



February 10, 2022

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

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

Dear Sir/Madam,

**Subject : Disclosure of the Outcome of the Meeting of the Board of Directors of HealthCare Global Enterprises Limited (“the Company”) held on February 10, 2022**

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

**Reference : Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)**

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

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2021;
2. Issue and allotment of 18,900 (Eighteen Thousand Nine Hundred) equity shares of the Company of INR 10 each, upon exercise of Employee Stock Options in accordance with the Employee Stock Option Scheme 2014.
3. Appointment of Mr. Pradip M. Kanakia (DIN: 00770347), as an Additional Director - Independent Non-Executive Director for a term of three (3) years with effect from February 10, 2022, subject to the approval of shareholders of the Company, who shall not be liable to retire by rotation. The Company shall make detailed disclosure under Regulation 30 of SEBI LODR Regulations, 2015 in this regard.
4. Appointment of Mr. Meghraj Arvindrao Gore (“Raj Gore”) (DIN: 07505123), as a Whole – Time Director of the Company for a period of three (3) years with effect from February 10, 2022, subject to the approval of shareholders of the Company, who shall be liable to retire by rotation. Mr. Raj Gore continues to be the Chief Executive Officer and KMP of the Company. The Company shall make detailed disclosure under Regulation 30 of SEBI LODR Regulations, 2015 in this regard.



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

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2021;
2. Limited Review Report of the Statutory Auditors on the Standalone and Consolidated Financial Results for the quarter and nine months ended December 31, 2021.

The Meeting of the Board of Directors commenced at 10.30 a.m. and concluded at 3.30 p.m.

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

Thanking you,

**For HealthCare Global Enterprises Limited**

A handwritten signature in blue ink, appearing to read 'Sunu Manuel'.

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

**Encl: a/a.**

# B S R & Co. LLP

Chartered Accountants

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Pebble Beach, B Block, 3<sup>rd</sup> Floor, No. 13/2,  
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## Limited Review Report on unaudited standalone financial results of HealthCare Global Enterprises Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of HealthCare Global Enterprises Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 2 to the unaudited standalone financial results, which describes the economic and social consequences the entity is facing as a result of COVID-19 which is impacting supply chains / demand/ personnel available for work and or being able to access offices/hospitals.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**  
Chartered Accountants

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



**Amit Somani**  
Partner

Membership No.: 060154  
UDIN:22060154ABCWMP5014

Bengaluru  
10 February 2022

Registered Office:

