May 23, 2019

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

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

Dear Sirs,

| | | |
|---|---|---|
| **Sub** | : | **Disclosure of the Outcome of the Meeting of the Board of Directors of HealthCare Global Enterprises Limited ("the Company") held on May 23, 2019** |
| **Stock Code** | : | **BSE – 539787, NSE - HCG** |
| **Ref** | : | **Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** |

Dear Sir/Madam

We wish to inform you that the Board of Directors of the Company ("Board"), at their meeting held on this day, the 23rd May 2019, inter alia, has considered and approved the following agenda:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended March 31, 2019;

2. Issue and allotment of 2,500 (Two Thousand Five Hundred) equity shares of the Company, upon exercise of Employee Stock Options under Employee Stock Option Scheme 2014, of the Company;

3. Re-appointment of Dr. B. S. Ajaikumar, as Whole-time Director & CEO for a term of 4 years, effective from July 01, 2019, subject to approval of shareholders; and

4. The proposal for issuance of 7,10,526 (Seven Lakh Ten Thousand Five Hundred and Twenty-Six) equity shares of INR 10 per share at a price of INR 285 per share (inclusive of face value of INR 10 per share), on Preferential Allotment basis, to Dr. Kunnathu. P. Geevarghese, a clinician based in Louisville, KY, USA ("Investor"). The shares so allotted to the Investor shall be locked in for a period of one year from the date of trading approval.

   In this respect, the Board of Directors of the Company has also approved calling Extraordinary General Meeting (EGM) of the shareholders of the Company, to seek their approval for the proposed issuance of equity shares on Preferential Allotment basis pursuant to Section 42 and 62 of the Companies Act, 2013.

   The Board of Directors have appointed Mr. V. Sreedharan/Mr. Pradeep B. Kulkarni, Partners, V. Sreedharan and Associates, Practicing Company Secretaries to act as scrutinizers for conducting the e-voting process and voting at the EGM.

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

1. Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2019;

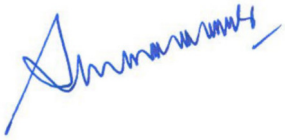
2. Auditors Report on the Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2019.

The Meeting of the Board concluded at 05.00 P.M.

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

Thanking you,

For **HealthCare Global Enterprises Limited**



**Sunu Manuel**
**Company Secretary & Compliance Officer**

**Encl: a/a.**

B S R & Co. LLP
Chartered Accountants

Maruthi Info-Tech Centre
11-12/1, B Block, 2nd Floor
Inner Ring Road, Koramangala
Bangalore 560 071 India

Telephone +91 80 7134 7000
Fax +91 80 7134 7999

**Independent Auditors' Report on Annual standalone financial results of HealthCare Global Enterprises Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
Board of Directors of HealthCare Global Enterprises Limited

We have audited the annual standalone financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that figures for the last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

The Statement has been prepared on the basis of the annual standalone financial statements and reviewed quarterly standalone financial results up to the end of the third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on the Statement based on our audit of the annual standalone financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.



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

**Registered Office:**
5th Floor, Lodha Excelus
Apollo Mills Compound
N M Joshi Marg, Mahalakshmi
Mumbai 400 011

**Independent Auditors' Report on Annual standalone financial results of HealthCare Global Enterprises Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

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

(i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/
W-100022

Amit Somani

Amit Somani
Partner
Membership No. 060154

Place: Bengaluru
Date: 23 May 2019

**HealthCare Global Enterprises Limited**
**CIN : L15200KA1998PLC023489**
Regd. Office: HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India
Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

(Rs. in Lakhs except share data)

