

Dated:01.09.2021

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 31st March, 2021, 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 31st March, 2021, 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

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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.

Emphasis of Matter

We draw attention to Note No.29.12 of the financial statements, regarding the impact of COVID-19 pandemic on the operations and financial position of the company. As stated therein, in view of continuing uncertainties, the extent of impact of the pandemic on the company's operations and financial position would depend on several factors including the steps taken by the Governments and the company to mitigate the same.

Our opinion is not modified in respect of this matter.

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

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 2020-2021, 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.

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, 2016 ("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.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of 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 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 and 29.6 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 1,27,250/- in respect of unpaid dividend relating to financial year 2013-2014 which will due for transfer in the month of September, 2021.

For Varma & Varma
(Firm No.004532S)

Signed

Sd/-

Name

CA.P.HARIKRISHNANUNNY B.COM,FCA
M.No.213541
UDIN:21213541AAAAJY6219

Place :THRISSUR,
Date : 01.09.2021

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
REPORT OF EVEN DATE**

1. In respect of Fixed assets -
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed assets.
 - (b) We are informed that most of the Fixed assets of the Company have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets and that no material discrepancies has been noticed on such verification.
 - (c) According to the information and explanations given to us, the records of the Company examined by us and the confirmation from financial lenders in respect of title deeds deposited with them and based on the details of land and building furnished to us by the company, the title deeds of immovable properties are held in the name of the Company.
2. We are informed that the physical verification of the inventory has been conducted at the year end by the management and that no material discrepancies were noticed on such verification.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. The Company has not made any investment or granted any loans or given any security or given any guarantee for which the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.
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 Sales tax, value added tax, service tax, contribution to Employees' state Insurance, income tax, customs duty, excise duty, cess and other statutory dues during the year. There are no arrears of undisputed statutory dues of material nature as at 31-03-2021, which are outstanding for a period of more than six months from the date on which they became 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, 2021 as per details given below :

| Name of the statute | Nature of the dues | Amount (Rs.) | Period to which the amount relates | Forum where dispute is pending |
|----------------------------------|------------------------|--------------|---|---|
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 11,56,500 | 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010 | Hon. Salestax Appellate Tribunal, Ernakulam |
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 16,80,875 | 2010-11 | Deputy Commissioner (Appeals), Ernakulam. |
| Kerala Value Added Tax Act, 2003 | Kerala Value Added Tax | 17,52,322 | 2011-12 | Deputy Commissioner (Appeals), Ernakulam. |

8. According to the information and explanations given to us and as per the records of the Company verified by us, the Company has not defaulted in repayment of loans or borrowings to the banks and financial institutions. The company has neither taken any loans or borrowings from government nor has any dues to debenture holders.
9. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us and the records of the company examined by us , the term loans availed by the company were applied for the purpose for which the loans were obtained .
10. 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 by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
11. According to the information and explanations given to us and the records of the company examined by us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12. Since the Company is not a Nidhi Company, the relative reporting requirements in this regard are not applicable.
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. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the relative reporting requirement is not applicable.
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.

**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, 2021 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.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, 2021, 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

Sd/-

Name

CA.P.HARIKRISHNANUNNY B.COM,FCA
M.No.213541
UDIN:21213541AAAAJY6219

Place :THRISSUR,
Date : 01.09.2021

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 2021

| Particulars | | Note No | As at | As at |
|--|--|---------|------------------------|------------------------|
| | | | 31st March, 2021 | 31st March, 2020 |
| | | | Rs. | Rs. |
| I | <u>EQUITY AND LIABILITIES :</u> | | | |
| | 1. Shareholders' funds | | | |
| | a) Share capital | 2 | 9,52,66,000.00 | 9,52,66,000.00 |
| | b) Reserves and surplus | 3 | 4,77,40,686.98 | 5,15,80,792.94 |
| | 2. Non-current liabilities | | | |
| | a) Long term borrowings | 4 | 68,32,624.72 | 85,30,058.77 |
| | b) Deferred tax liability (Net) | 5 | 1,71,48,076.00 | 1,71,45,651.00 |
| | c) Long term provisions | 6 | 9,70,447.00 | 23,62,744.93 |
| | 3. Current liabilities | | | |
| | a) Short term borrowings | 7 | 95,18,724.94 | 1,14,06,887.18 |
| | b) Trade payables | | | |
| | i) total outstanding dues of micro enterprises and small enterprises | | - | 13,440.00 |
| | ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 8 | 2,75,21,328.38 | 2,48,62,977.99 |
| | c) Other current liabilities | 9 | 3,47,33,037.45 | 3,62,92,581.43 |
| | d) Short-term provisions | 10 | - | 4,20,229.07 |
| | TOTAL | | 23,97,30,925.47 | 24,78,81,363.31 |
| II | <u>ASSETS:</u> | | | |
| | 1. Non-current assets | | | |
| | a) Property, Plant & Equipment | | | |
| | i) Tangible Assets | 11 | 17,73,08,054.64 | 17,66,95,776.21 |
| | ii) Intangible assets | 12 | 29,40,100.76 | 50,38,040.54 |
| | b) Non-current Investments | 13 | 5,000.00 | 5,000.00 |
| | c) Long-term loans and advances | 14 | 1,43,12,592.25 | 93,31,684.17 |
| | 2. Current assets | | | |
| | a) Inventories | 15 | 2,31,31,927.45 | 2,60,78,585.83 |
| | b) Trade receivables | 16 | 1,09,10,933.00 | 1,27,51,265.45 |
| | c) Cash and cash equivalents | 17 | 52,32,222.71 | 1,20,36,034.82 |
| | d) Short-term loans and advances | 18 | 57,12,003.66 | 56,41,740.29 |
| | e) Other current assets | 19 | 1,78,091.00 | 3,03,236.00 |
| | TOTAL | | 23,97,30,925.47 | 24,78,81,363.31 |
| | Significant accounting policies | 1 | | |
| | Additional information | 29 | | |
| Accompanying Notes form an integral part of the Financial Statements | | | | |

As per our separate report of even date attached

DIRECTOR

T.S. ANANTHARAMAN

DIN :00480136

MANAGING DIRECTOR

PRATHAP VARKEY

DIN : 00220637

Place :THRISSUR

Date : 01.09.2021

SK/-

FOR VARMA & VARMA

(Firm Regn.No.004532S)