HealthCare Global Enterprises Limited

CIN : L15200KA1998PLC023489

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

(Rs. In Lakhs except share data)							
Sl. No.	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Nine months ended	Nine months ended	Previous year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations	21,489	21,517	16,351	63,016	42,996	60,886
	(b) Income from government grant	62	49	55	161	156	217
	(c) Other income	197	154	828	804	1,725	2,185
	<b>Total Income</b>	<b>21,748</b>	<b>21,720</b>	<b>17,234</b>	<b>63,981</b>	<b>44,877</b>	<b>63,288</b>
2	<b>Expenses</b>						
	(a) Purchases of medical and non-medical items	4,951	5,379	3,508	16,192	9,502	13,790
	(b) Changes in inventories	63	306	106	(342)	128	56
	(c) Employee benefits expense	4,058	3,845	3,579	11,785	9,898	13,672
	(d) Finance costs	1,073	1,035	1,400	3,358	5,008	6,286
	(e) Depreciation and amortisation expense	2,390	2,130	2,163	6,617	6,533	8,658
	(f) Medical consultancy charges	4,206	3,830	3,236	11,736	8,206	11,629
	(g) Other expenses	4,242	4,467	3,750	12,949	10,166	14,392
	<b>Total expenses</b>	<b>20,983</b>	<b>20,992</b>	<b>17,742</b>	<b>62,295</b>	<b>49,441</b>	<b>68,483</b>
3	<b>Profit / (loss) before exceptional items and tax (1-2)</b>	<b>765</b>	<b>728</b>	<b>(508)</b>	<b>1,686</b>	<b>(4,564)</b>	<b>(5,195)</b>
4	Exceptional items, net gain / (loss) (refer note 4)	(4,551)	12,542	(875)	7,991	(875)	(15,310)
5	<b>Profit / (loss) before tax (3+4)</b>	<b>(3,786)</b>	<b>13,270</b>	<b>(1,383)</b>	<b>9,677</b>	<b>(5,439)</b>	<b>(20,505)</b>
6	<b>Tax expense</b>						
	- Current tax	434	1,179	-	1,656	-	-
	- Deferred tax	(307)	2,701	(82)	2,404	(1,607)	(1,351)
	<b>Total tax expense/ (credit)</b>	<b>127</b>	<b>3,880</b>	<b>(82)</b>	<b>4,060</b>	<b>(1,607)</b>	<b>(1,351)</b>
7	<b>Profit / (loss) for the period / year (5-6)</b>	<b>(3,913)</b>	<b>9,390</b>	<b>(1,301)</b>	<b>5,617</b>	<b>(3,832)</b>	<b>(19,154)</b>
8	<b>Other comprehensive Income</b>						
	(i) Items that will not be reclassified subsequently to profit or loss						
	- Remeasurements of the defined benefit plans	-	-	-	-	-	(21)
	- Income tax effect on (i) above	-	-	-	-	-	7
	(ii) Items that will be reclassified to profit or loss						
	- Effective portion of gain on hedging instruments in a cash flow hedge	-	-	143	118	373	447
	- Income tax effect on (ii) above	-	-	(50)	(41)	(130)	(156)
	<b>Other comprehensive Income for the period / year, net of tax</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>77</b>	<b>243</b>	<b>277</b>
9	<b>Total comprehensive Income / (loss) for the period / year (7+8)</b>	<b>(3,913)</b>	<b>9,390</b>	<b>(1,208)</b>	<b>5,694</b>	<b>(3,589)</b>	<b>(18,877)</b>
10	Paid-up equity share capital (Face value of Rs. 10 each)	13,899	12,542	12,535	13,899	12,535	12,536
11	Reserves, i.e., 'Other equity'						79,842
12	<b>Earnings / (Loss) per equity share (face value of Rs. 10 each)</b>	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised
	(a) Basic	(3.03)	7.49	(1.04)	4.43	(3.49)	(16.85)
	(b) Diluted *	(3.03)	7.00	(1.04)	4.20	(3.49)	(16.85)*
	* Since there is a loss during the current quarter and in the previous periods / year, potential equity shares are not considered as dilutive and hence Diluted loss per share is same as Basic loss per share.						
	See accompanying notes to the Standalone Financial Results						

HealthCare Global Enterprises Limited

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

Notes:

1 The Statement of unaudited standalone financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') for the quarter and nine months ended 31 December 2021 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 February 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

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

2 Impact of COVID 19 pandemic:

The measures put in place to control the spread of virus, including the travel restrictions adversely impacted the patients' footprint and the healthcare workers during the early part of the previous year. Following the easing of lockdown restrictions and pursuant to various measures taken by the management to adapt to the changing circumstances, the Company was able to gradually recover.

Management believes that it has taken into account the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of the Company's liquidity position and various estimates in relation to the financial results captioned upto the date of adoption of Statement by the Board of Directors. Given the nature and duration of COVID-19, its impact on the financial results may differ from that estimated as at the date of approval of these financial results. The management will continue to monitor changes to the future economic conditions for any material impact.

3 a) During the previous year ended 31 March 2021, the Company made preferential allotment of 29,516,260 Equity shares of the face value of Rs. 10 each, at a premium of Rs. 120 each (aggregating to Rs. 130 per equity share) and 18,560,663 Warrants, with a right to apply for and be allotted one equity share of the face value of Rs. 10 each at a premium of Rs. 120 each (aggregating to Rs. 130 per Warrant) to Accso Company Pte. Ltd., Singapore ("Investor") on 28 July 2020. As required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), Investor remitted an amount Rs. 51,284 lakhs towards allotment of 29,516,260 equity shares at Rs. 130 per share (Rs. 38,371 lakhs), 100% consideration for allotment and subsequent exercise of 7,057,195 warrants at Rs. 130 per warrant (Rs. 9,174 lakhs) that was converted into equity and 25% of the consideration for remaining 11,503,468 warrants at Rs. 130 per warrant (Rs. 3,739 lakhs). During the current quarter, upon receipt of the remaining 75% of the consideration i.e. Rs. 11,216 lakhs towards the exercise of the warrants, 11,503,468 equity shares were allotted on 6 December 2021.

