

*Dated:*

## INDEPENDENT AUDITORS REPORT

To  
The Members of  
Trichur Heart Hospital Limited,  
Thrissur.

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### **Opinion**

We have audited the accompanying financial statements of **Trichur Heart Hospital Limited** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup>March, 2023, the Statement of Profit and Loss, 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 (hereinafter referred to as ‘financial statements’) contained in the notes to accounts.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with the accounting policies and other notes attached thereto, 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 31<sup>st</sup>March, 2023, its Profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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.

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**Information Other than the Financial Statement and Auditor's Report thereon (Other Information)**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to the Director's Report in the Annual Report of the Company for the financial year 2022-2023, 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.

**Responsibility of Management and those charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless the Board of Directors and 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**

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 financial controls 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 control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, and the 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, read with relevant rules issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

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our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29.5, 29.6 and 29.7 to the financial statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company other than Rs.2,30,490/- in respect of unpaid dividend relating to financial year 2015-2016 which will due for transfer in the month of November, 2023.
- iv)
  - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 29.25 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No. 29.25 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- (b) As stated in Note 3.2 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

*For Varma & Varma*  
*(Firm No.0045325)*

*Signed*

*Place* :THRISSUR,  
*Date* :

*Name* CA.P.HARIKRISHNANUNNY, B.COM,FCA  
M.No.213541  
UDIN:

*Address* **Partner**  
**M/s. Varma & Varma,**  
**Chartered Accountants**  
**Daiwik Arcade,**  
**Thiruvambady Road,**  
**Punkunnam, Thrissur – 680 002**

**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 OF  
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR  
INDEPENDENT AUDITOR'S REPORT OF EVEN DATE**

1. a) i) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
ii) According to the information and explanations given to us and the records of the company examined by us, the Company has maintained proper records showing full particulars of intangible assets.  
b) According to the information and explanations given to us and the records of the Company examined by us, the Company has a regular program of physical verification of its Property Plant and Equipment at the yearend which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.  
c) According to the information and explanations given by the management, and as per the records of the company examined by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.  
d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under the Clause (i)(d) of Paragraph 3 of the Order is not applicable for the year.  
e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by the Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.  
b) According to the information and explanations given to us and the records of the Company examined by us, the company has not been sanctioned working capital limits in excess of Rupees Five crores in aggregate from banks or financial institutions on the basis of security of current assets and hence the reporting requirements under the Clause (ii)(b) of Paragraph 3 of the Order is not applicable for the year.

3. The company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties and hence the reporting requirements under clause (iii) of paragraph 3 of the order is not applicable.
4. According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 and section 186 of the Act.
5. The Company has not accepted any deposits from the public and hence, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues –

(a) As per the information and explanations furnished to us and according to our examination of the records of the Company, except for certain minor delays in remittance of undisputed Income Tax Deducted at Source, Goods and Service tax and Contribution to Provident Fund, the Company has been generally regular in depositing undisputed dues including Sales tax, value added tax, Employees' state Insurance, income tax, customs duty, excise duty, cess and other material statutory dues as applicable to the company to the appropriate authorities during the year.

According to the information and explanations given to us and according to our examination of the records of the Company, there are no arrears of undisputed statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and as per the records of the Company examined by us, the following disputed amounts of statutory dues have not been deposited with the relevant authorities as at 31st March, 2023 as per details given below :



| Name of the statute              | Nature of the dues     | Amount (Rs.in lakhs) | Period to which the amount relates                                | Forum where dispute is pending              |
|----------------------------------|------------------------|----------------------|---|---|
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 11.57                | 2005-2006,<br>2006-2007,<br>2007-2008,<br>2008-2009,<br>2009-2010 | Hon.Sales Tax Appellate Tribunal, Ernakulam |
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 16.81                | 2010-11   | Deputy Commissioner (Appeals), Ernakulam.   |
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 17.52                | 2011-12   | Deputy Commissioner (Appeals), Ernakulam.   |

8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. According to the information and explanations given to us and on the examination of the records of the Company:
- The Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
  - According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
  - According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
  - The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause ix(e) of paragraph 3 of the order is not applicable.

- f. The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause ix(f) of paragraph 3 of the order is not applicable.
10. a) According to the information and explanations given to us and the records of the Company examined by us the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and accordingly the reporting requirement under the clause (x)(a) of Para 3 of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of equity shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order are not applicable.
11. a) During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the company or on the company noticed or reported during the year, nor have been informed of any such case by the Management.
- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As reported to us by the management, no whistle blower complaints are received by the company during the year.
12. The Company is not a Nidhi Company. Accordingly, the reporting requirements under clause (xii) (a), (b) and (c) of Paragraph 3 of the Order are not applicable to the company.
13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in Note 29.4 to the financial statements as required by the applicable Accounting Standards.
14. a) The Company has an internal audit system, which, in our opinion is commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date for the period under audit.
15. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

16. According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly clause (xviii) of paragraph 3 of the order is not applicable.
19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets, payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20.
  - a) The company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
  - b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing Corporate Social Responsibility (CSR) project.
21. The Company is not required to prepare consolidated financial statements and accordingly, the reporting requirement under clause (xxi) of Paragraph 3 of the Order is not applicable.

**ANNEXURE "B" REFERRED TO IN PARAGRAPH 2(f) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Trichur Heart Hospital Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For Varma & Varma*  
*(Firm No.004532S)*

*Signed*

*Name* CA.P.HARIKRISHNANUNNY, B.COM,FCA  
M.No.213541  
*Date :* UDIN

*Place :* THRISSUR,  
*Date :*

*Address* **Partner**  
**M/s. Varma & Varma,**  
**Chartered Accountants**  
**Daiwik Arcade,**  
**Thiruvambady Road,**  
**Punkunnam, Thrissur – 680 002**

**TRICHUR HEART HOSPITAL LIMITED, THRISSUR.**  
**BALANCE SHEET AS AT 31st MARCH 2023**

| Particulars  | Note No | As at                             | As at                             |
|--|---------|-----------------------------------|-----------------------------------|
|  |         | 31st March, 2023<br>(Rs in Lakhs) | 31st March, 2022<br>(Rs in Lakhs) |
| <b>I EQUITY AND LIABILITIES :</b>  |         |                                   |                                   |
| <b>1. Shareholders' funds</b>  |         |                                   |                                   |
| a) Share capital   | 2       | 952.66                            | 952.66                            |
| b) Reserves and surplus  | 3       | 1,321.56                          | 1,029.88                          |
| <b>2. Non-current liabilities</b>  |         |                                   |                                   |
| a) Long - term borrowings  | 4       | 166.32                            | 35.63                             |
| b) Deferred tax liabilities (Net)  | 5       | 182.27                            | 169.79                            |
| <b>3. Current liabilities</b>  |         |                                   |                                   |
| a) Short - term borrowings   | 6       | 37.94                             | 175.66                            |
| b) Trade payables  | 7       |                                   |                                   |
| i) Total outstanding dues of micro enterprises and small enterprises and                   |         | 39.40                             | 32.00                             |
| ii) Total outstanding dues of creditors other than micro enterprises and small enterprises |         | 532.67                            | 524.20                            |
| c) Other current liabilities   | 8       | 89.84                             | 76.46                             |
| <b>TOTAL</b>   |         | <b>3,322.66</b>                   | <b>2,996.28</b>                   |
| <b>II ASSETS:</b>  |         |                                   |                                   |
| <b>1. Non-current assets</b>   |         |                                   |                                   |
| a) Property, Plant and Equipment and Intangible assets                                     |         |                                   |                                   |
| i) Property, Plant and Equipment   | 9       | 2,099.14                          | 1,906.66                          |
| ii) Intangible assets  | 10      | 0.64                              | 9.27                              |
| iii) Capital Work-In-Progress  | 11      | 25.92                             | -                                 |
| b) Non-current Investments   | 12      | 0.05                              | 0.05                              |
| c) Long-term loans and advances  | 13      | 89.59                             | 132.04                            |
| d) Other non-current assets  | 14      | 31.05                             | 31.05                             |
| <b>2. Current assets</b>   |         |                                   |                                   |
| a) Inventories   | 15      | 213.11                            | 235.58                            |
| b) Trade receivables   | 16      | 139.36                            | 86.87                             |
| c) Cash and cash equivalents   | 17      | 588.72                            | 533.27                            |
| d) Short-term loans and advances   | 18      | 132.36                            | 61.49                             |
| e) Other current assets  | 19      | 2.72                              | -                                 |
| <b>TOTAL</b>   |         | <b>3,322.66</b>                   | <b>2,996.28</b>                   |
| Significant accounting policies  | 1       |                                   |                                   |
| Additional information   | 29      |                                   |                                   |
| Accompanying Notes form an integral part of the Financial Statements                       |         |                                   |                                   |