| Sl. No. | Particulars | 3 months ended 31 March 2019 | Preceding 3 months ended 31 December 2018 | Corresponding 3 months ended in the previous year 31 March 2018 | Year ended 31 March 2019 | Previous year ended 31 March 2018 |
|---|---|---|---|---|---|---|
| | | (Refer note 1) | Unaudited | (Refer note 1) | Audited | Audited |
| 1 | **Income** | | | | | |
| | (a) Revenue from operations | 16,561 | 15,936 | 15,195 | 64,050 | 58,627 |
| | (b) Income from government grant | 32 | 31 | 60 | 93 | 60 |
| | (c) Other income | 681 | 124 | 441 | 1,255 | 1,593 |
| | **Total income** | **17,274** | **16,091** | **15,696** | **65,398** | **60,280** |
| 2 | **Expenses** | | | | | |
| | (a) Purchases of medical and non-medical items | 3,674 | 3,682 | 3,532 | 15,254 | 15,782 |
| | (b) Changes in inventories | 133 | 106 | 302 | 77 | (267) |
| | (c) Employee benefits expense | 3,443 | 3,360 | 2,866 | 13,032 | 11,559 |
| | (d) Finance costs | 1,166 | 1,197 | 848 | 4,781 | 2,680 |
| | (e) Depreciation and amortisation expense | 1,264 | 1,217 | 1,164 | 4,717 | 4,392 |
| | (f) Medical consultancy charges | 3,042 | 3,190 | 2,033 | 11,965 | 10,340 |
| | (g) Other expenses | 3,942 | 3,374 | 4,043 | 14,315 | 12,400 |
| | **Total expenses** | **16,664** | **16,126** | **14,788** | **64,141** | **56,886** |
| 3 | **Profit/(loss) before exceptional items and tax (1-2)** | **610** | **(35)** | **908** | **1,257** | **3,394** |
| 4 | Exceptional items [ refer note 4] | - | - | 294 | - | 294 |
| 5 | **Profit/(loss) before tax (3+4)** | **610** | **(35)** | **1,202** | **1,257** | **3,688** |
| 6 | **Tax expense** | | | | | |
| | - Current tax | (437) | - | 312 | (283) | 863 |
| | - Deferred tax | 744 | (17) | 124 | 815 | 335 |
| | **Total tax expense** | **307** | **(17)** | **436** | **532** | **1,198** |
| 7 | **Profit/ (loss) for the period / year (5-6)** | **303** | **(18)** | **766** | **725** | **2,490** |
| 8 | **Other comprehensive income / (expense)** | | | | | |
| | (i) Items that will not be reclassified subsequently to profit or loss | | | | | |
| | - Remeasurements of the defined benefit plans | 12 | - | (30) | 12 | (30) |
| | - Income tax effect on (i) above | (4) | - | 10 | (4) | 10 |
| | (ii) Items that will be reclassified to profit or loss | | | | | |
| | - Effective portion of loss on hedging instruments in a cash flow hedge | (24) | (219) | - | (643) | - |
| | - Income tax on (ii) above | 8 | 75 | - | 223 | - |
| | **Other comprehensive expense for the period / year, net of tax** | **(8)** | **(144)** | **(20)** | **(412)** | **(20)** |
| 9 | **Total comprehensive income/(loss) for the period / year (7+8)** | **295** | **(162)** | **746** | **313** | **2,470** |
| 10 | Paid-up equity share capital (Face value of Rs. 10 each) | 8,792 | 8,789 | 8,690 | 8,792 | 8,690 |
| 11 | Reserves, i.e., 'Other equity' | | | | 55,680 | 52,156 |
| 12 | **Earnings/(loss) per equity share (face value of Rs. 10 each)** | Not annualised | Not annualised | Not annualised | Annualised | Annualised |
| | (a) Basic | 0.35 | (0.02) | 0.88 | 0.83 | 2.89 |
| | (b) Diluted | 0.35 | (0.02) | 0.88 | 0.82 | 2.89 |
| | See accompanying notes to the Standalone Financial Results | | | | | |

BSR & Co. LLP ★ BANGALORE 560 071 ★ CHARTERED ACCOUNTANTS

HealthCare Global Enterprises Ltd Bang

**HealthCare Global Enterprises Limited**
**CIN : L15200KA1998PLC023489**
Regd. Office: HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India
Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