Sd/-

CA.P.HARIKRISHNANUNNY B.Com,FCA

M.No. 213541

UDIN:21213541AAAAJY6219

Partner

Chartered Accountants

TRICHUR HEART HOSPITAL LIMITED, THRISSUR.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2021

| Particulars | Note No. | Year ended | Year ended |
|--|----------|------------------------|------------------------|
| | | 31st March 2021 | 31st March 2020 |
| | | Rs. | Rs. |
| Revenue | | | |
| Revenue from operations | 20 | 38,81,14,871.58 | 45,70,99,485.45 |
| Other Income | 21 | 67,20,818.56 | 56,22,960.25 |
| Total Revenue | | 39,48,35,690.14 | 46,27,22,445.70 |
| Expenses | | | |
| Purchase of Medicines and Consumables | 22 | 11,18,88,257.68 | 13,41,37,147.48 |
| Changes in inventories of Medicines and Consumables | 23 | 30,41,590.48 | (55,82,421.36) |
| Employee benefits expense | 24 | 18,82,20,619.00 | 21,19,91,454.00 |
| Finance costs | 25 | 25,92,003.36 | 39,25,912.43 |
| Depreciation and amortisation expenses | 26 | 2,30,30,793.99 | 2,19,47,554.13 |
| Other expenses | 27 | 6,47,38,273.59 | 6,56,19,255.35 |
| Total expenses | | 39,35,11,538.10 | 43,20,38,902.03 |
| Profit before exceptional and extra-ordinary items and tax | | 13,24,152.04 | 3,06,83,543.67 |
| Exceptional Items | | - | - |
| Profit before extra-ordinary items and tax | | 13,24,152.04 | 3,06,83,543.67 |
| Extra-ordinary items | | - | - |
| Profit before tax | | 13,24,152.04 | 3,06,83,543.67 |
| Tax expenses | | | |
| Current tax | | 6,00,000.00 | 82,00,000.00 |
| Mat Credit | | (2,01,467.00) | (29,63,479.00) |
| Deferred tax (Net) | | 2,425.00 | 4,79,358.00 |
| Profit for the year | | 9,23,194.04 | 2,49,67,664.67 |
| Basic and diluted earnings per equity share (Rs.) | 28 | 0.10 | 2.62 |
| 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

As per our separate report of even date attached

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

FOR VARMA & VARMA
(Firm Regn.No.004532S)
Sd/-

MANAGING DIRECTOR
PRATHAP VARKEY
DIN : 00220637

CA.P.HARIKRISHNANUNNY B.Com,FCA
M.No. 213541
UDIN:21213541AAAAJY6219
Partner

Place :THRISSUR
Date : 01.09.2021

Chartered Accountants

TRICHUR HEART HOSPITAL LIMITED, THRISSUR
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

(Amount in Rs)

| Particulars | Year ended 31.03.2021 | | Year ended 31.03.2020 | |
|---|-----------------------|-------------------------|-----------------------|-------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before tax and extraordinary items | | 13,24,152.04 | | 3,06,83,543.67 |
| Adjustments For: | | | | |
| Depreciation and amortisation | 2,30,30,793.99 | | 2,19,47,554.13 | |
| Finance Costs | 25,92,003.36 | | 39,25,912.43 | |
| Irrecoverable advances written off | 85,128.68 | | 1,02,000.00 | |
| Provision for Bad and Doubtful debts | 6,15,189.00 | | 2,38,555.90 | |
| Provision for Gratuity | (18,12,527.00) | | (28,10,315.00) | |
| Loss on Revaluation of Hospital Instruments | 7,16,886.96 | | 4,20,703.53 | |
| Loss on sale/ discardment of Tangible assets | - | | 10,54,538.14 | |
| Sundry balances written back | (27,33,658.80) | 2,24,93,816.19 | (1,05,900.16) | 2,47,73,048.97 |
| Operating Profit Before Working Capital Changes | | 2,38,17,968.23 | | 5,54,56,592.64 |
| Adjustments For: | | | | |
| Inventories | 22,29,771.42 | | (64,49,186.55) | |
| Trade receivables, Loans and advances and other current assets | 11,91,854.40 | | (43,86,074.77) | |
| Trade payables, other current liabilities and provisions | 61,88,138.33 | 96,09,764.15 | (59,13,099.14) | (1,67,48,360.46) |
| Cash generated from operations | | 3,34,27,732.38 | | 3,87,08,232.18 |
| Income Tax Paid | | 58,65,205.08 | | 34,64,428.26 |
| Net Cash From Operating Activities (a) | | 2,75,62,527.30 | | 3,52,43,803.92 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Tangible assets | (2,06,34,712.64) | | (98,90,500.51) | |
| Advance for purchase of Tangible assets | (4,21,614.00) | | (9,10,420.00) | |
| Sale of Tangible assets | - | | 10,74,488.05 | |
| Net Cash Used In Investing Activities (b) | | (2,10,56,326.64) | | (97,26,432.46) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from issue of Equity Share Capital | - | | 2,36,000.00 | |
| Proceeds from Long Term Borrowings | 43,54,482.00 | | 4,60,000.00 | |
| Repayment of Long Term Borrowings | (67,68,583.05) | | (1,53,76,079.08) | |
| (Repayment from)/ Proceeds of short term bank borrowings (Net) | (18,88,162.24) | | (28,46,345.67) | |
| Finance Costs | (26,02,393.48) | | (39,61,425.53) | |
| Dividends Paid (including dividend distribution tax) | (64,05,356.00) | | (83,45,516.00) | |
| Net Cash Used In Financing Activities (c) | | (1,33,10,012.77) | | (2,98,33,366.28) |
| D DECREASE IN CASH AND CASH EQUIVALENTS (a + b +c) | | (68,03,812.11) | | (43,15,994.82) |
| Cash And Cash Equivalents at the beginning of the year | | 1,20,36,034.82 | | 1,63,52,029.64 |
| Cash and Cash Equivalents at the close of the year - See Note. 17 | | 52,32,222.71 | | 1,20,36,034.82 |
| E NET DECREASE AS DISCLOSED ABOVE | | (68,03,812.11) | | (43,15,994.82) |
| Significant accounting policies- See Note No: 1 | | | | |
| Note.1 Cash and Cash equivalents includes restricted bank balances of Rs.2413963.00/- (Previous Year- Rs.4012615.20/-). Restrictions are primarily on account of earmarked bank balances in respect of unpaid dividend amounting to Rs. 1677859.00/- (Previous Year Rs. 3319891.20/-) and lien marked on Fixed Deposit with State Bank of India for Rs.736104 (Previous Year Rs. 692724) in favour of Permanent Lok Adalat, Ernakulam. (See Note No. 29.6(iv)) | | | | |

As per our separate report of even date attached

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

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

Sd/-

MANAGING DIRECTOR
PRATHAP VARKEY
DIN : 00220637

CA.P.HARIKRISHNANUNNY B.Com,FCA
M.No. 213541
UDIN:21213541AAAAJY6219

Partner
Chartered Accountants

Place :THRISSUR
Date : 01.09.2021

TRICHUR HEART HOSPITAL LIMITED, THRISSUR.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

1. SIGNIFICANT ACCOUNTING POLICIES:

a) **Basis of Accounting**

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.