b) During the previous year, on 28 July 2020, the Company also made preferential allotment of 2,000,000 Series B Warrants, with a right to apply for and be allotted 1 Equity Share of the face value of Rs. 10 each of the Company, at a premium of Rs. 120 for each series B Warrant (aggregating to Rs. 130 per warrant), to Promoter Shareholder. As required under the provisions of the ICDR Regulations, an amount equivalent to 25% of the consideration i.e., Rs. 650 lakhs was received on issue of series B Warrants. During the current quarter, upon receipt of the remaining 75% of the consideration i.e., Rs. 1,950 lakhs towards the exercise of the Series B Warrants, 2,000,000 equity shares were allotted on 8 December 2021.

4 Exceptional Items:

(I) For the quarter and nine months period ended 31 December 2021:

a) The Company has been engaged in construction of greenfield project at leased premises in Gurugram ("project") since 2017. While the project was initially scheduled to be operational as of 2020, it was delayed due to changes in management's plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. Also, refer note (ii)(b) below for impairment recognized during the year ended 31 March 2021. During the budgeting process in the current quarter, the Management has decided to focus on increasing marketing activities and driving operational efficiencies and further invest in the upgrading and consolidating the existing footprint. As a result, the management has decided to not pursue the project as of now. The company still has two more years of non-cancellable lease, on the said premise. Accordingly, the Company has recognized impairment of capital work-in progress, right-of-use assets and security deposit for the quarter ended 31 December 2021 aggregating to Rs. 4,725 Lakhs, after considering minimum lease payable and other committed costs of the project.

b) During the current quarter, the Company invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) through primary funding, which resulted in increase in the Company's stake in Suchirayu from 17.7% to 78.6%, consequent to which Suchirayu became subsidiary of the Company with effect from 18 November 2021. The Company reacquired its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements have been cancelled.

c) During the previous quarter, the Company sold its investment in Strand Life Sciences Private Limited ("Strand") for a total consideration of Rs.15,778 lakhs, resulting in a gain of Rs.12,769 lakhs (net of expenses / other provisions).

d) During the previous quarter, the Company refinanced its certain borrowings from banks and financial institutions. On account of this, the Company incurred one time expenses of Rs. 172 lakhs, net, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.

(II) For the year ended 31 March 2021:

a) During the previous year ended 31 March 2021, the Company performed impairment assessment for all its investments in the subsidiaries, joint ventures and other parties. Given the continued losses incurred and weaker forecasts primarily due to COVID-19, the recoverable amount of investments considering the future cash flows was estimated to be lower than their carrying value, resulting into an impairment charge with respect to BACC HealthCare Private Limited amounting to Rs. 5,884 lakhs, Apex HCG Oncology Hospitals LLP amounting to Rs. 1,600 lakhs, HCG FKO Oncology LLP amounting to Rs. 120 lakhs and other parties amounting to Rs. 176 lakhs respectively.

b) During the previous year ended 31 March 2021, the Company assessed the recoverable value of its investment made in the upcoming greenfield project in Gurugram. The assessment was made considering significant change in scope, delays in project due to changes in management plan, market conditions including the outbreak of COVID-19 pandemic. The recoverable amount of this project (considering the future cash flows) was estimated to be lower than carrying value, resulting into an impairment charge of Rs. 3,630 lakhs during the year ended 31 March 2021.

c) During the quarter ended 31 December 2020, due to changes in business environment and weaker project viability due to COVID-19, the Cochin project was abandoned. Hence an amount of Rs. 875 lakhs was "written off".