**STANDALONE BALANCE SHEET** (Rs in Lakhs)

| | Particulars | As at 31 March 2019 Audited | As at 31 March 2018 Audited |
|---|---|---|---|
| A | **ASSETS** | | |
| I | **Non-current assets** | | |
| | (a) Property, plant and equipment | 49,164 | 43,907 |
| | (b) Capital work in progress | 10,411 | 7,911 |
| | (c) Goodwill | 4,845 | 4,845 |
| | (d) Other intangible assets | 670 | 447 |
| | (e) Financial assets | | |
| | (i) Investments | 29,904 | 21,885 |
| | (ii) Loans | 4,523 | 3,383 |
| | (iii) Other financial assets | 7,932 | 2,935 |
| | (f) Deferred tax assets (net) | 314 | 910 |
| | (g) Income tax assets (net) | 4,642 | 1,747 |
| | (h) Other non-current assets | 4,892 | 3,493 |
| | **Total non current assets** | **117,297** | **91,463** |
| II | **Current assets** | | |
| | (a) Inventories | 1,634 | 1,710 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 14,560 | 12,621 |
| | (ii) Cash and cash equivalents | 854 | 1,531 |
| | (iii) Loans | 1,284 | 292 |
| | (iv) Other financial assets | 2,414 | 1,814 |
| | (c) Other current assets | 2,315 | 1,795 |
| | **Total current assets** | **23,061** | **19,763** |
| | **Total assets** | **140,358** | **111,226** |
| B | **EQUITY AND LIABILITIES** | | |
| I | **Equity** | | |
| | (a) Equity share capital | 8,792 | 8,690 |
| | (b)Shares pending issuance (refer note 5) | - | 2,998 |
| | (c) Other equity | 55,680 | 52,156 |
| | **Total equity** | **64,472** | **63,844** |
| II | **Liabilities** | | |
| 1 | **Non-current liabilities** | | |
| | (a) Financials liabilities | | |
| | (i) Borrowings | 34,615 | 21,724 |
| | (ii) Other financial liabilities | 2,975 | 2,211 |
| | (b) Provisions | 439 | 373 |
| | (c) Other non-current liabilities | 1,191 | 1,002 |
| | **Total non - current liabilities** | **39,220** | **25,310** |
| 2 | **Current liabilities** | | |
| | (a) Financials liabilities | | |
| | (i) Borrowings | 4,999 | 174 |
| | (ii) Trade payables | | |
| | Total outstanding dues of micro enterprises and small enterprises | 14 | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,512 | 11,442 |
| | (iii) Other financial liabilities | 15,592 | 7,812 |
| | (b) Other current liabilities | 1,944 | 2,124 |
| | (c) Provisions | 605 | 520 |
| | **Total current liabilities** | **36,666** | **22,072** |
| | **Total equity and liabilities** | **140,358** | **111,226** |
| | **See accompanying notes to the Standalone Financial Results** | | |

B S R & Co. LLP BANGALORE 560 071 CHARTERED ACCOUNTANTS

Global Enterprises Ltd ngalore

**HealthCare Global Enterprises Limited**
**CIN : L15200KA1998PLC023489**
Regd. Office: HCG Tower, No 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India
Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India
**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

**Notes:**

1 The statement of audited standalone financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') for the quarter and year ended 31 March 2019 has been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors at their meetings held on 23 May 2019. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI ( Listing Obligation and Disclousre requirements) Regulations, 2015.

The figures for the year ended 31 March 2019 have been audited by the statutory auditor of the Company. The report of the statutory auditor is unqualified. The figures for the quarters ended 31 March 2019 and 31 March 2018 are the balancing figures between audited figures in respect of the full financial years and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which were subjected to limited review by the statutory auditor of the Company.

2 The statement of category wise utilisation of net proceeds from Initial Public Offer is.

(Rs. in Lakhs)

| Category wise utilisation of net proceeds from Initial Public Offer | Amount proposed to be utilised | Amount proposed to be utilised after reallocation | Actual utilisation upto 31 March 2019 | |
|---|---|---|---|---|
| Purchase of medical equipment | 4,220 | 258 | 258 | |
| Investment in IT software, services and hardware | 3,019 | 2,981 | 2,981 | * |
| Pre-payment of debt | 14,704 | 14,704 | 14,704 | |
| General corporate purposes | 1,977 | 5,977 | 5,977 | |
| **Total** | **23,920** | **23,920** | **23,920** | |

(i) Rs. 3,962 lakhs from purchase of medical equipment and Rs. 38 lakhs from investment in IT software, services and hardware has been reallocated to General corpoorate purpose usage, as allowed by the 'Objects of the offer' section in the Prospectus of the Company for the Initial Public Offer.
* Includes Rs. 1,000 lakhs ear-marked for meeting payment commitments with regard to a contract for supply of IT softwares.

3 During the year ended 31 March 2018, the Company has alloted 11,66,667 equity shares of Rs 10 each at a premium of Rs 290 per share on preferential basis, to Indgrwoth capital fund I There are no deviations in the proposed use of proceeds from the objects has stated in the explainatory statement to the notice for the general meeting.