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) **Tangible Assets**

- (i) **Tangible Assets (Property, Plant and Equipment):** Tangible assets 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 / amortisation 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.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

- (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 Tangible Assets 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 fairvalue.

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 31.03.2021 as loss on revaluation and value of obsolete and non usable old surgical instruments are also written off.

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.

DIRECTOR
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DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

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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.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

SK/-

(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 capitalized 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 capitalized in full in the Statement of Profit and Loss for the period in which they occur.

Past service cost is capitalized immediately to the extent that the benefits are already vested, else is amortised on a straight line basis over the average period until the amended benefits become vested.

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.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

SK/-

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.

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) 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.

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,2021.

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
| | Rs. | Rs. |
| 2. Share Capital | | |
| Authorised: | | |
| 1,00,00,000 (Previous Year 1,00,00,000) Equity Shares of par value of Rs. 10 per share | 10,00,00,000.00 | 10,00,00,000.00 |
| | 10,00,00,000.00 | 10,00,00,000.00 |
| Issued, Subscribed and Paid up: | | |
| 95,26,600 (Previous Year 95,26,600) Equity Shares of par value of Rs. 10/- per share | 9,52,66,000.00 | 9,52,66,000.00 |
| | 9,52,66,000.00 | 9,52,66,000.00 |
| Total | 9,52,66,000.00 | 9,52,66,000.00 |

Note 2.1 Reconciliation of number of shares

| | As at 31st March, 2021 | | As at 31st March, 2020 | |
|--|------------------------|-----------------------|------------------------|-----------------------|
| | No. of shares | Rs. | No. of shares | Rs. |
| Outstanding at the beginning of the year | 95,26,600.00 | 9,52,66,000.00 | 95,03,000.00 | 9,50,30,000.00 |
| Add:- Issued during the year | - | - | 23,600.00 | 2,36,000.00 |
| Outstanding at the end of the year | 95,26,600.00 | 9,52,66,000.00 | 95,26,600.00 | 9,52,66,000.00 |
| Forfeited shares outstanding at the beginning of the year | - | - | 23,600.00 | 1,18,000.00 |
| Less:- Transferred to Capital Reserve on reissue of shares | - | - | 23,600.00 | 1,18,000.00 |
| Forfeited shares outstanding at the end of the year | - | - | - | - |

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 01.09.2021 has recommended a final dividend of Rs. 0.50 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 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 31.03.2021 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

TRICHUR HEART HOSPITAL LIMITED

Notes attached to and forming part of the accounts for the year ended 31st March,2021.

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

| Name of shareholder | 31st March 2021 | | 31st March 2020 | |
|---|--------------------|-----------------------|--------------------|-----------------------|
| | No. of shares held | Percentage of holding | No. of shares held | Percentage of holding |
| Mrs. Sini Prathap | 35,28,000.00 | 37% | 35,28,000.00 | 37% |
| Mr.Prathap Varkey | 33,54,268.00 | 35% | 33,54,268.00 | 35% |
| Jubilee Mission Hospital Trust,Thrissur | 6,20,200.00 | 7% | 6,20,200.00 | 7% |

| | As at 31st March, 2021 | | As at 31st March, 2020 | |
|---|-------------------------------|-----------------------|---------------------------|-----------------------|
| | 3.Reserves And Surplus | | | |
| Capital Reserve | | | | |
| Balance at the beginning of the year | 1,23,000.00 | | 5,000.00 | |
| Add: Addition during current year(See note 3.3 below) | - | 1,23,000.00 | 1,18,000.00 | 1,23,000.00 |
| General reserve | | 16,08,073.00 | | 16,08,073.00 |
| Surplus | | | | |
| Balance at the beginning of the year (See Note 3.1 below) | 4,98,49,719.94 | | 3,40,47,151.27 | |
| Add: Profit for the current year | 9,23,194.04 | | 2,49,67,664.67 | |
| Dividend Paid | (47,63,300.00) | | (76,02,400.00) | |
| Dividend distribution tax paid | - | | (15,62,696.00) | |
| | | 4,60,09,613.98 | | 4,98,49,719.94 |
| Total | | 4,77,40,686.98 | | 5,15,80,792.94 |

Note 3.1 The balances carried from prior years, under Capital Reserve, being amounts representing donations received Rs.3,61,735/-, part of Term Loan waived Rs.1,73,57,439 /-and under Other Reserves, being Interest on Term Loan waived Rs.41,03,02,186/- 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 01.09.2021 has recommended a final dividend of Rs 0.50 /- 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, 2021 amounts to Rs. 47,63,300.00

Note 3.3 Addition to Capital reserve during the year ended 31.03.2020 represents amount transferred from Share Capital on reissue of forfeited shares

| | |
|--------------------------|--------------------------|
| DIRECTOR | MANAGING DIRECTOR |
| T.S. ANANTHARAMAN | PRATHAP VARKEY |
| DIN :00480136 | 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,2021.

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
| | Rs. | Rs. |
| 4. Long Term Borrowings | | |
| Secured Loans:- | | |
| Term Loan from Banks/ Financial institutions:- | | |
| HDFC Bank Ltd | 66,13,223.83 | 82,20,095.10 |
| (Secured by hypothecation of movable Plant and Machinery, Medical Equipments, vehicles and other fixed assets of the Company and Equitable mortgage of immovable property of 6.68 ares of land situated in Thrissur and personal guarantee of Chairman and Managing Director) | | |
| Term Loan from Other Parties:- | | |
| TATA Motors Finance Ltd | 2,19,400.89 | 3,09,963.67 |
| (Secured by hypothecation of Motor Car) | | |
| Total | 68,32,624.72 | 85,30,058.77 |

