

B S R & Co. LLP

Chartered Accountants

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

INDEPENDENT AUDITORS' REPORT

To the Members of Fortis Cancer Care Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fortis Cancer Care Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss, and other comprehensive income, changes in equity 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 SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's and Board of Directors' Responsibility 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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

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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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, 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. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".



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(B) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position.
- 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.
- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

According to the information and explanations given to us, no remuneration has been paid by the Company to any of its director during the current year. Accordingly, the requirements stipulated by the provisions of Section 197(16) of the Act are not applicable to the Company.

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



Rajesh Arora
Partner
Membership No. 076124
UDIN: 21076124AAAACY2386

Place: Gurugram
Date: 21 July 2021

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Annexure A to the Independent Auditors' Report on the financial statements of Fortis Cancer Care Limited for the year ended 31 March 2021

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' Section of our Audit Report of even date)

- (i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any fixed assets (Property, plant and equipment). Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any inventory. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or provided any guarantee or security or made any investment as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company does not have any revenue generating activities. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income tax, Goods and services tax (GST) and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of deposit of Income tax.

We are informed that the operations of the Company during the year did not give rise to any liability on account of Provident fund, Employees' State Insurance, Duty of excise, Sales tax, Value added tax, Duty of Customs, Cess and Service tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Income-tax, Goods and services tax, and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.



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- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues in respect of Income tax, Duty of customs, Duty of excise, Sales tax, Goods and service tax, Service tax and Value added tax as at 31 March 2021, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no managerial remuneration has been paid during the year. Hence, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company.
- (xii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are in compliance with Section 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards. According to the information and explanations given to us, the provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) Based on our examination of the books of account and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us and based on our examination of the records of Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

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- (xvi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For B S R & Co. LLP

Chartered Accountants

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



Rajesh Arora

Partner

Membership No. 076124

UDIN: 21076124AAAACY2386

Place: Gurugram

Date: 21 July 2021

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Annexure B to the Independent Auditors' report on the financial statements of Fortis Cancer Care Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2)(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Fortis Cancer Care Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 with reference to financial statements.



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Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include 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 with Reference to Financial Statements

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

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



Rajesh Arora
Partner
Membership No. 076124
UDIN: 21076124AAAACY2386

Place: Gurugram
Date: 21 July 2021


FORTIS CANCER CARE LIMITED
BALANCE SHEET AS AT 31 MARCH 2021

Particulars	Notes	As at 31 March 2021 (Rupees in '000)	As at 31 March 2020 (Rupees in '000)
ASSETS			
A) Non-current assets			
(a) Non-current tax assets	5	-	231.47
Total non-current assets (A)		-	231.47
B) Current assets			
(a) Financial assets			
(i) Loans	6	-	-
(ii) Cash and cash equivalents	7	228.30	671.04
Total current assets (B)		228.30	671.04
Total assets (A+B)		228.30	902.51
EQUITY AND LIABILITIES			
C) Equity			
(a) Equity share capital	8	500.00	500.00
(b) Other equity		(373,029.96)	(343,532.16)
Total equity (C)		(372,529.96)	(343,032.16)
Liabilities			
D) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	-	300,300.02
(ii) Other financial liabilities	10	-	32,743.09
Total non-current liabilities (D)		-	333,043.11
E) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	11		
Total outstanding dues of micro enterprises and small enterprises		-	1.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		88.54	71.82
(ii) Other financial liabilities	10	372,075.66	10,147.72
(b) Other current liabilities	12	594.06	670.33
Total current liabilities (E)		372,758.26	10,891.56
Total liabilities (D+E)		372,758.26	343,934.67
Total equity and liabilities (C+D+E)		228.30	902.51