4 Exceptional items:

a During the year ended 31 March 2018, the Company has entered into a business transfer agreement with Strand Life Sciences Private Limited ('Strand') dated 2 January 2018 for sale of its Triesta unit on slump sale basis for a lumpsum consideration of Rs. 2,400 lakhs for which the consideration is received in the form of 9,140,342 equity shares and 101,193 Series 1 Preference Shares of Strand resulting in a gain of Rs. 614 lakhs.

b During the year ended 31 March 2018, the Delhi unit of the Company became non-operational. Net charge on account of write off of receivables is Rs. 218 lakhs and the charge due to write off of net fixed assets is Rs. 546 lakhs. The total charge due to this unit closure is Rs. 764 lakhs.

c During the year ended 31 March 2018, in accordance with the terms of share purchase agreement entered into with Regency Hospital Limited dated 28 March 2018, the Company sold its long-term investments in equity shares held in HCG Regency Oncology HealthCare Private Limited (HCG Regency) for a total consideration of Rs. 2,123 lakhs resulting in a gain of Rs. 444 lakhs. Pursuant to the above, HCG Regency has ceased to be subsidiary of the Company with effect from 29 March 2018.

On account of a,b and c above, there is an exceptional gain of Rs. 294 lakhs during the quarter and year ended 31 March 2018.

5 During the year ended 31 March 2018, the Company had entered into a business transfer agreement with Dr.Gopichand ('Seller') dated 28 February 2018 for purchase of business undertaking owned and operated by the Seller in the name of City Cancer Centre ('CCC') located in Vijayawada. The Company has purchased the business on a slump sale basis for a sum consideration of Rs.5,200 lakhs payable partly by cash and partly by way of issuance of shares of the Company. Accordingly, Rs 1,500 lakhs was paid in cash during the year ended 31 March 2018, 934,500 equity shares of Rs. 10 at premium of Rs. 311 per share amounting to Rs 2,999 lakhs has been allotted to Dr. Gopichand during the year ended 31 March 2019 on preferential basis and the balance Rs 701 lakhs of contingent consideration will be paid as mutually agreed between the Company and the Seller.

6 During the year ended 31 March 2019 , Apex Criticare LLP, holding 49.90% stake in one of the subsidiary of the Company, Apex HCG Oncology Hospitals LLP (Apex LLP) retired from Apex LLP and was paid an amount of Rs 2,525 lakhs as consideartion. Pursuant to this, the Company along with its wholly owned subsidiary, Niruja Product Development and Healthcare Research Private Limited holds 100% interest in Apex LLP.

7 In accordance with the terms of the shareholders' agreement dated 22 March 2013 ("SHA") entered amongst the Company, BACC HealthCare Private Limited ("BACC") and the minority shareholder in BACC, the Company shall acquire the remaining 49.9% share capital of BACC from the minority shareholder as per the SHA. The consideration has been determined as per the terms of the SHA and will be settled within the period as mutually agreed between the Company and the minority shareholder.

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

9 Effective 1 April 2018 the Company has adopted Ind AS 115 – 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, comparative periods were not restated. Based on the assessment, there is no material impact consequent to adoption of the standard.

10 At the Board meeting held on 23 May 2019, the Board of Directors of the Company has approved the proposal for issuance of 710,526 equity shares of Rs. 10 per share at a price of Rs. 285 per share (inclusive of face value of Rs. 10 per share), on Preferential Allotment basis, to Dr. Gee Varghese ("Investor"), subject to the approval of the shareholders of the Company in the proposed Extra Ordinary General Meeting.

**For and on behalf of the Board of Directors**

**Dr. B. S. Ajaikumar**
**Chairman and CEO**

**Bengaluru, 23 May 2019**

BSR & Co. LLP ★ BANGALORE 560 071 ★ CHARTERED ACCOUNTANTS

HealthCare Global Enterprises Ltd.

B S R & Co. LLP
Chartered Accountants

Maruthi Info-Tech Centre
11-12/1, B Block, 2nd Floor
Inner Ring Road, Koramangala
Bangalore 560 071 India

Telephone +91 80 7134 7000
Fax +91 80 7134 7999

**Independent Auditors' Report on Annual Consolidated Financial Results of HealthCare Global Enterprises Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
Board of Directors of HealthCare Global Enterprises Limited

We have audited the annual consolidated financial results ("Statement") of HealthCare Global Enterprises Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (collectively referred to as 'the Group'), its associate and its joint venture as listed in Annexure 1 for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter of the respective financial year have only been reviewed and not subjected to audit.

The Statement has been prepared from annual consolidated financial statements and reviewed quarterly consolidated financial results up to the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on the Statement based on our audit of the annual consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of four subsidiaries and one step down subsidiary included in the Statement, whose annual financial statements reflect total assets of Rs. 17,393 lakhs as at 31 March 2019 as well as total revenue (including other income) of Rs. 2,638 lakhs for the year ended as on that date. The Statement also include the Group's share of net loss (and other comprehensive income) of Rs. 1,098 lakhs for the year ended 31 March 2019 in respect of an associate and a joint venture whose financial statement has not been audited by us. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual consolidated financial results, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors.