d) During the previous year ended 31 March 2021, due to COVID-19, the Company assessed the recoverable amount of certain class of assets and estimated that those class of assets may not be recoverable, resulting into an impairment charge amounting to Rs. 805 lakhs.

e) The Company has invested in Healthcare Global (Africa) Pvt Ltd ("HCG Africa") through its wholly owned subsidiaries. During the previous year, CDC Group PLC, ("CDC") (other investor in HCG Africa) exercised the put option in accordance with the agreement to exit HCG Africa. The Company performed impairment assessment basis which the recoverable amount of investment related loans was estimated to be lower than carrying value. Accordingly, loan along with interest accrued of Rs. 2,797 lakhs was impaired during the previous year ended 31 March 2021.

f) During the previous year ended 31 March 2021 for one lease arrangement, the Company negotiated lower lease rent for reduced space and the resulting gain on modification of Rs. 577 lakhs was recognised.

5 The Code on Social Security 2020 ("Code"), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Company. The Ministry of Labour and Employment ("Ministry") has released draft rules for the Code on 13 November 2020. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective.

6 During the previous quarter, the Company entered into Business Transfer Agreement (BTA) with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs.8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. Further, a preliminary purchase price allocation of the total consideration has been done at the acquisition date. The purchase price allocation will be concluded by 31 March 2022 and its impact on the quarterly results is not expected to be material.

7 During the current quarter, in accordance with the terms of the Deed of Retirement, Shiv-Sun Medical Services LLP, which was holding 26% stake in HCG Sun Hospitals LLP (the Firm), subsidiary of the Company, retired from the Firm. Consideration of Rs. 242 lakhs has been paid by the Company to the retiring partner. Pursuant to this, the Company along with its wholly owned subsidiary, Niruja Product Development and Healthcare Research Private Limited hold 100% interest in HCG Sun Hospitals LLP.

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

Bengaluru, 10 February 2022

  
Dr. B. S. Ashwin Kumar  
Executive Chairman





# B S R & Co. LLP

Chartered Accountants

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Pebble Beach, B Block, 3<sup>rd</sup> Floor, No. 13/2,  
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## Limited Review Report on unaudited consolidated financial results of HealthCare Global Enterprises Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of HealthCare Global Enterprises Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its associates and joint ventures for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities mentioned in Annexure I to the Statement:
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 2 to the unaudited consolidated financial results, which describes the economic and social consequences the Group is facing as a result of COVID-19 which is impacting supply chains / demand/ personnel available for work and or being able to access offices/hospitals.

Our conclusion is not modified in respect of this matter.



Registered Office:

## B S R & Co. LLP

7. We did not review the financial information/ financial results of seven (7) subsidiaries and six (6) step down subsidiaries included in the Statement, whose financial information/ financial results reflect total revenues of Rs. 3,681 lakhs and Rs. 8,856 lakhs, total net loss after tax of Rs. 1,159 lakhs and Rs. 2,228 lakhs and total comprehensive loss of Rs. 1,228 lakhs and Rs. 2,255 lakhs, for the quarter ended 31 December 2021 and for the period from 1 April 2021 to 31 December 2021 respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net loss after tax of Rs. 0.5 lakhs and Rs. 144 lakhs and total comprehensive loss of Rs. 0.5 lakhs and Rs.239 lakhs, for the quarter ended 31 December 2021 and for the period from 1 April 2021 to 31 December 2021 respectively as considered in the Statement, in respect of an associate and two (2) joint ventures, whose financial information/ financial results have not been reviewed by us. These financial information/ financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, an associate and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

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



**Amit Somani**  
*Partner*

Membership No.: 060154  
UDIN:22060154ABCXBF3004

Bengaluru  
10 February 2022

# B S R & Co. LLP

## Annexure I

List of entities included in unaudited consolidated financial results.