For and on behalf of Board of Directors  
DIRECTOR  
T.S. ANANTHARAMAN  
DIN :00480136

As per our separate report of even date attached  
FOR VARMA & VARMA  
(Firm Regn.No.004532S)

MANAGING DIRECTOR  
PRATHAP VARKEY  
DIN : 00220637

CA.P.HARIKRISHNANUNNY B.Com,FCA  
M.No. 213541  
Partner  
Chartered Accountants

**TRICHUR HEART HOSPITAL LIMITED, THRISSUR.**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023**

| Particulars  | Note No. | Year ended<br>31st March 2023<br>(Rs in Lakhs) | Year ended<br>31st March 2022<br>(Rs in Lakhs) |
|--|----------|--|--|
| <b>Revenue</b>   |          |  |  |
| Revenue from operations                                    | 20       | 5,592.93                                       | 5,935.60                                       |
| Other Income   | 21       | 88.89  | 49.26  |
| <b>Total Income</b>  |          | <b>5,681.82</b>                                | <b>5,984.86</b>                                |
| <b>Expenses</b>  |          |  |  |
| Purchase of Medicines and Consumables                      | 22       | 1,613.86                                       | 2,001.92                                       |
| Changes in inventories of Medicines and Consumables        | 23       | 19.27  | (20.85)  |
| Employee benefits expense                                  | 24       | 1,311.04                                       | 1,264.74                                       |
| Finance costs  | 25       | 9.96   | 13.73  |
| Depreciation and amortisation expenses                     | 26       | 247.81   | 242.14   |
| Other expenses   | 27       | 1,987.67                                       | 1,772.68                                       |
| <b>Total expenses</b>                                      |          | <b>5,189.61</b>                                | <b>5,274.36</b>                                |
| Profit before exceptional and extra-ordinary items and tax |          | <b>492.21</b>                                  | <b>710.50</b>                                  |
| Exceptional Items  |          | -  | -  |
| Profit before extra-ordinary items and tax                 |          | <b>492.21</b>                                  | <b>710.50</b>                                  |
| Extra-ordinary items                                       |          | -  | -  |
| <b>Profit before tax</b>                                   |          | <b>492.21</b>                                  | <b>710.50</b>                                  |
| <b>Tax expenses</b>  |          |  |  |
| Current tax  |          | 130.00   | 201.00   |
| Relating to earlier years                                  |          | 7.59   | -  |
| Mat Credit   |          | (44.80)  | (88.92)  |
| Deferred tax (Net)   |          | 12.47  | (1.69)   |
| <b>Profit for the year</b>                                 |          | <b>386.95</b>                                  | <b>600.11</b>                                  |
| Basic and diluted earnings per equity share (Rs.)          | 28       | 4.06   | 6.30   |
| Nominal value per equity share (Rs.)                       |          | 10.00  | 10.00  |
| Significant accounting policies                            | 1        |  |  |
| Additional information                                     | 29       |  |  |

Accompanying Notes form an integral part of the Financial Statements

For and on behalf of Board of Directors

As per our separate report of even date attached

**DIRECTOR**  
T.S. ANANTHARAMAN  
DIN :00480136

**FOR VARMA & VARMA**  
(Firm Regn.No.004532S)

**MANAGING DIRECTOR**  
PRATHAP VARKEY  
DIN : 00220637

**CA.P.HARIKRISHNANUNNY B.Com,FCA**  
M.No. 213541  
**Partner**  
**Chartered Accountants**



**TRICHUR HEART HOSPITAL LIMITED, THRISSUR**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023**

| Particulars  | Year ended 31.03.2023 |                 | Year ended 31.03.2022 |                 |
|--|-----------------------|-----------------|-----------------------|-----------------|
|  | (Rs in Lakhs)         |                 | (Rs in Lakhs)         |                 |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                         |                       |                 |                       |                 |
| Net Profit before tax and extraordinary items                        |                       | 492.21          |                       | 710.50          |
| Adjustments For:   |                       |                 |                       |                 |
| Depreciation and amortisation  | 247.81                |                 | 242.14                |                 |
| Finance Costs  | 9.96                  |                 | 13.73                 |                 |
| Irrecoverable advances written off                                   | 0.72                  |                 | 0.00                  |                 |
| Bad debts written off  | 0.15                  |                 | 5.54                  |                 |
| Interest income  | (12.09)               |                 | -                     |                 |
| Provision for Bad and Doubtful debts                                 | -                     |                 | 6.45                  |                 |
| Provision for Gratuity   | (59.08)               |                 | (25.92)               |                 |
| Loss on Revaluation of Hospital Instruments                          | 9.20                  |                 | 26.31                 |                 |
| Loss on sale/ discardment of Tangible assets                         | 21.08                 |                 | 0.34                  |                 |
| Sundry balances written back   | (0.02)                | 217.73          | (0.98)                | 267.61          |
| Operating Profit Before Working Capital Changes                      |                       | <b>709.94</b>   |                       | <b>978.11</b>   |
| Adjustments For:   |                       |                 |                       |                 |
| Inventories  | 13.27                 |                 | (30.57)               |                 |
| Trade receivables, Loans and advances and other current assets       | (65.15)               |                 | 23.90                 |                 |
| Trade payables, other current liabilities and provisions             | 28.34                 | (23.54)         | 70.65                 | 63.98           |
| Cash generated from operations                                       |                       | 686.40          |                       | 1,042.09        |
| Income Tax Paid  |                       | 63.53           |                       | 102.18          |
| <b>Net Cash From Operating Activities (a)</b>                        |                       | <b>622.87</b>   |                       | <b>939.91</b>   |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                         |                       |                 |                       |                 |
| Payments for purchase of Property, Plant and Equipment               | (423.98)              |                 | (351.76)              |                 |
| Advance for purchase of Property, Plant and Equipment                | (20.92)               |                 | (34.11)               |                 |
| Investment in Capital Work In Progress                               | (25.92)               |                 | -                     |                 |
| Interest income  | 9.37                  |                 | -                     |                 |
| Sale proceeds of Property, Plant and Equipment                       | 5.36                  |                 | 0.06                  |                 |
| <b>Net Cash Used In Investing Activities (b)</b>                     |                       | <b>(456.09)</b> |                       | <b>(385.81)</b> |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                       |                 |                       |                 |
| Proceeds from Long Term Borrowings                                   | 193.00                |                 | -                     |                 |
| Repayment of Long Term Borrowings                                    | (56.65)               |                 | (60.39)               |                 |
| (Repayment )/ Proceeds of short term bank borrowings (Net)           | (143.38)              |                 | 48.22                 |                 |
| Finance Costs  | (9.72)                |                 | (14.02)               |                 |
| Dividends Paid   | (94.58)               |                 | (46.96)               |                 |
| <b>Net Cash Used In Financing Activities (c)</b>                     |                       | <b>(111.33)</b> |                       | <b>(73.15)</b>  |
| <b>D INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (a + b +c)</b> |                       | <b>55.45</b>    |                       | <b>480.95</b>   |
| Cash And Cash Equivalents at the beginning of the year               |                       | 533.27          |                       | 52.32           |
| Cash and Cash Equivalents at the close of the year - See Note. 17    |                       | 588.72          |                       | 533.27          |
| <b>E NET INCREASE /(DECREASE) AS DISCLOSED ABOVE</b>                 |                       | <b>55.45</b>    |                       | <b>480.95</b>   |

Significant accounting policies- See Note No: 1

Accompanying Notes form an integral part of the Financial Statements

Note: 17.1 Cash and Cash equivalents includes restricted bank balances of Rs.26.69 Lakh (Previous Year- Rs.25.62 Lakh ). Restrictions are primarily on account of earmarked bank balances in respect of unpaid dividend amounting to Rs. 18.14 Lakh (Previous Year Rs. 17.45 Lakh) and lien marked on Fixed Deposit with State Bank of India for Rs.8.55 Lakh (Previous Year Rs. 8.16 Lakh) in favour of Permanent Lok Adalat, Ernakulam. (See Note No. 29.6(iv))