Our opinion on the annual consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Independent Auditors' Report on Annual Consolidated Financial Results of HealthCare Global Enterprises Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements of the subsidiaries, an associate and a joint venture as aforesaid, the Statement:

(i) include the annual financial results of the entities as listed in Annexure 1;

(ii) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) gives a true and fair view of the net consolidated loss and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP
*Chartered Accountants*
Firm's Registration No: 101248W/W-100022

Amit Somani

Amit Somani
*Partner*
Membership No. 060154

Place: Bengaluru
Date: 23 May 2019

**HealthCare Global Enterprises Limited**

**Annexure 1: List of entities consolidated**

| Sl. No. | Name of the Entity | Subsidiary/ Associate/ Joint Venture | Country of incorporation |
|---|---|---|---|
| 1 | BACC Healthcare Private Limited | Subsidiary | India |
| 2 | HCG Medi-Surge Hospitals Private Limited | Subsidiary | India |
| 3 | HCG Oncology LLP | Subsidiary | India |
| 4 | HealthCare Diwan Chand Imaging LLP | Subsidiary | India |
| 5 | HCG NCHRI Oncology LLP | Subsidiary | India |
| 6 | HCG EKO Oncology LLP | Subsidiary | India |
| 7 | APEX HCG Oncology Hospitals LLP | Subsidiary | India |
| 8 | HCG Manavata Oncology LLP | Subsidiary | India |
| 9 | Niruja Product Development & Healthcare Research Private Limited (formerly known as MIMS HCG Oncology Private Limited) | Subsidiary | India |
| 10 | HealthCare Global Senthil Multi Specialty Private Limited | Subsidiary | India |
| 11 | Malnad Hospital & Institute of Oncology Private Limited | Subsidiary | India |
| 12 | HCG Sun Hospitals LLP | Subsidiary | India |
| 13 | HCG (Mauritius) Private Limited | Step-down subsidiary | Mauritius |
| 14 | HealthCare Global (Africa) Private Limited Group (subsidiary till 30 June 2017) | Associate | Mauritius |
| 15 | Strand Life Sciences Private Limited (from 7 February 2018) | Joint Venture | India |

**HealthCare Global Enterprises Limited**

**CIN : L15200KA1998PLC023489**

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Corp. Office: Tower Block, Unity Building Complex, No 3, Mission Road, Bengaluru 560 027, Karnataka, India

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019

(Rs. in Lakhs except share data)