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

| Particulars | | | | As at 31st March, 2021 |
|---|---------------------------------|---|--------------------------------------|---|
| Name of Banks / Financial Institutions | Balance as on 31-03-2021 Rs. | Balance Number of Installments as on 31-03-2021 | Rate of Interest as on 31-03-2021 | Frequency & amount of Repayment |
| HDFC Bank Ltd - 43923852 | 1,26,621.15 | 9.00 | 0.09 | Monthly Rs.14,617/- |
| HDFC Bank Ltd - 81933975 | 19,224.89 | 2.00 | 0.10 | Monthly Rs.19,479/- |
| HDFC Bank Ltd - 81933977 | 15,395.24 | 2.00 | 0.10 | Monthly Rs.15,583/- |
| HDFC Bank Ltd - 82141116 | 93,655.30 | 4.00 | 0.10 | Monthly Rs.29894/- |
| HDFC Bank Ltd - 82410998 | 12,43,713.86 | 10.00 | 0.09 | Monthly Rs.131350/- |
| HDFC Bank Ltd - 82424124 | 6,06,551.21 | 11.00 | 0.09 | Monthly Rs.58503/- |
| HDFC Bank Ltd - 82424127 | 92,971.59 | 11.00 | 0.09 | Monthly Rs.8971/- |
| HDFC Bank Ltd - 82425922 | 1,37,955.84 | 11.00 | 0.09 | Monthly Rs.13310/- |
| HDFC Bank Ltd - 82515171 | 6,90,660.85 | 12.00 | 0.09 | Monthly Rs.59417/- |
| HDFC Bank Ltd - 82761596 | 3,49,321.21 | 17.00 | 0.09 | Monthly Rs.21937/- |
| HDFC Bank Ltd - 82761598 | 16,02,568.14 | 17.00 | 0.09 | Monthly Rs.100625/- |
| HDFC Bank Ltd - 83675144 | 31,83,943.08 | 35.00 | 0.08 | Monthly Rs. 106236/- |
| TATA Motors Finance Ltd | 3,09,963.67 | 37.00 | 0.10 | Monthly Rs. 9735 /- |
| HDFC Bank Ltd - 8849621 | 43,54,482.00 | 43.00 | 0.08 | Moratorium upto 07.11.2021 and thereafter monthly installment of Rs 136957. |

Note 4.2 See Note 9 for current maturities of long term borrowings.

| | |
|--------------------------|--------------------------|
| DIRECTOR | MANAGING DIRECTOR |
| T.S. ANANTHARAMAN | PRATHAP VARKEY |
| DIN :00480136 | 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,2021.

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
| | Rs. | Rs. |
| <u>5. Deferred Tax Liability(Net)</u> | | |
| Deferred Tax Liability towards | | |
| Accumulated depreciation allowance | 1,80,60,267.00 | 1,90,89,282.00 |
| Total | 1,80,60,267.00 | 1,90,89,282.00 |
| Deferred Tax asset on account of | | |
| Provision for employees benefits | 2,69,978.00 | 7,74,223.00 |
| Others | 6,42,213.00 | 11,69,408.00 |
| Total | 9,12,191.00 | 19,43,631.00 |
| Deferred Tax Liability(Net) | 1,71,48,076.00 | 1,71,45,651.00 |
| | (A - B) | |
| <u>6. Long Term Provisions</u> | | |
| Provision for Gratuity (See Note 1(k)) | 9,70,447.00 | 23,62,744.93 |
| Total | 9,70,447.00 | 23,62,744.93 |

7. Short term borrowings

| | | |
|--|---------------------|-----------------------|
| Loans repayable on demand from banks - Secured | 63,18,724.94 | 1,14,06,887.18 |
| Overdraft facility is secured by i) Hypothecation of stocks, book debts ; Plant & Machinery and other fixed assets of the company, ii) Equitable mortgage of immovable property of 6.68 ares of land situated in Thrissur and personal guarantee of Chairman and Managing Director. Interest rate as at 31-03-2021 is 9.40 % per Annum | | |
| Unsecured Loans:- | | |
| From Directors | 32,00,000.00 | |
| | 95,18,724.94 | 1,14,06,887.18 |

Note 7.1 Terms and conditions of Loan taken from Directors

| Particulars | Balance as on 31.03.2021 | Maximum Amount Outstanding | Rate of Interest |
|--------------------|-----------------------------|----------------------------------|------------------|
| Loan from Director | 32,00,000.00 | 47,00,000.00 | 10% |

There are no stipulations as to the terms of repayment of loan taken from directors

8. Trade Payables

| | | |
|--|-----------------------|-----------------------|
| Trade Payables | | |
| Total outstanding dues of Micro and Small enterprises | - | 13,440.00 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,75,21,328.38 | 2,48,62,977.99 |
| Total | 2,75,21,328.38 | 2,48,76,417.99 |

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,2021.

Note 8.1 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 31st March, 2021 Rs. | As at 31st March, 2020 Rs. |
|---|----------------------------------|----------------------------------|
| (i) Principal amount due and remaining unpaid to any supplier as at the end of each accounting year | - | 13,440.00 |
| (ii) Interest due on the above and remaining unpaid to any supplier as at the end of each accounting year | - | - |
| (iii) Interest paid by the company along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (v) Interest accrued and remaining unpaid at the end of each accounting year | - | - |
| (vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises | - | - |

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---------------------------|---------------------------|
| 9. Other Current Liabilities | | |
| Current Maturities of long term debt (See Note 4 for security details and terms of repayment) | | |
| Term Loans - Secured | | |
| From Banks | | |
| HDFC Bank Ltd. | 59,03,840.53 | 66,28,804.65 |
| From Others | | |
| TATA Motors Finance Ltd | 90,562.78 | 82,265.66 |
| Interest accrued but not due on borrowings | 60,614.46 | 71,004.58 |
| Unpaid Dividend | 16,77,859.00 | 33,19,915.00 |
| Prime Ministers Relief Fund pending utilisation | 93,250.13 | 93,250.13 |
| Amount due to directors | 2,76,896.77 | 2,01,222.06 |
| Creditors for expenses | 1,96,77,230.22 | 2,01,68,609.06 |
| Creditors for Tangible assets | 11,80,721.58 | 7,35,165.00 |
| Inpatient advance | 23,51,698.84 | 18,88,499.30 |
| Other Liabilities | 34,20,363.14 | 31,03,845.99 |
| Total | 3,47,33,037.45 | 3,62,92,581.43 |
| <hr/> | | |
| DIRECTOR | MANAGING DIRECTOR | |
| T.S. ANANTHARAMAN | PRATHAP VARKEY | |
| DIN :00480136 | 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,2021.