See accompanying notes forming integral part of the financial statements 1-27

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022


Rajesh Arora
Partner
Membership Number: 076124

Place : Gurugram
Date : 21 July 2021



For and on behalf of the Board of Directors of
Fortis Cancer Care Limited


Ajey Maharaj
Director
DIN : 07930305

Place : Gurugram
Date : 21 July 2021



Rajeev Kumar Dua
Director
DIN : 06974102

Place : Gurugram
Date : 21 July 2021

FORTIS CANCER CARE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

Particulars	Notes	For theyear ended 31 March 2021 (Rupees in '000)	For the year ended 31 March 2020 (Rupees in '000)
I Revenue from operations	13	-	344.03
II Other income	14	20.82	25.04
III Total Income (I+II)		<u>20.82</u>	<u>369.07</u>
IV Expenses			
a) Finance costs	15	29,475.02	33,412.80
b) Other expenses	16	43.60	5,805.72
Total expenses (IV)		<u>29,518.62</u>	<u>39,218.52</u>
V Loss before tax (III-IV)		<u>(29,497.80)</u>	<u>(38,849.45)</u>
VI Tax expense	17		
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expense		<u>-</u>	<u>-</u>
VII Loss for the year (V-VI)		<u>(29,497.80)</u>	<u>(38,849.45)</u>
VIII Other comprehensive income		-	-
IX Total comprehensive loss for the year (VII-VIII)		<u>(29,497.80)</u>	<u>(38,849.45)</u>
Earning per equity share of Rupees 10 each			
i) Basic (in Rupees)	20	(589.96)	(776.99)
ii) Diluted (in Rupees)	20	(589.96)	(776.99)

See accompanying notes forming integral part of the financial statements 1-27

In terms of our report attached

For **BSR & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022



Rajesh Arora
Partner
Membership Number: 076124



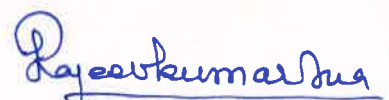
Place : Gurugram
Date : 21 July 2021

For and on behalf of the Board of Directors of
Fortis Cancer Care Limited



Ajey Maharaj
Director
DIN : 07930305

Place : Gurugram
Date : 21 July 2021



Rajeev Kumar Dua
Director
DIN : 06974102

Place : Gurugram
Date : 21 July 2021



FORTIS CANCER CARE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

Particulars	For the year ended 31 March 2021 (Rupees in '000)	For the year ended 31 March 2020 (Rupees in '000)
Cash flows from operating activities		
Loss before tax for the year	(29,497.80)	(38,849.45)
Adjustments for:		
Interest income	(20.82)	(25.04)
Advance tax written off	-	5,499.20
Finance costs	29,474.31	33,411.32
Operating (loss)/ profit before changes in following assets and liabilities	(44.31)	36.03
Change in operating assets and liabilities		
Increase/ (decrease) in trade payables	15.03	(536.05)
Decrease in other current liabilities	(76.27)	(2,797.79)
Cash used in operating activities	(105.55)	(3,297.81)
Income tax refund received	231.47	359.31
Net cash generated by/ (used in) operating activities	125.92	(2,938.50)
Cash flows from investing activities		
Interest received	20.82	25.04
Loans received back from body corporate (net)	-	64,355.40
Net cash generated by investing activities	20.82	64,380.44
Cash flows from financing activities (refer note (i) below)		
Loan taken from holding company	-	3,500.00
Loan repaid to holding company	-	(64,355.40)
Interest paid	(589.48)	(668.23)
Net cash used in financing activities	(589.48)	(61,523.63)
Net decrease in cash and cash equivalents	(442.74)	(81.69)
Cash and cash equivalents at the beginning of the year	671.04	752.73
Cash and cash equivalents at the end of the year (refer note 7)	228.30	671.04

(i) Changes in liabilities arising from financing activities

Particulars	Non- current borrowings	Interest accrued
As at 1 April 2019	330,123.95	31,031.47
Proceeds from borrowings	3,500.00	-
Repayment of borrowings	(64,355.40)	-
Finance cost paid	-	(668.23)
Finance cost	-	33,411.32
Interest accrued converted in loan (refer note 9)	31,031.47	(31,031.47)
As at 31 March 2020	300,300.02	32,743.09
Finance cost paid	-	(589.48)
Finance cost	-	29,474.31
Interest accrued converted in loan (refer note 9)	32,743.09	(32,743.09)
As at 31 March 2021	333,043.11	28,884.83



FORTIS CANCER CARE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(ii) The statement of cash flow has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 on "Statement on Cash flows".