| Sl. No. | Particulars | 3 months ended 31 March 2019 | Preceding 3 months ended 31 December 2018 | Corresponding 3 months ended in the previous year 31 March 2018 | Year ended 31 March 2019 | Previous year ended 31 March 2018 |
|---|---|---|---|---|---|---|
| | | (Refer note 1) | Unaudited | (Refer note 1) | Audited | Audited |
| 1 | **Income** | | | | | |
| | (a) Revenue from operations | 25,710 | 24,820 | 22,037 | 97,602 | 82,879 |
| | (b) Income from government grant | 82 | 67 | 190 | 265 | 190 |
| | (c) Other income | 323 | 98 | 261 | 741 | 1,280 |
| | **Total income** | **26,115** | **24,985** | **22,488** | **98,608** | **84,349** |
| 2 | **Expenses** | | | | | |
| | (a) Purchases of medical and non-medical items | 5,683 | 5,558 | 4,584 | 22,149 | 19,664 |
| | (b) Changes in inventories | 27 | 101 | 245 | (285) | (693) |
| | (c) Employee benefits expense | 4,877 | 4,857 | 4,014 | 18,452 | 15,771 |
| | (d) Finance costs | 1,556 | 1,294 | 1,455 | 6,991 | 4,235 |
| | (e) Depreciation and amortisation expense | 2,280 | 2,193 | 2,128 | 8,509 | 7,146 |
| | (f) Medical consultancy charges | 5,560 | 5,676 | 4,116 | 21,138 | 17,422 |
| | (g) Other expenses | 6,425 | 5,801 | 6,049 | 23,894 | 19,023 |
| | **Total expenses** | **26,408** | **25,480** | **22,591** | **100,848** | **82,568** |
| 3 | **Profit/ (loss) before share of loss of an associate / joint venture, exceptional items and tax (1-2)** | **(293)** | **(495)** | **(103)** | **(2,240)** | **1,781** |
| 4 | Share of profit/(loss) of an associate / joint venture, net of taxes | (525) | (228) | (121) | (1,098) | (140) |
| 5 | **Profit/ (loss) before exceptional items and tax (3+4)** | **(818)** | **(723)** | **(224)** | **(3,338)** | **1,641** |
| 6 | Exceptional items [refer note 4] | - | - | 437 | - | 1,077 |
| 7 | **Profit / (loss) before tax (5+6)** | **(818)** | **(723)** | **213** | **(3,338)** | **2,718** |
| 8 | **Tax expense** | | | | | |
| | - Current tax | (326) | 8 | 500 | (110) | 1,355 |
| | - Deferred tax | 596 | (128) | (271) | (140) | (331) |
| | **Total tax expense** | **270** | **(120)** | **229** | **(250)** | **1,024** |
| 9 | **Profit / (loss) for the period / year (7-8)** | **(1,088)** | **(603)** | **(16)** | **(3,088)** | **1,694** |
| 10 | **Other comprehensive income / expense** | | | | | |
| | (i) Items that will not be reclassified subsequently to profit or loss | | | | | |
| | - Remeasurements of the defined benefit plans | 30 | - | (25) | 30 | (25) |
| | - Exchange differences on translation of financial statements of foreign operations | 12 | (107) | - | 114 | - |
| | - Income tax effect on above | (9) | - | 10 | (9) | 10 |
| | (ii) Items that will be reclassified to profit or loss | | | | | |
| | - Effective portion of loss on hedging instruments in a cash flow hedge | (20) | (223) | - | (643) | - |
| | - Income tax on (ii) above | 9 | 76 | - | 225 | - |
| | **Other comprehensive income /expense for the period / year, net of taxes** | **22** | **(254)** | **(15)** | **(283)** | **(15)** |
| 11 | **Total comprehensive income/ (loss) for the period / year (9+10)** | **(1,066)** | **(857)** | **(31)** | **(3,371)** | **1,679** |
| | **Profit / (loss) for the period /year attributable to:** | | | | | |
| | Equity holders of the Company | (872) | (620) | 259 | (2,480) | 2,052 |
| | Non-controlling interests | (216) | 17 | (275) | (608) | (358) |
| | **Other comprehensive income / (loss) for the period / year attributable to** | | | | | |
| | Equity holders of the Company | 18 | (254) | (18) | (287) | (18) |
| | Non-controlling interests | 4 | - | 3 | 4 | 3 |
| | **Total comprehensive income / (loss) for the period / year attributable to** | | | | | |
| | Equity holders of the Company | (854) | (874) | 241 | (2,767) | 2,034 |
| | Non-controlling interests | (212) | 17 | (272) | (604) | (355) |
| 12 | Paid-up equity share capital (Face value of Rs. 10 each) | 8,792 | 8,789 | 8,690 | 8,792 | 8,690 |
| 13 | Reserves, i.e., 'Other equity' | | | | 45,817 | 39,822 |
| 14 | **Earnings/(loss) per share (face value of Rs. 10 each)** | Not annualised | Not annualised | Not annualised | Annualised | Annualised |
| | (a) Basic | (0.99) | (0.71) | 0.30 | (2.82) | 2.38 |
| | (b) Diluted | (0.99) | (0.71) | 0.30 | (2.82) | 2.38 |