Sr. No	Name of component	Relationship	Country of incorporation
1	BACC Healthcare Private Limited	Subsidiary	India
2	HCG Medi-Surge Hospitals Private Limited	Subsidiary	India
3	HCG Oncology LLP	Subsidiary	India
4	APEX HCG Oncology Hospitals LLP	Subsidiary	India
5	HCG Manavata Oncology LLP	Subsidiary	India
6	Malnad Hospital & Institute of Oncology Private Limited	Subsidiary	India
7	HealthCare Diwan Chand Imaging LLP	Subsidiary	India
8	HCG NCHRI Oncology LLP	Subsidiary	India
9	HCG EKO Oncology LLP	Subsidiary	India
10	HCG Sun Hospitals LLP	Subsidiary	India
11	Niruja Product Development & Healthcare Research Private Limited	Subsidiary	India
12	HealthCare Global Senthil Multi Specialty Private Limited	Subsidiary	India
13	Suchirayu Health Care Solutions Limited	Subsidiary (w.e.f. 18 November 2021)	India
14	HCG (Mauritius) Private Limited	Step-down subsidiary	Mauritius
15	HealthCare Global (Africa) Private Limited	Step-down subsidiary (w.e.f. 30 September 2021) Associate (upto 29 September 2021)	Mauritius
16	Healthcare Global (Uganda) Private Limited	Step-down subsidiary (w.e.f. 30 September 2021)	Uganda
17	Healthcare Global (Tanzania) Private Limited	Step-down subsidiary (w.e.f. 30 September 2021)	Tanzania
18	Healthcare Global (Kenya) Private Limited	Step-down subsidiary (w.e.f. 30 September 2021)	Kenya
19	Cancer Care Kenya Limited	Step-down subsidiary (w.e.f. 30 September 2021)	Kenya
20	Advanced Molecular Imaging Limited	Joint Venture (w.e.f. 30 September 2021)	Kenya



B S R & Co. LLP

21	Strand Life Sciences Private Limited	Joint Venture (upto 2 September 2021)	India
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## HealthCare Global Enterprises Limited

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## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

(Rs. in Lakhs except share data)