See accompanying notes forming integral part of the financial statements 1-27

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022



Rajesh Arora
Partner
Membership Number: 076124



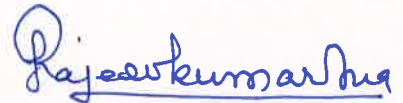
Place : Gurugram
Date : 21 July 2021

For and on behalf of the Board of Directors of
Fortis Cancer Care Limited



Ajey Maharaj
Director
DIN : 07930305

Place : Gurugram
Date : 21 July 2021



Rajeev Kumar Dua
Director
DIN : 06974102

Place : Gurugram
Date : 21 July 2021



FORTIS CANCER CARE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

Particular	(Rupees in '000)		
	Equity Equity share Capital	Other equity Retained Earnings	Total
Balance at 1 April 2019	500.00	(304,682.71)	(304,182.71)
Loss for the year	-	(38,849.45)	(38,849.45)
Balance at 31 March 2020	500.00	(343,532.16)	(343,032.16)
Loss for the year	-	(29,497.80)	(29,497.80)
Balance at 31 March 2021	500.00	(373,029.96)	(372,529.96)

See accompanying notes forming integral part of the financial statements 1-27

In terms of our report attached

For **B S R & Co. LLP**
 Chartered Accountants
 Firm registration number: 101248W/W-100022



Rajesh Arora
 Partner
 Membership Number: 076124

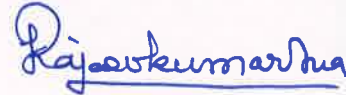
Place : Gurugram
 Date : 21 July 2021



For and on behalf of the Board of Directors
 Fortis Cancer Care Limited


Ajey Maharaj
 Director
 DIN : 07930305

Place : Gurugram
 Date : 21 July 2021



Rajeev Kumar Dua
 Director
 DIN : 06974102

Place : Gurugram
 Date : 21 July 2021



Fortis Cancer Care Limited
Notes to the financial statements for the year ended 31 March 2021
(Rupees in thousands, unless otherwise stated)

Note 1. Corporate Information

Fortis Cancer Care Limited (the 'Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The registered office of the Company is situated at Fortis Memorial Research Institute Sector-44, Near Metro Station, Gurgaon, Haryana- 122002.

The principal business of the Company is promotion, maintenance, management, operation, conduct of healthcare and related services and providing consultancy for establishment of healthcare services.

The Company is a wholly owned subsidiary of Fortis Hospitals Limited (FHsL). FHsL is a subsidiary of Fortis Healthcare Limited (FHL). FHL is a listed entity on BSE Limited and National Stock Exchange of India Limited.

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements ('financial statements'). The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act. All the amounts included in the financial statements are reported in thousands of Indian Rupees ('INR') and are rounded to the nearest thousands to two decimals, except per share data and unless stated otherwise.

The financial statements have been authorized for issue by the Company's Board of Directors on 21 July 2021.

(ii) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency.

(iii) Historical cost convention

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.



Fortis Cancer Care Limited
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A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(c) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(d) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.



Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.



Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Write-off of financial assets

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Cash and cash equivalents

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

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system



(f) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are reviewed by the management at each balance sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(g) Borrowings cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

(h) Income tax

Income tax comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates or joint arrangements, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.



Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(i) Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(j) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/ (loss) attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Note 3. (a) Critical estimates and judgements

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Recognition and estimation of tax expense including deferred tax— Note 4 and 17



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(b) Recent Pronouncements but not yet effective

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Further on June 18, 2021, the MCA through a notification, issued Companies (Indian Accounting Standards) Amendment Rules 2021 which includes amendments in 21 standards. The amendments to Ind ASs are in terms of insertion of certain paragraphs, substituting definition of certain terms used in the standard along with aligning the bare text of Standards with Conceptual Framework of Financial reporting under Ind ASs. The amendments are effective from 18 June 2021. The Company does not expect any significant impact of these amendments on its financial statements.



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March 2021 (Rupees in '000)	As at 31 March 2020 (Rupees in '000)
4. Deferred tax asset		
Deferred tax assets have not been recognised on brought forward losses, as it is not probable that future taxable profit will be available against which the Company can utilise such losses.		
Business losses	194,103.21	184,353.96
Deductible temporary differences arising on credit impaired loans (refer note 6)	77,100.33	77,100.33
Total	271,203.55	261,454.29
Deferred tax asset not recognised on above @ 25.17% (Previous year 25.17%)	68,256.51	65,802.82
In addition to above, no deferred tax asset has been recognised on Capital losses	94,451.85	94,451.85
	94,451.85	94,451.85
5. Non-current tax assets		
(a) Advance income tax	-	231.47
	-	231.47
6. Loans		
<u>Current - At amortised cost</u>		
Credit impaired		
(a) Loan to body corporate	77,100.33	77,100.33
	77,100.33	77,100.33
Loss allowance		
(a) Loan to body corporate	(77,100.33)	(77,100.33)
	-	-
7. Cash and cash equivalents		
Balances with Bank		
- on current account	228.30	671.04
Cash and cash equivalents as per balance sheet	228.30	671.04



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March 2021 (Rupees in '000)	As at 31 March 2020 (Rupees in '000)
8 Equity share capital		
Authorised share capital		
5,000,000 (as at 31 March 2020 - 5,000,000) equity shares of Rupees 10 each	50,000.00	50,000.00
Total authorised share capital	50,000.00	50,000.00
Issued, subscribed and fully paid up shares		
50,000 (as at 31 March 2020 - 50,000) equity shares of Rupees 10 each	500.00	500.00
Total issued, subscribed and fully paid up share capital	500.00	500.00

Notes :

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Equity shares with voting rights

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	(Rupees in '000)	Number of shares	(Rupees in '000)
At the beginning of the year	50,000	500.00	50,000	500.00
At the end of the year	50,000	500.00	50,000	500.00

(b) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rupees 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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) For the period of five year immediately preceding the date of the balance sheet, there were no share allotment made for consideration other than cash and also no bonus shares were issued. Further, there has been no buyback of shares during the period of five years preceding the date of balance sheet.

(d) **Shares held by the holding/ ultimate holding company and/ or their subsidiaries**

Equity shares with voting rights

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	(Rupees in '000)	Number of shares	(Rupees in '000)
Fortis Hospitals Limited (Holding Company)*	50,000	500.00	50,000	500.00

*including 6 equity shares held by nominee shareholders

(e) **Details of shareholders holding more than 5% shares in the Company**

Equity shares with voting rights

Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of Holding	Number of shares	% of Holding
Fortis Hospitals Limited (Holding Company)*	50,000	100%	50,000	100%

*including 6 equity shares held by nominee shareholders



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March 2021 (Rupees in '000)	As at 31 March 2020 (Rupees in '000)
9. Borrowings		
Non- current		
Unsecured - at amortised cost		
(a) Loan from holding company (refer note 10 and note 18)	-	300,300.02
	<u>-</u>	<u>300,300.02</u>
Note:		
Loan from Fortis Hospitals Limited carries interest @ 8.85% p.a. (previous year 10.50% p.a.) and is repayable on 31 March, 2022. Interest accrued as at 31 March, 2020 Rupees 32,743.09 ('000) [31 March 2019: Rupees 31,031.47 ('000)] has been converted into loan during the year.		
10. Other financial liabilities (Unsecured)		
Non current		
(a) Interest accrued on borrowings (Refer note 18)	-	32,743.09
	<u>-</u>	<u>32,743.09</u>
Current		
(a) Current maturities of non- current borrowings (refer note 9 and note 18)	333,043.11	-
(b) Interest accrued on borrowings (refer note 18)	28,884.83	-
(c) Other payable to related party	10,147.72	10,147.72
	<u>372,075.66</u>	<u>10,147.72</u>
11. Trade Payable		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 21)	-	1.69
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	88.54	71.82
	<u>88.54</u>	<u>73.51</u>
12. Other current liabilities		
(a) Statutory dues payable	594.06	670.33
	<u>594.06</u>	<u>670.33</u>