10. Short Term Provisions

| | | |
|--|----------|--------------------|
| Provision for Gratuity (See Note 1(k)) | - | 4,20,229.07 |
| Total | - | 4,20,229.07 |

11. Tangible Assets (Property, Plant & Equipment)

See separate sheet attached

12. Intangible Assets

See separate sheet attached

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2021 | 31st March, 2020 |
| | Rs. | Rs. |
| 13. Non Current Investments- Unquoted, At Cost | | |
| In National Savings Certificate | 5,000.00 | 5,000.00 |
| Total | 5,000.00 | 5,000.00 |

14. Long-term Loans and Advances

Unsecured , Considered good

| | | |
|--|-----------------------|---------------------|
| Capital Advances | 4,21,614.00 | 9,10,420.00 |
| Security Deposits | 31,07,974.00 | 31,04,932.00 |
| Balance with Customs Authorities | 16,75,000.00 | 16,75,000.00 |
| Advance Income tax (Net of Provision for taxation) | 91,08,004.25 | 36,41,332.17 |
| Total | 1,43,12,592.25 | 93,31,684.17 |

15. Inventories

| | | |
|---|-----------------------|-----------------------|
| i . Medical/surgical Instruments | 40,62,359.45 | 37,93,566.78 |
| ii. Medicines | 1,06,86,728.96 | 1,52,88,795.49 |
| iii. Hospital consumables, lab consumables, stores etc. | 83,82,839.04 | 69,96,223.56 |
| Total | 2,31,31,927.45 | 2,60,78,585.83 |

See Note 1 (f) for method of valuation of inventories

16. Trade Receivables

Unsecured, Considered good

| | | |
|--|--------------|----------------|
| Debts outstanding for a period exceeding 6 months from the date they are due for payment | 14,23,871.00 | 25,50,227.00 |
| Other debts | 94,87,062.00 | 1,02,01,038.45 |

Unsecured, Considered doubtful

| | | |
|--|--------------|-------------|
| Debts outstanding for a period exceeding 6 months from the date they are due for payment | 10,82,656.90 | 4,67,467.90 |
| Other debts | | - |

| | | |
|------------------------------------|-----------------------|-----------------------|
| Less: Provision for doubtful debts | (10,82,656.90) | (4,67,467.90) |
| Total | 1,09,10,933.00 | 1,27,51,265.45 |

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, THRISSUR

11. Property, Plant & Equipment

(In Rupees)

| Sl. No. | Description | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|---------|------------------------|--------------------------------|--------------------------------|----------------------|--------------------------------|--------------------------------|---------------------------------|----------------------|--------------------------------|--------------------------------|--------------------------------|
| | | Cost as on 01.04.2020 | Additions | Sales/ Adjustments | Cost as on 31.03.2021 | Upto 01.04.2020 | For the year | Sales/ Adjustments | Upto 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| 1 | Land | 4635761.13 (4635761.13) | 0.00 0.00 | 0.00 0.00 | 4635761.13 (4635761.13) | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 4635761.13 (4635761.13) | 4635761.13 (4635761.13) |
| 2 | Building | 66887644.93 (66887644.93) | 0.00 0.00 | 0.00 0.00 | 66887644.93 (66887644.93) | 25664904.54 (24512185.15) | 1152719.38 (1152719.39) | 0.00 0.00 | 26817623.92 (25664904.54) | 40070021.01 (41222740.39) | 41222740.39 (42375459.78) |
| 3 | Plant & Equipments | 278449288.75 (280885731.90) | 1,89,28,800.74 (1174373.85) | 0.00 (3610817.00) | 297378089.49 (278449288.75) | 171685188.20 (159307568.08) | 1,48,12,540.72 (14036148.03) | 0.00 (1658527.91) | 186497728.92 (171685188.20) | 110880360.57 (106764100.55) | 106764100.55 (121578163.82) |
| 4 | Furniture and Fixtures | 14986131.24 (10509150.25) | 3,08,106.14 (4476980.99) | 0.00 0.00 | 15294237.38 (14986131.24) | 7587128.01 (6775206.77) | 9,96,226.31 (811921.24) | 0.00 0.00 | 8583354.32 (7587128.01) | 6710883.06 (7399003.23) | 7399003.23 (3733943.48) |
| 5 | Vehicles | 7505747.28 (8175532.35) | - (627250.93) | 0.00 (1297036.00) | 7505747.28 (7505747.28) | 1785537.40 (2022447.42) | 8,90,121.25 (883388.88) | 0.00 (1120298.90) | 2675658.65 (1785537.40) | 4830088.63 (5720209.88) | 5720209.88 (6153084.93) |
| 6 | Office Equipments | 33255308.92 (29913226.18) | 2308225.76 (3342082.74) | 0.00 0.00 | 35563534.68 (33255308.92) | 22301347.89 (19335911.08) | 30,81,246.55 (2965436.81) | 0.00 0.00 | 25382594.44 (22301347.89) | 10180940.24 (10953961.03) | 10953961.03 (10577315.10) |
| | Total | 405719882.25 | 2,15,45,132.64 | 0.00 | 427265014.89 | 229024106.04 | 20932854.21 | 0.00 | 249956960.25 | 177308054.64 | 176695776.21 |
| | Previous year | (401007046.74) | (9620688.51) | (4907853.00) | (405719882.25) | (211953318.50) | (19849614.35) | (2778826.81) | (229024106.04) | (176695776.21) | (189053728.24) |

12. Intangible Assets

(In Rupees)

| Sl. No. | Description | GROSS BLOCK | | | | AMORTISATION | | | | NET BLOCK | |
|---------|----------------------|------------------------------|--------------------|--------------------|------------------------------|----------------------------|------------------------------|--------------------|----------------------------|----------------------------|----------------------------|
| | | Cost as on 01.04.2020 | Additions | Sales/ Adjustments | Cost as on 31.03.2021 | Upto 01.04.2020 | For the year | Sales/ Adjustments | Upto 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| 1 | Computer Software | 12620890.18 (12303175.18) | - (317715.00) | - - | 12620890.18 (12620890.18) | 7582849.64 (5484909.86) | 20,97,939.78 (2097939.78) | 0.00 0.00 | 9680789.42 (7582849.64) | 2940100.76 (5038040.54) | 5038040.54 (6818265.32) |
| | Total | 12620890.18 | 0.00 | 0.00 | 12620890.18 | 7582849.64 | 2097939.78 | 0.00 | 9680789.42 | 2940100.76 | 5038040.54 |
| | Previous year | (12303175.18) | (317715.00) | 0.00 | (12620890.18) | (5484909.86) | (2097939.78) | 0.00 | (7582849.64) | (5038040.54) | (6818265.32) |

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

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,2021.