For and on behalf of Board of Directors

As per our separate report of even date attached

DIRECTOR

T.S. ANANTHARAMAN

DIN :00480136

For VARMA & VARMA

(Firm Regn.No.004532S)

MANAGING DIRECTOR

PRATHAP VARKEY

DIN : 00220637

P.HARIKRISHNANUNNY FCA, B.Com, FCA

M.No.213541

Partner

Chartered Accountants.

| Particulars                                      | As at<br>31st March, 2023 |                 | As at<br>31st March, 2022 |                 |
|--|---------------------------|-----------------|---------------------------|-----------------|
|  | No. of Shares             | Rs. In Lakhs    | No. of Shares             | Rs. In Lakhs    |
| <b>2. Share Capital</b>                          |                           |                 |                           |                 |
| <b>Authorised:</b>                               |                           |                 |                           |                 |
| Equity Shares of par value of Rs. 10 per share   | 1,00,00,000               | 1,000.00        | 10000000                  | 1,000.00        |
|  | <b>1,00,00,000</b>        | <b>1,000.00</b> | <b>10000000</b>           | <b>1,000.00</b> |
| <b>Issued, Subscribed and Paid up:</b>           |                           |                 |                           |                 |
| Equity Shares of par value of Rs. 10/- per share | 95,26,600                 | 952.66          | 9526600                   | 952.66          |
| <b>Total</b>                                     | <b>95,26,600</b>          | <b>952.66</b>   | <b>9526600</b>            | <b>952.66</b>   |

Note 2.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period.

| Particulars                                 | As at 31st March, 2023 |              | As at 31st March, 2022 |              |
|---|------------------------|--------------|------------------------|--------------|
|   | No. of shares          | Rs. in lakhs | No. of shares          | Rs. in lakhs |
| Equity Shares- At the beginning of the year | 95,26,600              | 952.66       | 95,26,600              | 952.66       |
| Add:- Shares issued during the year         | -                      | -            | -                      | -            |
| Outstanding at the end of the year          | 95,26,600              | 952.66       | 95,26,600              | 952.66       |

Note 2.2 Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors at its meeting held on 12/07/2023 has recommended a final dividend of Rs.1/-(Previous year- Rs.1/-) per equity share of Rs. 10 /- each, subject to approval of shareholders at the ensuing annual general meeting.

In the case of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential claims as provided in the Companies Act, 2013. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 2.3** The Company in its Extra-ordinary general meeting held on 28.02.1990 has sub divided its equity shares of face value of Rs.5000/- each into shares of face value of Rs.10/- each. A few of the shareholders have not yet surrendered their old share certificates in exchange for the new share certificates. However, in the schedule of share capital, the description of share as on 31.03.2023 is given as 95,26,600(previous year 95,26,600) equity shares of Rs.10/- each.

**DIRECTOR**  
**T.S. ANANTHARAMAN**  
**DIN :00480136**

**MANAGING DIRECTOR**  
**PRATHAP VARKEY**  
**DIN:00220637**

*As per our separate report of even date attached*

Note:2.4 Details of shareholders holding more than 5% of the aggregate equity shares in the Company as at the end of the year:

| Name of shareholder                      | 31st March 2023    |                       | 31st March 2022    |                       |
|--|--------------------|-----------------------|--------------------|-----------------------|
|  | No. of shares held | Percentage of holding | No. of shares held | Percentage of holding |
| Equity shares of Rs.10 each fully paidup |                    |                       |                    |                       |
| Mrs. Sini Prathap                        | 35,28,000          | 37.03%                | 35,28,000          | 37.03%                |
| Mr.Prathap Varkey                        | 33,54,268          | 35.21%                | 33,54,268          | 35.21%                |
| Jubilee Mission Hospital Trust,Thrissur  | 6,20,200           | 6.51%                 | 6,20,200           | 6.51%                 |

Note:2.5 Shares held by promoters

| Promoter Name      | As at 31st March 2023 |                   |                          | As at 31st March 2022 |                   |                          |
|--------------------|-----------------------|-------------------|--------------------------|-----------------------|-------------------|--------------------------|
|                    | No. of Shares         | % of Total Shares | % Change during the year | No. of Shares         | % of Total Shares | % Change during the year |
| Mr. Prathap Varkey | 33,54,268             | 35.21%            | -                        | 33,54,268             | 35.21%            | -                        |
| Dr PM Varkey       | 1,32,500              | 1.39%             | -                        | 1,32,500              | 1.39%             | -                        |
| Mrs. Sini Prathap  | 35,28,000             | 37.03%            | -                        | 35,28,000             | 37.03%            | -                        |

|  | As at 31st March, 2023 |          | As at 31st March, 2022 |          |
|--|------------------------|----------|------------------------|----------|
|  |                        |          |                        |          |
| <b>3.Reserves And Surplus</b>  |                        |          |                        |          |
| Capital Reserve  |                        | 1.23     |                        | 1.23     |
| General reserve  |                        | 16.08    |                        | 16.08    |
| <b>Surplus in Statement of Profit and Loss</b>                         |                        |          |                        |          |
| Balance at the beginning of the year (See Note 3.1 below)              |                        | 1,012.57 |                        | 460.10   |
| Add: Profit for the current year                                       |                        | 386.95   |                        | 600.11   |
| Final dividend on equity shares for previous year paid during the year |                        | (95.27)  |                        | (47.63)  |
|  |                        | 1,304.25 |                        | 1,012.57 |
| <b>Total</b>   |                        | 1,321.56 |                        | 1,029.88 |

Note 3.1 The balances carried from prior years, under Capital Reserve, being amounts representing donations received Rs.362 Lakh, part of Term Loan waived Rs.173.57 Lakh and under Other Reserves, being Interest on Term Loan waived Rs.4103.02 Lakh and written back in prior years, are reclassified for more appropriate disclosure under General Reserve and have been set off (Netted) against the opening balance of accumulated losses of prior years carried in Reserves & Surplus, in the Balance Sheet.

Note 3.2 The Board of Directors at its meeting held on 12/07/2023 has recommended a final dividend of Rs.1 /- (Previous year- Rs.1/-) per equity share of Rs. 10/- each, subject to approval of shareholders at the ensuing annual general meeting. The total proposed dividend for the year ended 31st March, 2023 amounts to Rs.95.27 Lakhs(Previous year-Rs.95.27 Lakhs)

**DIRECTOR**  
T.S. ANANTHARAMAN  
DIN :00480136

**MANAGING DIRECTOR**  
PRATHAP VARKEY  
DIN:00220637

*As per our separate report of even date attached*

**TRICHUR HEART HOSPITAL LIMITED**  
**Notes attached to and forming part of the accounts for the year ended 31st March,2023.**

| Particulars   | As at<br>31st March,<br>2023 | As at<br>31st March, 2022 |
|---|------------------------------|---------------------------|
|   | Rs. In Lakhs                 | Rs. In Lakhs              |
| <b>4. Long Term Borrowings</b>  |                              |                           |
| <b>Secured Loans:-</b>  |                              |                           |
| <b>Term Loan from Banks:-</b>   |                              |                           |
| HDFC Bank Ltd   | 166.22                       | 34.43                     |
| (Secured by hypothecation of equipments and other assets created/procured from the availment of the term loan and personal guarantee of Managing Director). |                              |                           |
| <b>Term Loan from Other Parties:-</b>   |                              |                           |
| TATA Motors Finance Ltd   | 0.10                         | 1.20                      |
| (Secured by hypothecation of Motor Car)   |                              |                           |
| <b>Total</b>  | <b>166.32</b>                | <b>35.63</b>              |

Note 4.1 Terms of repayment of Term Loans are as under:

| Particulars                               |                                 |   |   | As at<br>31st March, 2023          |
|---|---------------------------------|---|---|------------------------------------|
| Name of Banks /<br>Financial Institutions | Balance as on<br>31-03-2023 Rs. | Balance<br>Number of<br>Installment<br>s as on 31-<br>03-2023 | Rate of<br>Interest as on<br>31-03-2023 | Frequency & amount of<br>Repayment |
| HDFC Bank Ltd -<br>83675144               | 10,02,751.00                    | 10  | 8.45%                                   | Monthly Rs. 106236/-               |
| TATA Motors Finance<br>Ltd                | 1,19,610.19                     | 13  | 9.75%                                   | Monthly Rs. 9735/-                 |
| HDFC Bank Ltd -<br>87367998               | 1,93,00,000.00                  | 55  | 8.50%                                   | Monthly Rs. 4,31358/-              |

Note 4.2 See Note 6 for current maturities of long term borrowings.