Sl. No.	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended	Nine months ended	Nine months ended	Previous year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>						
	(a) Revenue from operations	35,722	35,125	27,294	103,089	71,215	100,919
	(b) Income from government grant	84	71	107	227	324	425
	(c) Other income	292	330	582	966	1,255	1,695
	<b>Total Income</b>	<b>36,098</b>	<b>35,526</b>	<b>27,983</b>	<b>104,282</b>	<b>72,794</b>	<b>103,039</b>
2	<b>Expenses</b>						
	(a) Purchases of medical and non-medical items	8,844	8,820	6,294	26,994	16,459	23,816
	(b) Changes in inventories	109	301	135	(606)	253	215
	(c) Employee benefits expense	6,106	5,612	5,117	17,298	14,213	19,594
	(d) Finance costs	2,402	2,323	2,871	7,363	9,326	11,917
	(e) Depreciation and amortisation expense	4,138	3,802	4,183	11,718	12,084	15,922
	(f) Medical consultancy charges	7,456	6,990	6,143	21,155	15,756	22,175
	(g) Other expenses	7,105	7,299	5,928	20,992	16,135	22,885
	<b>Total expenses</b>	<b>36,160</b>	<b>35,147</b>	<b>30,671</b>	<b>104,914</b>	<b>84,226</b>	<b>116,524</b>
3	<b>Profit / (loss) before share of profit/(loss) of an associate / Joint venture, exceptional items and tax (1-2)</b>	<b>(62)</b>	<b>379</b>	<b>(2,688)</b>	<b>(632)</b>	<b>(11,432)</b>	<b>(13,485)</b>
4	Share of profit/(loss) of an associate / joint venture	(1)	(200)	24	(144)	(124)	(36)
5	<b>Profit / (loss) before exceptional items and tax (3+4)</b>	<b>(63)</b>	<b>179</b>	<b>(2,664)</b>	<b>(776)</b>	<b>(11,556)</b>	<b>(13,521)</b>
6	Exceptional items, net gain / (loss) (refer note 4)	(4,551)	14,012	(875)	9,461	(875)	(9,345)
7	<b>Profit / (loss) before tax (5+6)</b>	<b>(4,614)</b>	<b>14,191</b>	<b>(3,539)</b>	<b>8,685</b>	<b>(12,431)</b>	<b>(22,866)</b>
8	<b>Tax expense</b>						
	- Current tax	746	1,350	68	2,240	131	471
	- Deferred tax	(380)	2,942	(134)	2,778	(1,828)	(1,227)
	<b>Total tax expense/ (credit)</b>	<b>366</b>	<b>4,292</b>	<b>(66)</b>	<b>5,018</b>	<b>(1,697)</b>	<b>(756)</b>
9	<b>Profit / (loss) for the period / year (7-8)</b>	<b>(4,980)</b>	<b>9,899</b>	<b>(3,473)</b>	<b>3,667</b>	<b>(10,734)</b>	<b>(22,110)</b>
10	<b>Other comprehensive income / (loss)</b>						
	(i) Items that will not be reclassified subsequently to profit or loss						
	- Remeasurements of the defined benefit plans	-	-	-	-	-	(47)
	- Income tax effect on (i) above	-	-	-	-	-	17
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of financial statements of foreign operations	(69)	(217)	(14)	(124)	(181)	(202)
	- Effective portion of gain on hedging instruments in a cash flow hedge	-	-	143	116	373	447
	- Income tax effect on (ii) above	-	-	(50)	(41)	(130)	(156)
	<b>Other comprehensive income / (loss) for the period / year, net of taxes</b>	<b>(69)</b>	<b>(217)</b>	<b>79</b>	<b>(49)</b>	<b>62</b>	<b>59</b>
11	<b>Total comprehensive profit / (loss) for the period / year (9+10)</b>	<b>(5,049)</b>	<b>9,682</b>	<b>(3,394)</b>	<b>3,618</b>	<b>(10,672)</b>	<b>(22,051)</b>
	<b>Profit / (loss) for the period / year attributable to:</b>						
	Owners of the Company	(4,578)	10,309	(2,925)	4,774	(9,129)	(19,346)
	Non-controlling interests	(402)	(410)	(548)	(1,107)	(1,605)	(2,764)
	<b>Other comprehensive income / (loss) for the period / year attributable to</b>						
	Owners of the Company	(62)	(217)	79	(42)	62	69
	Non-controlling interests	(7)	-	-	(7)	-	(10)
	<b>Total comprehensive income / (loss) for the period / year attributable to</b>						
	Owners of the Company	(4,640)	10,092	(2,846)	4,732	(9,067)	(19,277)
	Non-controlling interests	(409)	(410)	(548)	(1,114)	(1,605)	(2,774)
12	Paid-up equity share capital (Face value of Rs. 10 each)	13,899	12,542	12,535	13,899	12,535	12,536
13	Reserves, i.e., 'Other equity'						57,182
14	<b>Earnings / (Loss) per share (face value of Rs. 10 each)</b>	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised
	(a) Basic	(3.55)	8.22	(2.33)	3.77	(8.32)	(17.02)
	(b) Diluted *	(3.55)	7.69	(2.33)	3.57	(8.32)	(17.02)
	* Since there is a loss during the current quarter and in the previous periods / year, potential equity shares are not considered as dilutive and hence Diluted loss per share is same as Basic loss per share.						
	See accompanying notes to the Consolidated Financial Results						

HealthCare Global Enterprises Limited  
CIN : I15200KA1998PL C023489

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

Notes:

- 1 The Statement of unaudited consolidated financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company'), its subsidiaries (collectively referred to as 'the Group'), its associate and its joint venture, for the quarter and nine months ended 31 December 2021 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 February 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.
- The Statement has been subjected to limited review by the statutory auditors of the Company. The review report of the auditors is unqualified.
- 2 **Impact of COVID-19 pandemic:**  
The measures put in place to control the spread of virus, including the travel restrictions adversely impacted the patients' footfall and the healthcare workers during the early part of the previous year. Following the easing of lockdown restrictions and pursuant to various measures taken by the management to adapt to the changing circumstances, the Group was able to gradually recover.
- Management believes that it has taken into account the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of the Group's liquidity position and various estimates in relation to the financial results captions upto the date of adoption of Statement by the Board of Directors. Given the nature and duration of COVID-19, its impact on the financial results may differ from that estimated as at the date of approval of these financial results. The management will continue to monitor changes to the future economic conditions for any material impact.
- 3 a) During the previous year ended 31 March 2021, the Company made preferential allotment of 29,516,260 Equity shares of the face value of Rs. 10 each, at a premium of Rs. 120 each (aggregating to Rs. 130 per equity share) and 18,560,663 Warrants, with a right to apply for and be allotted one equity share of the face value of Rs. 10 each at a premium of Rs. 120 each (aggregating to Rs. 130 per Warrant) to Access Company Pte. Ltd., Singapore ("Investor") on 28 July 2020. As required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), Investor remitted an amount Rs. 51,284 lakhs towards allotment of 29,516,260 equity shares at Rs. 130 per share (Rs. 38,371 lakhs), 100% consideration for allotment and subsequent exercise of 7,057,195 warrants at Rs. 130 per warrant (Rs. 9,174 lakhs) that was converted into equity and 25% of the consideration for remaining 11,503,468 warrants at Rs. 130 per warrant (Rs. 3,739 lakhs). During the current quarter, upon receipt of the remaining 75% of the consideration i.e. Rs. 11,216 lakhs towards the exercise of the warrants, 11,503,468 equity shares were allotted on 6 December 2021.
- b) During the previous year, on 28 July 2020, the Company also made preferential allotment of 2,000,000 Series B Warrants, with a right to apply for and be allotted 1 Equity Share of the face value of Rs. 10 each of the Company, at a premium of Rs. 120 for each series B Warrant (aggregating to Rs. 130 per warrant), to Promoter Shareholder. As required under the provisions of the ICDR Regulations, an amount equivalent to 25% of the consideration i.e., Rs. 650 lakhs was received on issue of series B Warrants. During the current quarter, upon receipt of the remaining 75% of the consideration i.e., Rs. 1,950 lakhs towards the exercise of the Series B Warrants, 2,000,000 equity shares were allotted on 8 December 2021.
- 4 **Exceptional items:**
- (i) **For the quarter and nine months period ended 31 December 2021:**
- a) The Company has been engaged in construction of greenfield project at leased premises in Gurugram ("project") since 2017. While the project was initially scheduled to be operational as of 2020, it was delayed due to changes in management's plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. Also, refer note (ii)(a) below for impairment recognized during the year ended 31 March 2021. During the budgeting process in the current quarter, the Management has decided to focus on increasing marketing activities and driving operational efficiencies and further invest in the upgrading and consolidating the existing footprint. As a result, the management has decided to not pursue the project as of now. The Company still has two more years of non-cancellable lease, on the said premise. Accordingly, the Company has recognized impairment of capital work-in progress, right-of-use assets and security deposit for the quarter ended 31 December 2021 aggregating to Rs. 4,725 Lakhs, after considering minimum lease payable and other committed costs of the project.
- b) During the current quarter, the Group invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) through primary funding, which resulted in increase in the Group's stake in Suchirayu from 17.7% to 78.6%. Suchirayu became subsidiary of the Group with effect from 18 November 2021, considering the Group's voting rights and its majority representation in the Board of Directors which gives it the current ability to unilaterally direct relevant activities of Suchirayu. The Group remeasured its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements have been cancelled. Further, a preliminary purchase price allocation of the total consideration has been done at the acquisition date. The purchase price allocation will be concluded by 31 March 2022 and its impact on the quarterly results is not expected to be material.