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Year ended 31 March 2021 (Rupees in '000)	Year ended 31 March 2020 (Rupees in '000)
13. Revenue from operations		
(a) Other operating income		
(i) Provisions no longer required written back	-	344.03
	<u>-</u>	<u>344.03</u>
14. Other income		
(a) Interest income		
(i) Interest on income tax refund	20.82	25.04
	<u>20.82</u>	<u>25.04</u>
15. Finance costs		
(a) Interest expense		
-on loan from holding company	29,474.31	33,411.32
(b) Bank and other related charges	0.71	1.48
	<u>29,475.02</u>	<u>33,412.80</u>
16. Other expenses		
(a) Legal and professional fee (refer note (i) below)	31.80	182.12
(b) Rates and taxes	-	23.24
(c) Marketing and business promotion	-	18.56
(d) Advance tax written off	-	5,499.20
(e) Directors' sitting fees	11.80	82.60
	<u>43.60</u>	<u>5,805.72</u>
Note:		
(i) Auditors' remuneration comprises (exclusive of tax)		
Statutory audit fee	21.00	20.00
Out of pocket expenses	0.60	6.00
	<u>21.60</u>	<u>26.00</u>
17. Income Tax		
Current tax		
Current income tax charge for the year	-	-
Deferred tax		
Deferred tax charge/ (credit) profits for the year	-	-
	<u>-</u>	<u>-</u>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
(Loss)/ Profit before tax from continuing operations	(29,497.80)	(38,849.45)
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Income tax credit/(charge) calculated	(7,424.01)	(9,777.63)
Effect of tax in relation to DTA not recognised	7,424.01	9,777.63
Income tax expense recognised in statement of profit and loss	<u>-</u>	<u>-</u>

No deferred tax asset has been recognised on below losses :

Expiry in financial year	As on 31 March 2021		As on 31 March 2020	
	Gross Amount	Tax effect	Gross Amount	Tax effect
Business losses				
2020-21	-	-	6,189.33	1,557.73
2021-22	-	-	5,384.37	1,355.14
2022-23	10,004.02	2,517.81	18,178.86	4,575.26
2023-24	21,648.66	5,448.54	21,648.66	5,448.54
2024-25	27,613.09	6,949.66	27,613.09	6,949.66
2025-26	31,640.89	7,963.38	31,640.89	7,963.38
2026-27	34,849.30	8,770.87	34,849.30	8,770.87
2027-28	38,849.45	9,777.63	38,849.45	9,777.63
2028-29	29,497.80	7,424.01	-	-
	<u>194,103.21</u>	<u>48,851.90</u>	<u>184,353.96</u>	<u>46,398.20</u>
Long term Capital Loss				
2026-27	94,451.85	23,771.64	94,451.85	23,771.64
	<u>94,451.85</u>	<u>23,771.64</u>	<u>94,451.85</u>	<u>23,771.64</u>



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

18. Related party disclosures

(a) List of related parties and related party relationship

Names of Related Parties and related party relationship	
Ultimate Holding Company	IHH Healthcare Berhad
Intermediate Holding Company	Integrated Healthcare Holdings Limited
	Parkway Pantai Limited
	Northern TK Venture Pte Ltd.
	Fortis Healthcare Limited
Holding Company	Fortis Hospitals Limited
Joint Venture	Fortis Cauvery (partnership firm)
Key Managerial Personnel (KMP) (with whom transactions have taken place)	Rajeev Kumar Dua - Non-Executive Director
	Jasrita Dhir- Non-Executive Director (upto 25 June, 2020)
	Mohit Kumar - Non-Executive Director (upto 24 February, 2020)