See accompanying notes to the Consolidated Financial Results

BSR & Co. LLP BANGALORE 560 071 CHARTERED ACCOUNTANTS

HealthCare Global Enterprises Ltd. Bangalore

**HealthCare Global Enterprises Limited**

**CIN : L15200KA1998PLC023489**

Regd. Office: HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India

Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

**CONSOLIDATED BALANCE SHEET** (Rs in Lakhs)

| | Particulars | As at 31 March 2019 Audited | As at 31 March 2018 Audited |
|---|---|---|---|
| A | **ASSETS** | | |
| I | **Non-current assets** | | |
| | (a) Property, plant and equipment | 85,154 | 71,257 |
| | (b) Capital work in progress | 15,263 | 17,397 |
| | (c) Goodwill | 10,934 | 10,934 |
| | (d) Other intangible assets | 933 | 581 |
| | (e) Investment in equity accounted investee | 3,844 | 4,804 |
| | (f) Financial assets | | |
| | (i) Investments | 1,061 | 513 |
| | (ii) Loans | 3,673 | 986 |
| | (iii) Other financial assets | 9,119 | 4,960 |
| | (g) Deferred tax assets (net) | 2,686 | 2,310 |
| | (h) Income tax assets (net) | 5,539 | 2,111 |
| | (i) Other non-current assets | 6,797 | 6,504 |
| | **Total non current assets** | **145,003** | **122,357** |
| II | **Current assets** | | |
| | (a) Inventories | 2,677 | 2,403 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 15,689 | 12,844 |
| | (ii) Cash and cash equivalents | 2,052 | 2,880 |
| | (iii) Bank balance other than cash and cash equivalents above | 35 | - |
| | (iv) Loans | 1,421 | 312 |
| | (v) Other financial assets | 2,425 | 1,406 |
| | (c) Other current assets | 2,997 | 2,165 |
| | **Total current assets** | **27,296** | **22,010** |
| | **Total assets** | **172,299** | **144,367** |
| B | **EQUITY AND LIABILITIES** | | |
| I | **Equity** | | |
| | (a) Equity share capital | 8,792 | 8,690 |
| | (b) Shares pending issuance ( refer note 5 ) | - | 2,998 |
| | (c) Other equity | 45,817 | 39,822 |
| | **Equity attributable to equity holders of the Company** | **54,609** | **51,510** |
| | Non- controlling interests | 4,555 | 6,392 |
| | **Total equity** | **59,164** | **57,902** |
| II | **Liabilities** | | |
| 1 | **Non-current liabilities** | | |
| | (a) Financials Liabilities | | |
| | (i) Borrowings | 51,691 | 37,243 |
| | (ii) Other financial liabilities | 2,284 | 9,157 |
| | (b) Provisions | 564 | 510 |
| | (c) Deferred tax liabilities (net) | 397 | 377 |
| | (d) Other non-current liabilities | 3,468 | 3,300 |
| | **Total non - current liabilities** | **58,404** | **50,587** |
| 2 | **Current liabilities** | | |
| | (a) Financials liabilities | | |
| | (i) Borrowings | 4,999 | 174 |
| | (ii) Trade payables | | |
| | Total outstanding dues of micro enterprises and small enterprises | 14 | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 18,152 | 14,249 |
| | (iii) Other financial liabilities | 27,607 | 17,644 |
| | (b) Other current liabilities | 3,228 | 2,853 |
| | (c) Provisions | 728 | 560 |
| | (d) Income tax liabilities (net) | 3 | 398 |
| | **Total current liabilities** | **54,731** | **35,878** |
| | **Total equity and liabilities** | **172,299** | **144,367** |
| | See accompanying notes to the Consolidated Financial Results | | |

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**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

**Notes:**

1 The statement of audited consolidated financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company'), its subsidiaries (collectively referred to as 'the Group'), its associate and its joint venture, for the quarter and year ended 31 March 2019, has been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors at their meeting held on 23 May 2019. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act , 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI ( Listing Obligation and Disclousre requirements) Regulations, 2015.

The consolidated figures for the year ended 31 March 2019 have been audited by the Statutory Auditors of the Company. The reports of the Statutory Auditors are unqualified. The consolidated figures for the quarters ended 31 March 2019 and 31 March 2018 are the balancing figures between audited figures in respect of the full financial years and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which were subjected to limited review by the Statutory Auditors of the Company.

2 The statement of category wise utilisation of net proceeds from Initial Public Offer is:

(Rs. in Lakhs)

| Category wise utilisation of net proceeds from Initial Public Offer | Amount proposed to be utilised | Amount proposed to be utilised after reallocation | Actual utilisation upto 31 March 2019 | |
|---|---|---|---|---|
| Purchase of medical equipment | 4,220 | 258 | 258 | |
| Investment in IT software, services and hardware | 3,019 | 2,981 | 2,981 | * |
| Pre-payment of debt | 14,704 | 14,704 | 14,704 | |
| General corporate purposes | 1,977 | 5,977 | 5,977 | |
| **Total** | **23,920** | **23,920** | **23,920** | |

(i) Rs. 3,962 lakhs from purchase of medical equipment and Rs. 38 lakhs from investment in IT software, services and hardware has been reallocated to General corpoorate purpose usage, as allowed by the 'Objects of the offer' section in the Prospectus of the Company for the Initial Public Offer.

* Includes Rs. 1,000 lakhs ear-marked for meeting payment commitments with regard to a contract for supply of IT softwares.