As at Balance Sheet date, the Company has not delayed the repayment of principal and interest.

**DIRECTOR**  
**T.S. ANANTHARAMAN**  
**DIN :00480136**

**MANAGING DIRECTOR**  
**PRATHAP VARKEY**  
**DIN:00220637**

*As per our separate report of even date attached*

**TRICHUR HEART HOSPITAL LIMITED**  
**Notes attached to and forming part of the accounts for the year ended 31st March,2023.**

| Particulars  | As at<br>31st March,<br>2023 | As at<br>31st March, 2022 |
|--|------------------------------|---------------------------|
|  | Rs. In Lakhs                 | Rs. In Lakhs              |
| <b><u>5. Deferred Tax Liabilities(Net)</u></b>   |                              |                           |
| Deferred Tax Liability towards   |                              |                           |
| Accumulated depreciation allowance   | 169.73                       | 173.63                    |
| Others   | 20.95                        | 4.51                      |
| <b>Total</b> A   | <b>190.68</b>                | <b>178.14</b>             |
| Deferred Tax asset on account of   |                              |                           |
| Others   | 8.41                         | 8.35                      |
| <b>Total</b> B   | <b>8.41</b>                  | <b>8.35</b>               |
| <b>Deferred Tax Liabilities(Net) (A - B)</b>   | <b>182.27</b>                | <b>169.79</b>             |
| <b><u>6. Short term borrowings</u></b>   |                              |                           |
| Loans repayable on demand from banks - Secured   | 0.03                         | 143.41                    |
| Overdraft facility is secured by Building and Equitable mortgage of immovable property of 6.68 ares of land situated in Thrissur and personal guarantee of Managing Director. Interest rate as at 31-03-2023 is 8.75 % Per Annum |                              |                           |
| <b>Current Maturities of long - term borrowings (See Note.4 for security details and terms of repayment.)</b>  |                              |                           |
| Term Loans - Secured   |                              |                           |
| From Banks   |                              |                           |
| -HDFC Bank Ltd   | 36.81                        | 31.25                     |
| From Others -TATA Motors Finance Ltd   | 1.10                         | 1.00                      |
|  | <b>37.94</b>                 | <b>175.66</b>             |
| <b><u>7. Trade Payables</u></b>  |                              |                           |
| Trade Payables   |                              |                           |
| Total outstanding dues of Micro and Small enterprises  | 39.40                        | 32.00                     |
| Total outstanding dues of creditors other than micro enterprises and   | 532.67                       | 524.20                    |
| <b>Total</b>   | <b>572.07</b>                | <b>556.20</b>             |

**DIRECTOR**  
**T.S. ANANTHARAMAN**  
**DIN :00480136**

**MANAGING DIRECTOR**  
**PRATHAP VARKEY**  
**DIN:00220637**

*As per our separate report of even date attached*

## Notes attached to and forming part of the accounts for the year ended 31st March,2023.

Note 7.1 The amount due to Micro, Small and Medium Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro, Small and Medium Enterprises are as under:

| Particulars  | As at            | As at            |
|--|------------------|------------------|
|  | 31st March, 2023 | 31st March, 2022 |
|  | Rs. In Lakhs     | Rs. In Lakhs     |
| the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year  | 39.40            | 32.00            |
| the amount of interest paid by the buyer under Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year   | -                | -                |
| The amount of interest due and payable for the period (where the principal has been paid but interest under the Micro, Small Medium Enterprises Development Act 2006 not paid)   | -                | -                |
| the amount of interest accrued and remaining unpaid at the end of each accounting year   | -                | -                |
| the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | -                | -                |

Note 7.2

## Trade Payables ageing schedule

As at 31.03.2023

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| (i) MSME                    | 39.38  | 0.02      | -         | -                 | 39.40  |
| (ii) Others                 | 528.20   | 0.40      | 0.66      | 3.41              | 532.67 |
| (iii) Disputed dues - MSME  | -  | -         | -         | -                 | -      |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -      |
| (v) Unbilled dues           | -  | -         | -         | -                 | -      |

As at 31.03.2022

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| (i) MSME                    | 32.00  | -         | -         | -                 | 32.00  |
| (ii) Others                 | 503.20   | 4.51      | 2.27      | 14.22             | 524.20 |
| (iii) Disputed dues - MSME  | -  | -         | -         | -                 | -      |
| (iv) Disputed dues - Others | -  | -         | -         | -                 | -      |
| (v) Unbilled dues           | -  | -         | -         | -                 | -      |

DIRECTOR  
T.S. ANANTHARAMAN  
DIN :00480136

MANAGING DIRECTOR  
PRATHAP VARKEY  
DIN:00220637

As per our separate report of even date attached

**TRICHUR HEART HOSPITAL LIMITED**  
**Notes attached to and forming part of the accounts for the year ended 31st March,2023.**

| Particulars   | As at<br>31st March,<br>2023 | As at<br>31st March, 2022 |                  |                              |              |
|---|------------------------------|---------------------------|------------------|------------------------------|--------------|
| <b>8. Other Current Liabilities</b>                                       | <b>Rs. In Lakhs</b>          | <b>Rs. In Lakhs</b>       |                  |                              |              |
| Interest accrued but not due on borrowings                                | 0.56                         | 0.32                      |                  |                              |              |
| Unpaid Dividend   | 18.14                        | 17.45                     |                  |                              |              |
| Prime Ministers Relief Fund pending utilisation                           | 0.93                         | 0.93                      |                  |                              |              |
| Amount due to directors   | 3.59                         | 1.81                      |                  |                              |              |
| Creditors for Property, Plant and Equipment                               | 0.20                         | 0.60                      |                  |                              |              |
| Inpatient advance   | 29.44                        | 23.97                     |                  |                              |              |
| Other Liabilities   | 36.98                        | 31.38                     |                  |                              |              |
| <b>Total</b>  | <b>89.84</b>                 | <b>76.46</b>              |                  |                              |              |
| <b>9. Property, Plant &amp; Equipment</b>                                 |                              |                           |                  |                              |              |
| See separate sheet attached   |                              |                           |                  |                              |              |
| <b>10. Intangible Assets</b>  |                              |                           |                  |                              |              |
| See separate sheet attached   |                              |                           |                  |                              |              |
| <b>11. Capital Work-In-Progress</b>                                       |                              |                           |                  |                              |              |
| Property, Plant and Equipment   | 25.92                        | -                         |                  |                              |              |
|   | <u>25.92</u>                 | <u>-</u>                  |                  |                              |              |
| <b>11.1 Capital Work- In -Progress Ageing Schedule</b>                    |                              |                           |                  |                              |              |
|   | <b>Less than 1<br/>year</b>  | <b>1-2 years</b>          | <b>2-3 years</b> | <b>More than 3<br/>years</b> | <b>Total</b> |
| <b>Projects in Progress</b>   | 25.92                        | -                         | -                | -                            | 25.92        |
| <b>Projects temporarily suspended</b>                                     | -                            | -                         | -                | -                            | -            |
| 11.2 There are no items capitalised during the year from opening balance. |                              |                           |                  |                              |              |
|   | <b>Rs. In Lakhs</b>          | <b>Rs. In Lakhs</b>       |                  |                              |              |
| <b>12. Non Current Investments- Unquoted, At Cost</b>                     |                              |                           |                  |                              |              |
| In National Savings Certificate   | 0.05                         | 0.05                      |                  |                              |              |
| <b>Total</b>  | <b>0.05</b>                  | <b>0.05</b>               |                  |                              |              |
| <b>13. Long-term Loans and Advances</b>                                   |                              |                           |                  |                              |              |
| Unsecured , Considered good   |                              |                           |                  |                              |              |
| Capital Advances  | 20.92                        | 34.11                     |                  |                              |              |
| Balance with Customs Authorities (See note 29.7)                          | 16.75                        | 16.75                     |                  |                              |              |
| Advance Income tax (Net of Provision for taxation)                        | 51.92                        | 81.18                     |                  |                              |              |
| <b>Total</b>  | <b>89.59</b>                 | <b>132.04</b>             |                  |                              |              |
| <b>14. Other Non-current Assets</b>                                       |                              |                           |                  |                              |              |
| Unsecured, Considered Good  |                              |                           |                  |                              |              |
| Security Deposits   | 31.05                        | 31.05                     |                  |                              |              |
| <b>Total</b>  | <b>31.05</b>                 | <b>31.05</b>              |                  |                              |              |
| <b>15. Inventories</b>  |                              |                           |                  |                              |              |
| i . Medical/surgical Instruments  | 20.44                        | 22.05                     |                  |                              |              |
| ii. Medicines   | 119.72                       | 135.61                    |                  |                              |              |
| iii. Hospital consumables, lab consumables, stores etc.                   | 72.95                        | 77.92                     |                  |                              |              |
| <b>Total</b>  | <b>213.11</b>                | <b>235.58</b>             |                  |                              |              |
| See Note 1 (f) for method of valuation of inventories                     |                              |                           |                  |                              |              |