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---------------------------|---------------------------|
| | Rs. | Rs. |
| <u>17. Cash and cash equivalents</u> | | |
| Balance with Banks | 41,65,922.22 | 1,14,03,208.91 |
| Cash on hand | 10,66,300.49 | 6,32,825.91 |
| Total | 52,32,222.71 | 1,20,36,034.82 |

Note: 17.1 Cash and Cash equivalents includes restricted bank balances of Rs.2413963.00/- (Previous Year- Rs.4012615.20/-). Restrictions are primarily on account of earmarked bank balances in respect of unpaid dividend amounting to Rs. 1677859.00/- (Previous Year Rs. 3319891.20/-) and lien marked on Fixed Deposit with State Bank of India for Rs.736104 (Previous Year Rs. 692724) in favour of Permanent Lok Adalat, Ernakulam. (See Note No. 29.6(iv))

18.Short-term loans and advances

Advances recoverable in cash or in kind or for value to be received
Unsecured, considered good

| | | |
|----------------------|---------------------|---------------------|
| Advance to suppliers | 99,810.46 | 72,391.46 |
| Other advances | 6,47,417.23 | 10,13,669.61 |
| Prepaid expenses | 49,64,775.97 | 45,55,679.22 |
| Total | 57,12,003.66 | 56,41,740.29 |

19.Other Current Assets

| | | |
|-------------------|--------------------|--------------------|
| Staff Receivables | 1,78,091.00 | 3,03,236.00 |
| Total | 1,78,091.00 | 3,03,236.00 |

DIRECTOR
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MANAGING DIRECTOR
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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,2021.

| Particulars | Year ended 31st March 2021 | Year ended 31st March 2020 |
|---|-------------------------------|-------------------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| <u>20.Revenue from operations</u> | | |
| Revenue from sales at Pharmacy | 13,21,78,841.29 | 14,97,78,247.56 |
| Revenue from Healthcare services | 25,58,34,995.29 | 30,69,88,642.89 |
| Other operating income | 1,01,035.00 | 3,32,595.00 |
| Total | 38,81,14,871.58 | 45,70,99,485.45 |
| <u>21.Other Income</u> | | |
| Licence Fee Received | 13,95,922.00 | 13,37,520.00 |
| Interest Income:- | | |
| On Income tax refund | - | 4,41,182.00 |
| From Others | 2,24,396.00 | 2,21,328.00 |
| Sundry balances no more payable written back | 27,33,658.80 | 1,05,900.16 |
| Excess Provision for Gratuity Reversed | 18,12,527.00 | 28,10,315.00 |
| Miscellaneous Income | 5,54,314.76 | 7,06,715.09 |
| Total | 67,20,818.56 | 56,22,960.25 |
| Note 21.1 Sundry balances no more payable written back includes Rs 22,41,994.00 (Previous year-Nil) in respect of bonus payables to retired employees, which in the opinion of the management is no more payable. | | |
| <u>22.Purchase of Medicines And Consumables</u> | | |
| Medicines | 5,21,56,421.96 | 7,37,50,825.04 |
| Hospital Consumables | 4,73,93,054.57 | 4,78,64,347.57 |
| Lab Consumables | 1,26,92,662.44 | 1,20,62,985.40 |
| Radiology Consumables | 11,14,447.24 | 17,07,811.31 |
| Hospital Durables | 4,94,488.56 | 4,83,451.45 |
| Total | 11,38,51,074.77 | 13,58,69,420.77 |
| Less: Purchase Return | 19,62,817.09 | 17,32,273.29 |
| | 11,18,88,257.68 | 13,41,37,147.48 |
| <u>23.Changes in inventories of Medicines and Consumables</u> | | |
| Inventories at the beginning of the year | | |
| a) Medicines | 1,52,88,795.49 | 1,04,21,700.21 |
| b) Consumables | 56,46,907.37 | 49,31,581.29 |
| | 2,09,35,702.86 | 1,53,53,281.50 |
| Inventories at the end of the year | | |
| a) Medicines | 1,06,86,728.96 | 1,52,88,795.49 |
| b) Consumables | 72,07,383.42 | 56,46,907.37 |
| | 1,78,94,112.38 | 2,09,35,702.86 |
| Changes in inventories of Medicines and Consumables | 30,41,590.48 | (55,82,421.36) |
| DIRECTOR | MANAGING DIRECTOR | |
| T.S. ANANTHARAMAN | PRATHAP VARKEY | |
| DIN :00480136 | 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,2021.

| Particulars | Year ended 31st March 2021 | Year ended 31st March 2020 |
|--|-------------------------------|-------------------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| <u>24.Employee Benefits Expense</u> | | |
| Remuneration and benefits to Employees and Directors | | |
| Salary, wages, gratuity and bonus | 17,47,52,639.00 | 19,88,90,162.00 |
| Contribution to Provident Fund | 56,11,019.00 | 65,30,608.00 |
| Contribution to Employees' State Insurance Corporation | 6,87,108.00 | 8,77,353.00 |
| Contribution to Trichur Heart Hospital Limited Employees | | |
| Gratuity Trust | 71,69,853.00 | 56,93,331.00 |
| Total | 18,82,20,619.00 | 21,19,91,454.00 |

| | | |
|---------------------------------|---------------------|---------------------|
| <u>25.Finance Costs</u> | | |
| Interest Expenses | | |
| - on Term Loans | 11,45,669.33 | 19,65,820.43 |
| - on Unsecured Loans | 1,74,074.00 | 3,72,834.00 |
| - on Working Capital Term Loans | 1,67,873.03 | - |
| - on Overdraft | 8,72,748.00 | 10,76,403.00 |
| - on Others | 54,639.00 | 1,56,855.00 |
| Other Borrowing Costs | 1,77,000.00 | 3,54,000.00 |
| Total | 25,92,003.36 | 39,25,912.43 |

Note 25.1 Other borrowing costs represent OD Renewal charges paid to HDFC Bank Ltd.

| | | |
|---|-----------------------|-----------------------|
| <u>26.Depreciation And Amortisation Expenses</u> | | |
| Tangible Assets | 2,09,32,854.21 | 1,98,49,614.35 |
| Intangible Assets | 20,97,939.78 | 20,97,939.78 |
| Total | 2,30,30,793.99 | 2,19,47,554.13 |

| | |
|--------------------------|--------------------------|
| DIRECTOR | MANAGING DIRECTOR |
| T.S. ANANTHARAMAN | PRATHAP VARKEY |
| DIN :00480136 | 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,2021.