3 During the year ended 31 March 2018, the Company has allotted 11,66,667 equity shares of Rs. 10 each at a premium of Rs. 290 per share on preferential basis, to Indgrowth Capital Fund I. There are no deviations in the proposed use of proceeds from the objects as stated in the explanatory statement to the notice for the general meeting.

4 Exceptional items :

a During the year ended 31 March 2018, investment in HealthCare Global (Africa) Private Limited, is accounted under equity method as per Ind AS 28 'Investment in Associates and Joint Ventures' on account of change in control and the resultant gain of Rs. 640 lakhs is shown under exceptional items.

b During the year ended 31 March 2018, the Company has entered into a business transfer agreement with Strand Life Sciences Private Limited ('Strand') dated 2 January 2018 for sale of its Triesta unit on slump sale basis for a lumpsum consideration of Rs. 2,400 lakhs for which the consideration is received in the form of 9,140,342 equity shares and 101,193 Series 1 Preference Shares of Strand resulting in gain on slump-sale (after eliminating inter-company gain) is Rs. 380 lakhs.

c During the year ended 31 March 2018, the Delhi unit of the Company became non-operational. Net charge on account of write off of receivables is Rs. 218 lakhs and the charge due to write off of net fixed assets is Rs. 546 lakhs. The total charge due to this unit closure is Rs. 764 lakhs.

d During the year ended 31 March 2018, in accordance with the terms of share purchase agreement entered into with Regency Hospital Limited dated 28 March 2018, the Company sold its long-term investments in equity shares held in its subsidiary, HCG Regency Oncology Healthcare Private Limited ('HCG Regency') for a total consideration of Rs. 2,123 lakhs resulting in a gain of Rs.821 lakhs. Pursuant to the above, HCG Regency has ceased to be subsidiary of the Company with effect from 29 March 2018.

On account of a,b,c and d above, there is an exceptional gain of Rs. 437 Lakhs during the quarter ended and Rs. 1,077 lakhs for the year ended 31 March 2018.

5 During the year ended 31 March 2018, the Company had entered into a business transfer agreement with Dr.Gopichand ('Seller') dated 28 February 2018 for purchase of business undertaking owned and operated by the Seller in the name of City Cancer Centre ('CCC') located in Vijayawada. The Company has purchased the business on a slump sale basis for a sum consideration of Rs.5,200 lakhs payable partly by cash and partly by way of issuance of shares of the Company. Accordingly, Rs 1,500 lakhs was paid in cash during the year ended 31 March 2018, 934,500 equity shares of Rs. 10 at premium of Rs. 311 per share amounting to Rs 2,999 lakhs has been allotted to Dr. Gopichand during the year ended 31 March 2019 on preferential basis and the balance Rs 701 lakhs of contingent consideration will be paid as mutually agreed between the Company and the Seller.

6 During the year ended 31 March 2019, Apex Criticare LLP, holding 49.90% stake in one of the subsidiary of the Company, Apex HCG Oncology Hospitals LLP (Apex LLP) retired from Apex LLP and was paid an amount of Rs 2,525 lakhs as consideartion. Pursuant to this, the Company along with its wholly owned subsidiary, Niruja Product Development and Healthcare Research Private Limited holds 100% interest in Apex LLP.

7 In accordance with the terms of the shareholders' agreement dated 22 March 2013 ("SHA") entered amongst the Company, BACC HealthCare Private Limited ("BACC") and the minority shareholder in BACC, the Company shall acquire the remaining 49.9% share capital of BACC from the minority shareholder as per the SHA. The consideration has been determined as per the terms of the SHA and will be settled within the period as mutually agreed between the Company and the minority shareholder.

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

9 Effective 1 April 2018 the Group has adopted Ind AS 115 – 'Revenue from Contracts with Customers' using the cumulative effect method. Accordingly, comparative periods were not restated. Based on the assessment, there is no material impact consequent to adoption of the standard.

10 At the Board meeting held on 23 May 2019, the Board of Directors of the Company has approved the proposal for issuance of 710,526 equity shares of Rs. 10 per share at a price of Rs. 285 per share (inclusive of face value of Rs. 10 per share), on Preferential Allotment basis, to Dr. Gee Varghese ("Investor"), subject to the approval of the shareholders of the Company in the proposed Extra Ordinary General Meeting.

**For and on behalf of the Board of Directors**

**Dr. B. S. Ajaikumar**
**Chairman and CEO**

**Bengaluru, 23 May 2019**

B S R & Co. LLP BANGALORE 560 071 CHARTERED ACCOUNTANTS

HealthCare Global Enterprises Ltd. Bangalore