**DIRECTOR**  
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**DIN :00480136**

**MANAGING DIRECTOR**  
**PRATHAP VARKEY**  
**DIN:00220637**

*As per our separate report of even date attached*

**16. Trade Receivables**

Unsecured, Considered Good

|            |        |       |
|------------|--------|-------|
| Disputed   | -      | -     |
| Undisputed | 139.36 | 86.87 |

Unsecured, Considered doubtful

|            |      |      |
|------------|------|------|
| Disputed   | 8.46 | 8.46 |
| Undisputed | 8.81 | 8.81 |

Less: Provision for doubtful debts

(17.27) (17.27)

**Total****139.36 86.87****Trade Receivables Ageing Schedule****As at 31.03.2023**

| Particulars   | Outstanding for following periods from due date of payment |                   |           |           |                   | Total  |
|---|--|-------------------|-----------|-----------|-------------------|--------|
|   | Less than 6 months   | 6 months - 1 year | 1-2 Years | 2-3 Years | More than 3 Years |        |
| (i) Undisputed Trade receivable - considered good       | 134.94   | 4.42              | -         | -         | -                 | 139.36 |
| (ii) Undisputed Trade Receivables - Considered doubtful | -  | -                 | -         | 8.81      | -                 | 8.81   |
| (iii) Disputed Trade receivable - considered good       | -  | -                 | -         | -         | -                 | -      |
| (iv) Disputed Trade receivable - considered Doubtful    | -  | -                 | -         | 8.46      | -                 | 8.46   |
| (v) Unbilled Dues                                       | -  | -                 | -         | -         | -                 | -      |

**As at 31.03.2022**

| Particulars   | Outstanding for following periods from due date of payment |                   |           |           |                   | Total |
|---|--|-------------------|-----------|-----------|-------------------|-------|
|   | Less than 6 months   | 6 months - 1 year | 1-2 Years | 2-3 Years | More than 3 Years |       |
| (i) Undisputed Trade receivable - considered good       | 78.51  | 2.12              | 3.21      | 3.02      | -                 | 86.87 |
| (ii) Undisputed Trade Receivables - Considered doubtful | -  | -                 | 8.81      | -         | -                 | 8.81  |
| (iii) Disputed Trade receivable - considered good       | -  | -                 | -         | -         | -                 | -     |
| (iv) Disputed Trade receivable - considered Doubtful    | -  | -                 | 8.46      | -         | -                 | 8.46  |
| (v) Unbilled Dues                                       | -  | -                 | -         | -         | -                 | -     |

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**TRICHUR HEART HOSPITAL LIMITED**  
**Notes attached to and forming part of the accounts for the year ended 31st March,2023.**

| Particulars  | As at<br>31st March,<br>2023<br>Rs. In Lakhs | As at<br>31st March, 2022<br>Rs. In Lakhs |
|--|--|---|
| <b><u>17. Cash and cash equivalents</u></b>  |  |   |
| Balances with Banks  | 575.72                                       | 517.92                                    |
| Cash on hand   | 13.00  | 15.35                                     |
| <b>Total</b>   | <b>588.72</b>                                | <b>533.27</b>                             |
| <p>Note: 17.1 Cash and Cash equivalents includes restricted bank balances of Rs.26.69 Lakh (Previous Year- Rs.25.62 Lakh ). Restrictions are primarily on account of earmarked bank balances in respect of unpaid dividend amounting to Rs. 18.14 Lakh (Previous Year Rs. 17.45 Lakh) and lien marked on Fixed Deposit with State Bank of India for Rs.8.55 Lakh (Previous Year Rs. 8.16 Lakh) in favour of Permanent Lok Adalat, Ernakulam. (See Note No. 29.6(iv))</p> |  |   |
| <b><u>18.Short-term loans and advances</u></b>   |  |   |
| Unsecured, considered good   |  |   |
| Advance to suppliers   | 0.46   | 1.42                                      |
| Balance with Government Authorities  | 4.02   | 4.02                                      |
| Prepaid expenses   | 123.09                                       | 51.22                                     |
| Other advances   | 4.79   | 4.83                                      |
| <b>Total</b>   | <b>132.36</b>                                | <b>61.49</b>                              |
| <b><u>19.Other current assets</u></b>  |  |   |
| Interest Receivable  | 2.72   | -   |
|  | 2.72   | -   |

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**TRICHUR HEART HOSPITAL LIMITED, THRISSUR**

**10. Property, Plant & Equipment**

(In Lakhs)

| Sl. No. | Description            | Gross Carrying Amount |                 |                    |                   | Accumulated Depreciation |                 |                    |                   | Net Carrying Amount |                   |
|---------|------------------------|-----------------------|-----------------|--------------------|-------------------|--------------------------|-----------------|--------------------|-------------------|---------------------|-------------------|
|         |                        | As on 01.04.2022      | Additions       | Sales/ Adjustments | As on 31.03.2023  | Upto 01.04.2022          | For the year    | Sales/ Adjustments | Upto 31.03.2023   | As at 31.03.2023    | As at 31.03.2022  |
| 1       | Land                   | 46.36                 | -               | -                  | 46.36             | -                        | -               | -                  | -                 | 46.36               | 46.36             |
|         |                        | (46.36)               | -               | -                  | (46.36)           | -                        | -               | -                  | -                 | (46.36)             | (46.36)           |
| 2       | Buildings              | 668.88                | 20.85           | -                  | 689.73            | 279.36                   | 11.12           | -                  | 290.48            | 399.25              | 389.52            |
|         |                        | (668.88)              | -               | -                  | (668.88)          | (268.18)                 | (11.18)         | -                  | (279.36)          | (389.52)            | (400.70)          |
| 3       | Plant & Equipments     | 3,253.17              | 416.13          | 193.00             | 3,476.30          | 2,023.27                 | 171.46          | 126.39             | 2,068.34          | 1,407.96            | 1,229.90          |
|         |                        | (2,973.78)            | (279.85)        | (0.45)             | (3,253.18)        | (1,864.98)               | (158.35)        | (0.06)             | (2,023.27)        | (1,229.90)          | (1,108.80)        |
| 4       | Furniture and Fixtures | 171.30                | 24.16           | -                  | 195.46            | 96.56                    | 13.14           | -                  | 109.70            | 85.76               | 74.74             |
|         |                        | (152.94)              | (18.36)         | -                  | (171.30)          | (85.83)                  | (10.73)         | -                  | (96.56)           | (74.74)             | (67.11)           |
| 5       | Vehicles               | 75.06                 | 8.45            | -                  | 83.51             | 36.80                    | 8.86            | -                  | 45.66             | 37.85               | 38.26             |
|         |                        | (75.06)               | -               | -                  | (75.06)           | (26.76)                  | (10.04)         | -                  | (36.80)           | (38.26)             | (48.30)           |
| 6       | Office Equipments      | 413.40                | 28.69           | -                  | 442.09            | 285.54                   | 34.59           | -                  | 320.13            | 121.96              | 127.86            |
|         |                        | (355.64)              | (57.76)         | -                  | (413.40)          | (253.83)                 | (31.71)         | -                  | (285.54)          | (127.86)            | (101.81)          |
|         | <b>Total</b>           | <b>4,628.17</b>       | <b>498.28</b>   | <b>193.00</b>      | <b>4,933.45</b>   | <b>2,721.53</b>          | <b>239.17</b>   | <b>126.39</b>      | <b>2,834.31</b>   | <b>2,099.14</b>     | <b>1,906.65</b>   |
|         | <b>Previous year</b>   | <b>(4,272.66)</b>     | <b>(355.97)</b> | <b>(0.45)</b>      | <b>(4,628.17)</b> | <b>(2,499.58)</b>        | <b>(222.01)</b> | <b>(0.06)</b>      | <b>(2,721.53)</b> | <b>(1,906.64)</b>   | <b>(1,773.08)</b> |