| Particulars | Year ended 31st March 2021 <u>Rs.</u> | Year ended 31st March 2020 <u>Rs.</u> |
|--|---|---|
| <u>27.Other expenses</u> | | |
| Power and fuel | 79,90,008.57 | 94,62,171.00 |
| Rent | 1,92,000.00 | 1,98,000.00 |
| Rates and taxes | 6,91,440.28 | 5,28,880.89 |
| Repairs | | |
| Plant & Machinery | 1,17,01,993.11 | 90,58,246.93 |
| Building | 17,41,973.52 | 37,96,081.30 |
| Vehicles | 2,98,344.00 | 3,89,515.00 |
| Computer | 1,18,819.59 | 3,70,661.58 |
| Others | 60,61,688.28 | 41,14,120.65 |
| Travelling Expenses of : | | |
| Directors | - | 1,18,599.00 |
| Others | 2,71,897.00 | 4,60,968.00 |
| Advertisement | 26,83,237.45 | 11,94,306.83 |
| Laboratory testing charges | 33,94,717.00 | 13,88,207.00 |
| Telephone charges (net) | 6,37,005.69 | 7,66,381.32 |
| Postage and telegram | 1,11,006.97 | 2,06,310.36 |
| Printing and stationery | 18,19,284.40 | 17,63,580.18 |
| Insurance | 19,98,437.00 | 18,05,566.38 |
| Washing and Cleaning charges | 1,48,78,633.76 | 1,78,68,364.89 |
| Concession given/Free treatment to patients | 21,27,807.00 | 16,91,716.00 |
| Security charges | 21,66,855.49 | 22,96,801.72 |
| Bank charges | 9,28,507.41 | 11,75,212.06 |
| Sitting fee to Directors | 32,000.00 | 38,000.00 |
| Payment to Auditors | | |
| For Audit | 2,20,000.00 | 2,20,000.00 |
| For Tax audit | 20,000.00 | 20,000.00 |
| For Other services | 68,800.00 | 1,03,969.00 |
| GST on the above | 46,350.00 | 46,350.00 |
| Loss on sale/ discardment of Tangible assets | - | 10,54,538.14 |
| Legal and Professional charges | 7,48,256.00 | 5,20,091.00 |
| Irrecoverable advances written off | 85,128.68 | 1,02,000.00 |
| Provision for bad and doubtful debts | 6,15,189.00 | 2,38,555.90 |
| Miscellaneous expenses | 23,72,006.43 | 42,01,356.69 |
| Loss on Revaluation of Hospital Instruments including value of obsolete and non-usable old surgical instruments w/off. | 7,16,886.96 | 4,20,703.53 |
| Total | 6,47,38,273.59 | 6,56,19,255.35 |

Note 27.1 Advertisement expenses includes Rs. 25,19,769.45 (Previous Year- Nil) for Sakthan Round beautification expenses

| | |
|--------------------------|--------------------------|
| DIRECTOR | MANAGING DIRECTOR |
| T.S. ANANTHARAMAN | PRATHAP VARKEY |
| DIN :00480136 | 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,2021.

| Particulars | Year ended 31st March 2021 | Year ended 31st March 2020 |
|---|---------------------------------------|---------------------------------------|
| <u>28.Earnings Per Share</u> | | |
| Profit for the year as per Statement of Profit and Loss (Rs.) | 9,23,194.04 | 2,49,67,664.67 |
| Number of Equity Shares | 95,26,600.00 | 95,15,574.00 |
| Basic and diluted earnings per share (Rs.) | 0.10 | 2.62 |

| | |
|--------------------------|--------------------------|
| DIRECTOR | MANAGING DIRECTOR |
| T.S. ANANTHARAMAN | PRATHAP VARKEY |
| DIN :00480136 | DIN:00220637 |

As per our separate report of even date attached

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:

| | 2020-21 | 2019-20 |
|--|----------------|----------------|
| | Rs. | Rs. |
| Employer's Contribution to Provident Fund | 56,11,019.00 | 65,30,608.00 |
| Employer's Contribution to Employees State Insurance Corporation | 6,87,108.00 | 8,77,353.00 |

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

II Benefit Plan (Gratuity – Funded)

(i) Actuarial assumptions:

| | 2020-21 | 2019-20 |
|---|--|--|
| | Gratuity (Funded) | Gratuity (Funded) |
| Discount Rate (per annum) | 6.59% p.a. | 7.50% p.a. |
| Expected rate of return on plan assets (per annum) | 7.50% p.a. | 7.50% p.a. |
| Salary escalation rate* (*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.) | 4.00% p.a. | 5.00% p.a. |
| Mortality Rate | Indian Assured Lives Mortality [1994-96] Ultimate Table | Indian Assured Lives Mortality [1994-96] Ultimate Table |

(ii) Reconciliation of present value of obligations:

| | Rs. | Rs. |
|--|----------------|----------------|
| Present value of obligation at the beginning of the year | 191,65,544.00 | 172,25,746.00 |
| Current Service cost | 21,84,161.00 | 15,06,990.00 |
| Interest Cost | 13,53,605.00 | 13,48,443.00 |
| Actuarial Loss | 30,80,621.00 | 9,32,638.00 |
| Benefits paid | (22,34,966.00) | (18,48,273.00) |
| Present value of obligation at the end of the year | 235,48,965.00 | 191,65,544.00 |

(iii) Reconciliation of fair value of plan assets:

| | Rs. | Rs. |
|--|----------------|----------------|
| Fair value of plan assets at the beginning of the year | 163,82,570.00 | 1,16,32,457.00 |
| Expected return on plan assets | 14,13,751.00 | 9,30,596.00 |
| Actuarial gain / (loss) | (152,690.00) | (25,541.00) |
| Contributions | 71,69,853.00 | 56,93,331.00 |
| Benefits paid | (22,34,966.00) | (18,48,273.00) |
| Fair value of plan assets at the end of the year | 225,78,518.00 | 163,82,570.00 |

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

(iv) Description of Plan Assets:-

| | 2020-2021 | 2019-2020 |
|------------------------|---------------|---------------|
| Insurer Managed Assets | 225,78,518.00 | 163,82,570.00 |

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

| | Rs. | Rs. |
|--|---------------|---------------|
| Present value of obligation at the end of the year | 235,48,965.00 | 191,65,544.00 |
| Fair value of plan assets at the end of the year | 225,78,518.00 | 163,82,570.00 |
| Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet | 9,70,447.00 | 27,82,974.00 |

