30,938.56
Borrowings	-	-	11,000.00	11,000.00
Trade payable	5.24	-	-	5.24
Other financial liabilities	906.87	-	-	906.87
Total	1,298.05	848.77	40,703.85	42,850.67

(Rs. in lakhs)				
31 March 2018	Less than 1 year	1-3 years	More than 3 year	Total
Non-derivatives				
Concession Fee	362.38	796.97	30,141.59	31,300.94
Borrowings	4,200.00	-	-	4,200.00
Trade payable	3.74	-	-	3.74
Other financial liabilities	863.73	-	-	863.73
Total	5,429.85	796.97	30,141.59	36,368.41

Global Health Private Limited, the holding company has issued a performance guarantee of Rs. 1,500 lakhs to Government of Bihar on behalf of the Company.

The Holding Company has issued a letter of comfort to the Company for providing necessary operational & financial support to continue as a going concern.

An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.

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Note - 24

Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related party where control exists / able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

i) Parties where control exists:

Holding Company

(i) Global Health Private Limited

Key Management Personnel (KMP)

(i) Dr. Naresh Trehan - Director

(ii) Mr. Anil Kumar Virmani - Director

(iii) Mr. Pankaj Sahni - Director

(i) Transactions with related parties carried out in the ordinary course of business:

(Rs. in lakhs)

Serial number	Particulars	Related Parties		Total
		Year	Holding Company	
1	Reimbursement of expenses incurred on behalf of the company	31 March 2019	7.08	7.08
		31 March 2018	7.08	7.08
2	Issue of Share capital	31 March 2019	3,200.00	3,200.00
		31 March 2018	1,100.00	1,100.00

(ii) Closing balance with related parties in the ordinary course of business :

(Rs. in lakhs)

Serial number	Particulars	Related Parties		Total
		Year	Holding Company	
1	Share capital	31 March 2019	5,500.00	5,500.00
		31 March 2018	2,300.00	2,300.00

(iii) Global Health Private Limited has issued a performance guarantee of Rs. 1,500 lakhs to Government of Bihar on behalf of the Company.

(iv) An undertaking has been given by Global Health Private Limited, Holding Company in favour of the bank amounting to INR 36,500 lakhs confirming infusion of equity or unsecured loans in case of shortfall in servicing of the credit facilities.

(v) The Holding Company has also issued a letter of comfort to the Company for providing necessary operational & financial support to continue as a going concern.

Note - 25 Contingencies and commitments

(a) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

(b) The Company had received a legal notice from Health Department, Government of Bihar, Patna for non completion of first phase of the project as per the agreed timelines and demanding damages as per the calculation mechanism stated in the concession agreement in the previous year. The Company has filed its response with the authorities and evaluated the legal notice with the help of internal and external experts and concluded that there is no trigger of any default or delay in completion of the project. In the current year, the agreement with the Health Department, Government of Bihar is amended on 16th April 2019 and revised timelines to complete project has been agreed and the Company don't foresee any delay in meeting these revised timelines.

	As at 31 March 2019	(Rs. in lakhs) As at 31 March 2018
i) Capital commitment		
Estimated value of contracts in capital accounts remaining to be executed	7,806.58	13,294.52
ii) Other commitment		
Concession Fees	30,938.56	31,300.94
Total	38,745.14	44,595.46

Note - 26 Leases disclosure as lessee

Operating leases

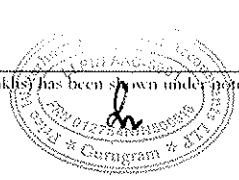
The Company has entered into a concession agreement with the Health Department, Government of Bihar on 11 August 2015 for development, operating and maintenance of Super Speciality Hospital on public private partnership mode in Patna. The agreement was subsequently amended on 16th April 2019. Under the terms of the agreement, the Government of Bihar has given land for the purpose of development of Super Speciality Hospital and the Company is required to pay concession fee year on year for 33 years with an escalation clause of 6.5% every year and annual variable fees post commencement of operations.

The amount expected to be paid is as follows:-

(Rs. in lakhs)

	As at 31 March 2019 (Excluding taxes)	As at 31 March 2018
Within one year	385.94	362.38
Later than one year but not later than five years	1,811.46	1,700.90
Later than five years	28,741.16	29,237.66
Total	30,938.56	31,300.94

The current year expense of Rs. 387.17 lakhs (Previous period Rs. 330.65 Lakhs) has been shown under para 20



Note - 27 Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To maintain optimal capital structure

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company is subject to externally imposed capital requirement as per the arrangement with the Bank to ensure term loan is disbursed in proportion of equity infused. Debt: Equity share capital infusion ratio is required to be maintained at 2X.

The amounts managed as capital by the Company are summarised as follows:

Particulars	(Rs. in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Equity share capital	5,500.00	2,300.00
Total borrowings	11,000.00	4,200.00

The holding company has issued an undertaking to the bank to meet any shortfall in repayment of loan taken from bank.

Note - 28 As the Company has only one business segment which constitutes health care, there are no disclosures to be provided under Ind AS - 108 "Operating segments". The Company primarily operates in India which is considered as single geographical segment.

Note - 29 There are no subsequent events impacting the financial statements for the year ended on March 31, 2019.

Note- 30 There is no impact of Ind AS 115- Revenue from Contract with customers on the financial statements for the year ended March 31, 2019.

Note -31 Recent Accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA), on 30 March 2019, notified Ind AS 116, Leases as a part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces the existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Amendment to Ind AS 19: Employee Benefits

This amendment requires an entity to: (i) use updated assumptions to determine current service cost and net interest and (ii) recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus

Amendment to Ind AS 109

This amendment enables an entity to measure at amortised cost some prepayable financial assets with negative compensation.

Ind AS 12, Income Taxes

The appendix C provides accounting for uncertainty over income tax treatments.

New paragraph 57A has been added to clarify the income tax consequences of dividends on financial instruments classified as equity.

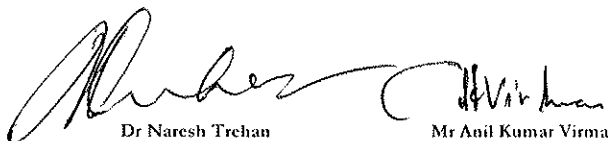
The Company is evaluating the requirements of the above amendments and their effect on the financial statements.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016
Chartered Accountants



Abhishek Rara
Partner
Membership No. 077779

For and on behalf of the Board of Directors



Dr Naresh Trehan
Director
DIN - 00012148

Mr Anil Kumar Virmani
Director
DIN - 00064632



Mr. Om Prakash Choubey
Company Secretary

Place: Gurugram

Date: September 26, 2019