**12. Intangible Assets**

(In Lakhs)

| Sl. No. | Description          | Gross Carrying Amount |           |                    |                  | AMORTISATION    |                |                    |                 | Net Carrying Amount |                  |
|---------|----------------------|-----------------------|-----------|--------------------|------------------|-----------------|----------------|--------------------|-----------------|---------------------|------------------|
|         |                      | As on 01.04.2022      | Additions | Sales/ Adjustments | As on 31.03.2023 | Upto 01.04.2022 | For the year   | Sales/ Adjustments | Upto 31.03.2023 | As at 31.03.2023    | As at 31.03.2022 |
| 1       | Computer Software    | 126.21                | -         | -                  | 126.21           | 116.94          | 8.64           | -                  | 125.57          | 0.64                | 9.27             |
|         |                      | (126.21)              | -         | -                  | (126.21)         | (96.81)         | (20.13)        | -                  | (116.94)        | (9.27)              | (29.40)          |
|         | <b>Total</b>         | <b>126.21</b>         | <b>-</b>  | <b>-</b>           | <b>126.21</b>    | <b>116.94</b>   | <b>8.64</b>    | <b>-</b>           | <b>125.57</b>   | <b>0.64</b>         | <b>9.27</b>      |
|         | <b>Previous year</b> | <b>(126.21)</b>       | <b>-</b>  | <b>-</b>           | <b>(126.21)</b>  | <b>(96.81)</b>  | <b>(20.13)</b> | <b>-</b>           | <b>(116.94)</b> | <b>(9.27)</b>       | <b>(29.40)</b>   |

NOTE: Figures in the bracket denotes the corresponding figures for the previous year

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**MANAGING DIRECTOR**  
PRATHAP VARKEY  
DIN:00220637

*As per our separate report of even date attached*

**TRICHUR HEART HOSPITAL LIMITED, THRISSUR.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of Preparation**

The financial statements are prepared under historical cost convention on accrual basis of accounting in conformity with the accounting principles generally accepted in India (Indian GAAP) and are in compliance with the accounting standards specified under Section 133 of the Companies Act, 2013. All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**b) Use Of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

**c) Property Plant and Equipment and Intangible assets**

- (i) Property, Plant and Equipment are stated at the cost of acquisition, which includes taxes, duties, freight and other incidental expenses incurred for bringing the assets to the working condition required for their intended use, less depreciation and impairment in value if any. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

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- (ii) Intangible Assets : Intangible Assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.
- (iii) Impairment Loss : As at the balance sheet date an assessment is done to determine whether there is any indication of impairment in the carrying amount of Tangible assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

**d) Depreciation and amortisation**

Depreciation on Property, Plant and equipment has been provided on straight-line method. The useful lives adopted are as prescribed in Schedule II of the Companies Act, 2013. Capital spares are depreciated based on useful life of each replaced part. Intangible assets are amortised over a period of five years.

**e) Investments.**

Long-term investments are stated at cost less provision for diminution, if any, in the value of such investments, other than that of temporary nature. Current investments are carried at lower of cost or fair value.

**f) Inventories**

Stock of medicines and hospital consumables are valued at lower of cost or net realisable value on FIFO basis. Hospital instruments are revalued after writing off 15 % of value as on 31.03.2023 as loss on revaluation and after writing Off value of obsolete and non usable old surgical instruments.

**g) Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gains / losses arising during the year are adjusted to the Statement of Profit and Loss.

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**h) Claims**

Claims are accounted for as and when finally determined / settled.

**i) Revenue Recognition**

Income from Healthcare service to Inpatients is recognized and accounted for on discharge of such patients. Pharmacy sales are recognized on transfer of title of goods to the customers. Other incomes are recognized on accrual basis except when there are significant uncertainties.

**j) Finance Charges**

Finance charges on Hire Purchase loans are written off over the tenure of such loans.

**k) Employee Benefits:-**

**A. Short-term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**B. Post-employment benefits**

(a) Defined contribution plans:

Defined contribution plans are Provident Fund Scheme and Employees State Insurance Scheme administered by the Government for all eligible employees. The Company's contributions to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

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(b) Defined benefit gratuity plan:

A Group Gratuity Trust under the name "Trichur Heart Hospital Ltd Employees Gratuity Trust" has been formed, which manages the funds transferred to the Trust by the Company for meeting its gratuity liability estimated by actuarial valuation and the payment of gratuity on retirement of the employees of the company. The Trust has taken a policy under Employees Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost, if any, as reduced by the fair value of plan assets is recognized in the accounts of the company. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**1) Borrowing Cost**

Borrowing costs that are part of the acquisition or construction or production of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

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**m) Taxation**

Provision for Income Tax is based on assessable income as computed by the Company in accordance with the provisions of the Income Tax Act, 1961. The deferred tax assets and liabilities representing timing difference between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years.

Minimum Alternate tax (MAT) is recognised as an asset only when and to the extent, that there is a convincing evidence that the Company will pay normal tax during the specified period. MAT credit asset carrying amount is reviewed at each balance sheet date and written down to the extent that there is no longer convincing evidence to the effect that the company will pay normal tax during the specified period.

**n) Provisions and Contingencies**

Provisions for losses and contingencies arising as a result of a past event where the management considers it probable that a liability may be incurred are made on the basis of the best reliable estimates of the expenditure required to settle the present obligation on the Balance Sheet date and are not discounted to its present value. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Other contingent liabilities to the extent management is aware is disclosed by way of notes to accounts. Contingent assets are neither recognized nor disclosed in the accounts.

**o) Grants/ Subsidies:-**

(a) Related to capital assets : Grants / Subsidies received, specifically related to capital asset, are credited to the carrying cost of the respective asset. Other Grants / Subsidies received are credited to capital reserve.

(b) In the nature of Revenue : Grants/Subsidies in the nature of revenue are recognized as income over the period necessary to match them with the related costs which they are intended to compensate.

**p) Earnings per share:-**

The basic earnings per share is computed by dividing the net profits attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The diluted earnings per share is calculated on the same basis as basic earnings per share, after adjusting for the effects of potential dilutive equity shares.

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**TRICHUR HEART HOSPITAL LIMITED, THRISSUR**

**29. ADDITIONAL INFORMATION**

- 29.1 Figures of the previous year have been regrouped and recast wherever necessary to suit the current year's layout.
- 29.2 In the opinion of the Board of directors, current assets and long term loans and advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business.
- 29.3 Disclosures required under Accounting Standard 15 "Employee Benefits"(Revised 2005)

**I. Defined Contribution Plans:**

During the year the following amounts have been recognized in the Statement of Profit and Loss on account of defined contribution plans:

|  | <b>2022-23</b>     | <b>2021-22</b>     |
|--|--------------------|--------------------|
|  | <b>Rs in Lakhs</b> | <b>Rs in Lakhs</b> |
| Employer's Contribution to Provident Fund                        | 48.52              | 53.17              |
| Employer's Contribution to Employees State Insurance Corporation | 4.59               | 6.82               |

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## **II Benefit Plan (Gratuity – Funded)**

(i) Actuarial assumptions:

|   | <b>2022-23</b>   | <b>2021-22</b>   |
|---|--|--|
|   | Gratuity<br>(Funded)   | Gratuity<br>(Funded)   |
| Discount Rate (per annum)   | 7.49% p.a.   | 7.27% p.a.   |
| Expected rate of return on plan assets (per annum)  | 7.27% p.a.   | 6.59% p.a.   |
| Salary escalation rate*<br>(*The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.) | 6.00% p.a.   | 6.00% p.a.   |
| Mortality Rate  | Indian Assured<br>Lives Mortality<br>[2012-14]<br>Ultimate Table | Indian Assured<br>Lives Mortality<br>[2012-14]<br>Ultimate Table |

(ii) Reconciliation of present value of obligations:

|  | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> |
|--|---------------------|---------------------|
| Present value of obligation at the beginning of the year | 269.38              | 235.49              |
| Current Service cost                                     | 20.04               | 25.56               |
| Interest Cost  | 17.89               | 14.50               |
| Actuarial Loss/(gain)                                    | (0.35)              | 24.64               |
| Benefits paid  | (46.74)             | (30.81)             |
| Present value of obligation at the end of the year       | 260.22              | 269.38              |