- c) During the previous quarter, the Company sold its investment in Strand Life Sciences Private Limited ('Strand') for a total consideration of Rs.15,778 lakhs, resulting in a gain of Rs.14,194 lakhs (net of expenses + other provisions).
- d) During the previous quarter, the Group refinanced its certain borrowings from banks and financial institutions. On account of this, the Group incurred one time expenses of Rs. 750 lakhs, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.
- e) As on 30 September 2021, the Group paid CDC Group PLC (CDC) Rs. 411 lakhs towards its put option exercise (refer note 4(ii)(e) below). On account of this settlement, Healthcare Global (Africa) Pvt Ltd (HCG Africa) became 100% subsidiary of the Group with effect from 30 September 2021. The Group remeasured its previously held equity interest in HCG Africa at its fair valuation on acquisition of the additional stake and recognized the resultant gain of Rs. 623 lakhs as an exceptional item in accordance with the applicable Indian Accounting Standard. Further, a preliminary purchase price allocation of the total consideration has been done at the acquisition date. The purchase price allocation will be concluded by 31 March 2022 and its impact on the quarterly results is not expected to be material.
- (ii) **For the year ended 31 March 2021:**
- a) During the previous year ended 31 March 2021, the Group assessed the recoverable value of its investment made in the upcoming greenfield project in Gurugram. The assessment was made considering significant change in scope, delays in project due to changes in management plan, market conditions including the outbreak of COVID-19 pandemic. The recoverable amount of this project (considering the future cash flows) was estimated to be lower than carrying value, resulting into an impairment charge of Rs. 3,630 lakhs during the year ended 31 March 2021.
- b) During the previous year ended 31 March 2021, the Group carried out annual impairment assessment with respect to one of its cash generating unit i.e. BACC HealthCare Private Limited (hereinafter referred to as "the CGU"). Considering the losses incurred and more importantly the relatively weaker forecasts due to COVID-19, the Group recorded an impairment loss on goodwill amounting to Rs. 1,300 lakhs.
- c) During the quarter ended 31 December 2020, due to changes in business environment and weaker project viability due to COVID-19, the Cochin project was abandoned. Hence an amount of Rs. 875 lakhs was "written off".
- d) During the previous year ended 31 March 2021, due to COVID-19, the Group assessed the recoverable amount of certain class of assets/investments in other parties and estimated that those class of assets/investments in other parties may not be recoverable, resulting into an impairment charge amounting to Rs. 981 lakhs.
- e) During the previous year, CDC Group PLC, (CDC), the other investor in Healthcare Global (Africa) Pvt Ltd (HCG Africa), exercised put option to sell its shares in accordance with the terms of Shareholders Agreement. As at 31 March 2021, pending valuation by an independent valuer to ascertain the fair value of such put option shares, the Group assessed the value of put option by using its best estimate and recognised liability of Rs. 380 lakhs. The Group also performed impairment assessment, basis which the recoverable amount of investment was estimated to be lower than carrying value. Accordingly, impairment charge of Rs. 995 lakhs on its investment in Healthcare Global (Africa) Pvt Ltd was recognised during the quarter and year ended 31 March 2021.
- f) During the previous year ended 31 March 2021 for one lease arrangement, the Group negotiated lower lease rent for reduced space and the resulting gain on modification of Rs. 577 lakhs was recognised.
- g) During the previous year ended 31 March 2021, for certain subsidiaries, the Group de-recognised the deferred government grant amounting to Rs. 1,130 lakhs and also made an additional provision towards estimated duties and taxes (EPCG Licenses) amounting to Rs. 2,141 lakhs.
- 5 The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Group. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective.
- 6 During the previous quarter, the Company entered into Business Transfer Agreement (BTA) with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs. 8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. Further, a preliminary purchase price allocation of the total consideration has been done at the acquisition date. The purchase price allocation will be concluded by 31 March 2022 and its impact on the quarterly results is not expected to be material.
- 7 During the current quarter, in accordance with the terms of the Deed of Retirement, Shiv-Sun Medical Services LLP, which was holding 26% stake in HCG Sun Hospitals LLP (the Firm), subsidiary of the Company, retired from the Firm. Consideration of Rs. 242 lakhs has been paid by the Company to the retiring partner. Pursuant to this, the Company along with its wholly owned subsidiary, Niruja Product Development and Healthcare Research Private Limited hold 100% interest in HCG Sun Hospitals LLP.
- 8 The Group has a single operating segment of 'setting up and managing hospitals and medical diagnostic services.'

For and on behalf of the Board of Directors

  
Dr. B. S. Ajikumar  
Executive Chairman

Bengaluru, 10 February 2022