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

| | Rs. | Rs. |
|--|----------------|---------------|
| Current Service Cost | 21,84,162.00 | 15,06,990.00 |
| Interest Cost | 13,53,605.00 | 13,48,443.00 |
| Expected return on plan assets | (14,13,751.00) | (9,30,596.00) |
| Actuarial (gain) / loss recognised in the period | 32,33,311.00 | 9,58,179.00 |
| Total expenses recognized in the Statement of Profit and Loss for the year | 53,57,327.00 | 28,83,016.00 |
| Actual return on plan assets | NIL | NIL |

(vii) Non current and current value of obligation:-

| | Rs. | Rs. |
|---------------------------|-------------|----------------|
| Non current | 9,70,447.00 | 1,62,71,878.00 |
| Current | 0.00 | 28,93,666.00 |
| Total value of obligation | 9,70,447.00 | 1,91,65,544.00 |

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

SK/-

| viii | Amount recognised in current year and previous four years | | | | | |
|------|---|------------|------------|------------|------------|------------|
| | | 31.03.2021 | 31.03.2020 | 31.03.2019 | 31.03.2018 | 31.03.2017 |
| | | Rs. | Rs. | Rs. | Rs. | Rs. |
| | Gratuity funded | | | | | |
| | Present value of defined benefit obligations | 23548965 | 19165544 | 17225746 | 13003234 | 7040431 |
| | Fair value of plan assets | 22578518 | 16382570 | 11632457 | 7409245 | 4433614 |
| | Funded status - liability | 970447 | 2782974 | 5593289 | 5593989 | 2606817 |
| | Actuarial gain / (loss) on plan obligations | (3080621) | 932638 | 2682935 | 4985514 | 949868 |
| | Actuarial gain / (loss) on plan assets | (152690) | (25541) | 62369 | 69557 | 74009 |

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.

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

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

SK/-

A. Related Party and Nature of Relationship

| Sl.No | Nature of relationship | Name of related party |
|-------|---|-------------------------------------|
| 1 | Key Managerial Personnel | Mr. PrathapVarkey |
| 2 | Enterprises over which the key managerial personnel and their relatives are able to exercise significant influence having transactions with the Company | Nil |
| 3 | Relatives of Key Managerial Personnel having transactions with the Company | Mrs. SiniPrathap Mr. P.M. Varkey |

B. Transactions with Related Parties during the year.

1. Transactions with Key Managerial Personnel

| | | | 2020-21 Rs. | 2019-20 Rs. |
|-----|--|--------------------|----------------|----------------|
| 1.a | Remuneration | Mr. Prathap Varkey | 1887911.00 | 1839350.00 |
| | Interest on unsecured loan | Mr. PrathapVarkey | 174074.00 | 372834.00 |
| 1.b | Balance outstanding as at the year end - | | | |
| | Payables- Remuneration provided in accounts | Mr. PrathapVarkey | 162617.00 | Nil |
| | Payables- Unsecured loan and interest provided in accounts | Mr. PrathapVarkey | 3200000.00 | Nil |
| | Receivables – Advance Salary | Mr. PrathapVarkey | Nil | 269441.12 |
| 2 | Transactions with enterprises over which key managerial personnel and their relatives are able to exercise significant influence | | Nil | Nil |
| 3 | Transactions with relatives of Key Managerial Personnel | | | |
| 3.a | Licence fee received | Mrs. SiniPrathap | 24000.00 | 24000.00 |
| | Electricity charges received | Mrs. SiniPrathap | 84966.00 | 76580.00 |
| | Washing charges received | Mrs. SiniPrathap | 18984.00 | 19274.00 |
| | Rent paid | Mrs. SiniPrathap | 180000.00 | 180000.00 |
| | Salary Paid | Mr. P.M. Varkey | 791271.00 | 653774.00 |
| 3.b | Balance outstanding as at the year end | | | |
| | Payables | Mrs. SiniPrathap | 15000.00 | 4585.00 |
| | | Mr. P.M. Varkey | 114279.06 | 201222.06 |

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.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

SK/-

As per our separate report of even date attached

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

I. Contingent liabilities

| | 2020-21 | 2019-20 |
|--|----------------|----------------|
| | Rs. in lakhs | Rs. in lakhs |
| (a) Claims against the Company not acknowledged as debts: - | | |
| i) Customs Duty (including penalty of Rs. 241 Lakhs) | 330.00 | 330.00 |
| ii) 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

| | 2020-21 | 2019-20 |
|---|----------------|----------------|
| | Rs. in lakhs | Rs. in lakhs |
| a) Estimated amount of contracts remaining to be executed on Capital Account not provided for | 0.00 | 11.42 |
| b) Uncalled liability on shares and other investments partly paid | Nil | Nil |
| c) Other Commitments | Nil | Nil |

DIRECTOR
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DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

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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) 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.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN:00220637

As per our separate report of even date attached

- ii) 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.
- iii) The Commercial Tax Officer, Thrissur had issued order demanding Rs. 34.33 lakhs for non payment of Value Added Tax for the years 2010-2011and 2011-2012on 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.
- iv) 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. 13,85,448 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.

29.7 Company has contributed Rs. 172000/- to various political parties during the year.

29.8 CIF value of imports - Capital goods- Nil (Previous Year–Nil)

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SK/-

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

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

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

- a) Number of Non-resident shareholders- 7 (Previous year -8)
- b) Number of shares held by them- 26000 (Previous year-36000)
- c) Dividend remitted in foreign currency - Nil (Previous year - Nil)

29.12 The outbreak of COVID – 19 pandemic has affected several countries across the world, including India; and the consequent lock-down restrictions imposed by the Governments have affected the financial operations of the company. In view of continuing uncertainties, the extent of impact on the company’s operations and financial position would depend on several factors including the steps taken by the Governments and the company to mitigate the same.

The company has taken into account the possible impact of COVID -19 in preparation of Financial Statements including its assessment of liquidity and going concern assumption, recoverable values of its financial and non financial assets, impact on revenues, etc. Based on an assessment of the present situation, the management does not anticipate the requirement to make any further adjustments in the accounts at this stage on account of the above. Given the continuing uncertainties associated with the pandemic, the management will continue to monitor the position based on future conditions.

DIRECTOR
T.S. ANANTHARAMAN
DIN :00480136

MANAGING DIRECTOR
PRATHAP VARKEY
DIN : 00220637

Place :THRISSUR
Date : 01.09.2021

As per our separate report of even date attached

FOR VARMA & VARMA

(Firm Regn.No.004532S)

Sd/-

CA.P.HARIKRISHNANUNNY B.Com,FCA

M.No. 213541

UDIN:21213541AAAAJY6219

Partner

Chartered Accountants

SK/-