(iii) Reconciliation of fair value of plan assets:

|  | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> |
|--|---------------------|---------------------|
| Fair value of plan assets at the beginning of the year | 285.60              | 225.79              |
| Expected return on plan assets                         | 21.85               | 16.26               |
| Actuarial gain / (loss)                                | (0.06)              | 1.72                |
| Contributions  | 76.72               | 72.65               |
| Admin expenses/Tax paid from plan assets               | (1.86)              | -                   |
| Benefits paid  | (46.74)             | (30.81)             |
| Fair value of plan assets at the end of the year       | 335.51              | 285.60              |

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(iv) Description of Plan Assets:-

|                        | 2022-2023 | 2021-2022 |
|------------------------|-----------|-----------|
| Insurer Managed Assets | 335.51    | 285.60    |

(v) Net (Asset) / Liability recognised in the Balance Sheet as at the year end:-

|  | Rs. in Lakhs | Rs. in Lakhs |
|--|--------------|--------------|
| Present value of obligation at the end of the year   | 260.22       | 269.39       |
| Fair value of plan assets at the end of the year   | 335.51       | 285.60       |
| Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | (75.29)      | (16.21)      |

(vi) Expenses recognised in the Statement of Profit and loss:-

|  | Rs. in Lakhs | Rs. in Lakhs |
|--|--------------|--------------|
| Current Service Cost   | 20.04        | 25.56        |
| Interest Cost  | 17.89        | 14.50        |
| Expected return on plan assets   | (21.85)      | (16.25)      |
| Actuarial (gain) / loss recognised in the period                           | (0.29)       | 22.92        |
| Total expenses recognized in the Statement of Profit and Loss for the year | 17.65        | 46.73        |
| Actual return on plan assets   | 21.79        | 17.97        |

(vii) Non current and current value of net present value of funded obligation:-

|                           | Rs. in Lakhs | Rs. in Lakhs |
|---------------------------|--------------|--------------|
| Non current               | 0.00         | 0.00         |
| Current                   | 0.00         | 0.00         |
| Total value of obligation | 0.00         | 0.00         |

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| viii | Amount recognised in current year and previous four years |              |              |              |              |              |
|------|---|--------------|--------------|--------------|--------------|--------------|
|      |   | 31.03.2023   | 31.03.2022   | 31.03.2021   | 31.03.2020   | 31.03.2019   |
|      |   | Rs. in Lakhs | Rs. in Lakhs | Rs. in Lakhs | Rs. in Lakhs | Rs. in Lakhs |
|      | <b>Gratuity funded</b>                                    |              |              |              |              |              |
|      | Present value of defined benefit obligations              | 260.22       | 269.39       | 235.49       | 191.66       | 172.26       |
|      | Fair value of plan assets                                 | 335.51       | 285.60       | 225.79       | 163.83       | 116.32       |
|      | Funded status - liability/ (Asset)                        | (75.29)      | (16.21)      | 9.70         | 27.83        | 55.93        |
|      | Actuarial gain / (loss) on plan obligations               | 0.35         | (24.64)      | (30.81)      | 9.33         | 26.83        |
|      | Actuarial gain / (loss) on plan assets                    | (0.06)       | 1.72         | (1.53)       | (0.26)       | 0.62         |

Notes:-

- i) The above disclosures are based on information certified by the independent actuary and relied upon.
- ii) The plan assets of the Company are managed by the Life Insurance Corporation of India in terms of insurance policies taken to fund the obligations of the Company with respect to its Gratuity. Information on categories of plan assets is not available with the company.

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29.4 Disclosure of Related Party Transactions in accordance with the Accounting Standard (AS – 18) “Related party Disclosures”

A. Related Party and Nature of Relationship

| Sl.No | Nature of relationship  | Name of related party                |
|-------|---|--------------------------------------|
| 1     | Key Managerial Personnel  | Mr. Prathap Varkey                   |
| 2     | Enterprises over which the key managerial personnel and their relatives are able to exercise significant influence having transactions with the Company | VPS SCANS                            |
| 3     | Relatives of Key Managerial Personnel having transactions with the Company  | Mrs. Sini Prathap<br>Mr. P.M. Varkey |
| 4     | Individuals and relatives of individuals exercising control or significant influence  | Mrs. Sini Prathap                    |

B. Transactions with Related Parties during the year.

1. Transactions with Key Managerial Personnel

|     |  |                    | 2022-23<br>Rs in Lakhs | 2021-22<br>Rs in Lakhs |
|-----|--|--------------------|------------------------|------------------------|
| 1.a | Remuneration   | Mr. Prathap Varkey | 29.17                  | 20.46                  |
|     | Interest on unsecured loan   | Mr. Prathap Varkey | -                      | 1.00                   |
| 1.b | Balance outstanding as at the year end -   |                    |                        |                        |
|     | Payables- Remuneration provided in accounts  | Mr. Prathap Varkey | 1.97                   | 1.01                   |
| 2   | Transactions with enterprises over which key managerial personnel and their relatives are able to exercise significant influence |                    |                        |                        |
| 2.a | License fee received   | VPS SCANS          | 1.23                   | -                      |
|     | Electricity charges received   | VPS SCANS          | 6.66                   | -                      |
| 2.b | Balance outstanding at the year end  |                    |                        |                        |
|     | Security deposit received  | VPS SCANS          | 1.00                   | -                      |
|     | Receivables  | VPS SCANS          | 2.06                   | -                      |
| 3   | Transactions with relatives of Key Managerial Personnel  |                    |                        |                        |
| 3.a | Licence fee received   | Mrs. Sini Prathap  | 0.26                   | 0.24                   |
|     | Electricity charges received   | Mrs. Sini Prathap  | 0.93                   | 0.87                   |
|     | Washing charges received   | Mrs. Sini Prathap  | 0.14                   | 0.21                   |
|     | Rent paid  | Mrs. Sini Prathap  | 2.45                   | 2.35                   |
|     | Salary Paid  | Mr. P.M. Varkey    | 6.42                   | 6.34                   |
| 3.b | Balance outstanding as at the year end   |                    |                        |                        |
|     | Payables   | Mrs. Sini Prathap  | 0.01                   | 0.20                   |
|     |  | Mr. P.M. Varkey    | 1.61                   | 0.79                   |

4. No amount has been provided/written off as doubtful debts or advances written back in respect of payables due from or to any of the above related parties.

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29.5 Contingent Liabilities and commitments (to the extent not provided for in The Accounts).

I. Contingent liabilities

|  | <b>2022-23</b> | <b>2021-22</b> |
|--|----------------|----------------|
|  | Rs. in lakhs   | Rs. in lakhs   |
| (a) Claims against the Company not acknowledged as debts: -  |                |                |
| i) Kerala Value Added Tax                                    | 45.90          | 45.90          |
| (b) Guarantees   | Nil            | Nil            |
| (c) Other money for which the company is contingently liable | 13.85          | 13.85          |

II. Commitments

|   | <b>2022-23</b> | <b>2021-22</b> |
|---|----------------|----------------|
|   | Rs. in lakhs   | Rs. in lakhs   |
| a) Estimated amount of contracts remaining to be executed on Capital Account not provided for | 114.51         | 44.07          |
| b) Uncalled liability on shares and other investments partly paid                             | Nil            | Nil            |
| c) Other Commitments  | Nil            | Nil            |

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29.6 Details in respect of claims against the company not acknowledged as debts disclosed under Note No: 29.5 are given below:-

- i) The Commercial Tax Officer, Thrissur had issued orders demanding Rs.11.57 lakhs for non payment of Value Added Tax for the period from 2005-2006 to 2009-2010 on consumption of certain consumables and materials in the hospital. Appeal filed by the company has been dismissed by the Deputy Commissioner (Appeals) and the Company has filed second appeal before the Honorable Sales tax Appellate Tribunal, Ernakulam. The Company has also filed a writ petition before Hon. High Court of Kerala.
- ii) The Commercial Tax Officer, Thrissur had issued order demanding Rs. 34.33 lakhs for non payment of Value Added Tax for the years 2010-2011 and 2011-2012 on consumption of certain consumables and materials in the hospital. The Company has filed an appeal before the Deputy Commissioner (Appeals), Ernakulam, The Company has also filed a writ petition before Hon. High Court of Kerala.
- iii) Permanent Lok Adalath as passed an Order under section 22 C (8) of the Legal Services Authorities Act, 1987 directing the hospital to pay Rs.13.85 Lakhs as compensation to relatives of a deceased patient. The company has filed a writ petition before the honorable High Court of Kerala and honorable High Court has stayed further proceedings on deposit of 50% of the compensation.

In all the above cases, company is advised that there is a good chance for full relief and hence no provision is considered necessary at this stage.

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29.7 Assistant Commissioner of Customs, Chennai, The Commissioner of Customs, Chennai and The Commissioner of Customs, Kochi have imposed penalties of Rs.0.97 lakhs, Rs.55 lakhs and Rs.185 lakhs respectively ( Total Rs.241 lakhs) on the company u/s 112 (a) of the Customs Act, 1962 for the alleged non fulfillment of certain conditions of notification issued in connection with the import of hospital equipments in prior years. The Assistant Commissioner of Customs, Chennai and Commissioner of Customs, Chennai have also levied customs duty of Rs.27 lakhs and Rs 62 lakhs respectively ( Total Rs.89 lakhs) on import of hospital equipments.

Company have filed appeal before the Hon'ble Tribunal and as per the order passed by the Tribunal dated 26.04.2017 the order in original passed against the company was set aside and the matter was remanded back to the Original Adjudicating Authority.

Company is informed that, since the jurisdiction of Department of Revenue Intelligence (DRI) to issue Show Cause Notice (SCN) is pending before Supreme Court, the Tribunal has remanded the matter to the original adjudicating authority and to wait for the decision of the Supreme Court and then adjudicate the matter including the jurisdiction of DRI. Company, is therefore legally advised that, the proceedings has now gone back to show cause notice stage and there is no demand of duty, interest and penalty confirmed against the company.

29.8 Company has contributed Rs. 3 Lakhs to various political parties during the year.

29.9 CIF value of imports - Nil (Previous Year–Nil)

29.10 Expenditure in Foreign Currency - Nil (Previous Year –Nil)

29.11 Earnings in Foreign Exchange - Nil (Previous Year – Nil)

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29.12 Remittance in foreign currencies on account of dividend (including remittance to NRE accounts) :

- a) Number of Non-resident shareholders- 6 (Previous year -5)
- b) Number of shares held by them- 25,500 (Previous year-25,000)
- c) Dividend remitted in foreign currency - Nil (Previous year - Nil)

29.13 Analytical Ratios

| Analytical Ratios   | Units        | Numerator | Denominator | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 | % Change |
|---|--------------|-----------|-------------|-----------------------------|-----------------------------|----------|
| (a) Current Ratio (Current Assets / Current Liabilities) *  | No. of times | 1,076.27  | 699.85      | 1.54                        | 1.13                        | 36.28    |
| (b) Debt - Equity Ratio (Total Debt/ Shareholder's Equity)  | No. of times | 204.26    | 2,273.80    | 0.09                        | 0.11                        | (18.18)  |
| (c) Debt Service Coverage Ratio (Earnings before Interest Tax, Depreciation & Amortization / Interest and Principal Repayments) | No. of times | 750.85    | 64.76       | 11.59                       | 14.05                       | (17.51)  |
| (d) Return on Equity Ratio (Net Profit After Tax/ Average Shareholder's Equity)   | Percentage   | 386.53    | 2128.17     | 18.16                       | 35.17                       | (48.37)  |
| (e) Inventory turnover ratio (Cost of Goods Sold/ Average Inventory)  | No. of times | 1633.13   | 203.10      | 8.04                        | 9.80                        | (17.96)  |
| (f) Trade Receivables turnover ratio (Net Sales/Average Trade Receivable)   | No. of times | 5592.93   | 113.12      | 49.44                       | 60.57                       | (18.38)  |
| (g) Trade Payables Ratio(Net Purchases/ Average Trade Payables)   | No. of times | 1,613.86  | 324.81      | 4.97                        | 6.55                        | (24.12)  |

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|   |              |         |          |       |       |         |
|---|--------------|---------|----------|-------|-------|---------|
| (h) Net Capital Turnover Ratio (Net Sales/ Average Working Capital)                       | No. of times | 5592.93 | 242.66   | 23.05 | NA    | NA      |
| (i) Net Profit Ratio (Net Profit after tax / Net Sales)                                   | Percentage   | 386.53  | 5592.93  | 6.91  | 10.11 | (31.64) |
| (j) Return on Capital Employed (Earnings Before Interest & Taxes / Capital Employed) ^    | Percentage   | 502.17  | 2,659.69 | 18.88 | 30.76 | (38.62) |
| (k) Return on Investment (Earnings Before Interest and Taxes/Average Shareholders Equity) | Percentage   | 502.17  | 2128.17  | 23.60 | 42.44 | (44.40) |

\* Current liabilities includes current maturities of long term borrowings classified under short term borrowings.

^ Capital Employed = Tangible Network + Total Debt + Deferred Tax Liability

Reasons for variances in analytical ratios (Variance in excess of 25%) :-

1. The variation in Current Ratio as at 31<sup>st</sup> March 2023 as compared to 31<sup>st</sup> March 2022 is primarily due to temporary increase in cash and cash equivalents and a decrease in short term borrowings.
2. Variance in profitability and turnover ratios are due to variance in Profit/Turnover compared to previous year.

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#### 29.14 Relationship with Struck off Companies

Company has not entered into any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023, and March 31, 2022.

#### 29.15 Segment information

The Company operates in a single business segment i.e., running a hospital which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with relevant rules thereunder. The Company operates in a single geographical segment i.e., domestic.

29.16 Details of charges or satisfaction not registered with ROC as on 31.03.2023 are given below:

| Name of the Bank/ | Type of Loans | Amount<br>(Rs.in Lakhs) | Remarks                     |
|-------------------|---------------|-------------------------|-----------------------------|
| HDFC Bank Limited | Term Loan     | 50.00                   | Satisfaction not registered |
| HDFC Bank Limited | Term Loan     | 300.00                  | Satisfaction not registered |
| HDFC Bank Limited | Term Loan     | 343.54                  | Satisfaction not registered |
| HDFC Bank Limited | Term Loan     | 200.00                  | Satisfaction not registered |
| HDFC Bank Limited | Term Loan     | 193.00                  | Charges not registered      |

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29.17 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023, and March 31, 2022

29.18 Undisclosed income

There are no transactions which are not recorded in the books of accounts of the company

29.19 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023, and March 31, 2022.

29.20 No scheme of arrangement for the company has been approved by the competent authority in terms of section 230 to 237 of the companies act, 2013.

29.21 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023, and March 31, 2022.

29.22 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023, and March 31, 2022.

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29.23 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023, and March 31, 2022.

29.24 Discrepancy in utilisation of borrowings

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken

29.25 Utilisation of borrowed funds

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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**29.26 : Details of CSR**

**Expenses**

| <b>Particulars</b>   |   | <b>March 31,<br/>2023(Rs. In<br/>Lakhs)</b>            | <b>March 31,<br/>2022(Rs. In<br/>Lakhs)</b> |
|--|---|--|---|
| (a) amount required to be spent by the company during the year,  |   | 7.12   | NA  |
| (b) amount of expenditure incurred,  |   |  |   |
| i) Construction/ acquisition of any assets   |   | -  | NA  |
| ii) On purposes other than (i) above   |   | 4.12   | NA  |
| (c) shortfall at the end of the year,  |   | 3.00   | NA  |
| (d) total of previous years shortfall,   |   | NA   | NA  |
| (e) reason for shortfall,  |   | Unable to identify and spend within financial year end | NA  |
| (f) nature of CSR activities,  |   |  |   |
|  | i) Promoting health care including preventive health care   | -  | NA  |
|  | ii) Promoting education, including special education and employment enhancing vocation skill especially among children, women, elderly and differently abled and livelihood enhancement projects. | 4.12   | NA  |
|  | iii) Setting up of oldage homes, daycares centres and such other facilities for senior citizens and mesures for reducing inequalities faced by socially and economically backward groups          | Nil  | NA  |
|  | iv) Contribution to PM Cares fund   | -  | NA  |
|  | Total   | 4.12   | NA  |
| (g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, |   | Nil  | NA  |

CSR activities includes promotion of Health care, education and setting up of oldage homes and other activities which are specified under Schedule VII of the Companies Act,2013. Out of the total CSR amount there is a shortfall of Rs.3.00 Lakhs required to be spent by the Company as per section 135(5) of the Act for the year 31st March,2023 and the same will be transferred to funds specified in schedule VII of the Companies Act 2013 within a period of six months from the end of financial year .

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