Transactions during the year:

(Rupees in '000)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Loan taken during the year		
Fortis Hospitals Limited	-	3,500.00
Interest converted into loan taken		
Fortis Hospitals Limited	32,743.09	31,031.47
Loan repaid during the year		
Fortis Hospitals Limited	-	64,355.40
Interest expense on loan taken		
Fortis Hospitals Limited	29,474.31	33,411.32
Director sitting fee		
Mr. Mohit Kumar	-	23.60
Mr. Rajeev Kumar Dua	-	11.80
Ms. Jasrita Dhir	11.80	47.20

Balance outstanding at the year-end:

(Rupees in '000)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Borrowings		
Fortis Hospitals Limited	333,043.11	300,300.02
Interest accrued on borrowings		
Fortis Hospitals Limited	28,884.83	32,743.09
Other current financial liabilities		
Fortis Hospitals Limited	10,147.72	10,147.72



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

19. Financial Instruments

a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 9 and 10 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's Board reviews the capital structure of the Company on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at end of the reporting period was as follows:

Particulars	(Rupees in '000)	
	As at 31 March, 2021	As at 31 March, 2020
Debt*	361,927.94	333,043.11
Cash and bank balances	(228.30)	(671.04)
Net debt	361,699.64	332,372.07
Total equity	(372,529.96)	(343,032.16)
Net debt to equity ratio	(97.09%)	(96.89%)

*Debt is defined as Non-current borrowing, current maturities of non-current borrowings and interest accrued on borrowings.

b) Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Company through internal risk reports which analyses exposure by magnitude of risk.

c) Market Risk

The Company's activity are not exposed to any market risks.

d) Interest rate risk management

The Company is not exposed to interest rate risk as interest rate on loans is reset annually based on the market rate of interest.

e) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors.

Refer note 7 of the financial statements for carrying amount and maximum credit risk exposure for cash and cash equivalents.

The cash and cash equivalent balances are held with reputed banks in India.



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, however the Company does not have significant funding requirement as the Company currently does not have any revenue generating activities. Funding requirements of the Company are met through borrowings from holding company. Holding company has also agreed to provide financial support to the company as may be required in the near future (refer note 25).

g) Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Disclosures as at 31 March 2021 tabulated below, includes both interest and principal cash flows.

(Rupees '000)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at 31 March, 2021				
Loan from Holding Company	365,073.73	-	365,073.73	333,043.11
Other financial liabilities				
Trade payables	88.54	-	88.54	88.54
Other Financial liabilities	10,147.72	-	10,147.72	10,147.72
Interest accrued on borrowings from related party	28,884.83	-	28,884.83	28,884.83
Total	404,194.82	-	404,194.82	372,164.20

(Rupees '000)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at 31 March, 2020				
Loan from Holding Company	-	300,300.02	300,300.02	300,300.02
Other financial liabilities				
Trade payables	73.51	-	73.51	73.51
Other Financial liabilities	10,147.72	-	10,147.72	10,147.72
Interest accrued on borrowings from related party	-	32,743.09	32,743.09	32,743.09
Total	10,221.23	333,043.11	343,264.34	343,264.34



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

h) Fair value measurement

Financial assets measured at amortised cost

31 March, 2021

(Rupees in '000)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial assets				
Cash and cash equivalents	(a)	-	228.30	228.30
Total		-	228.30	228.30

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial Liabilities				
Borrowings (current)	(b)	-	333,043.11	333,043.11
Trade payables (current)	(a)	-	88.54	88.54
Other financial liabilities (current)	(a)	-	10,147.72	10,147.72
Interest accrued on borrowings from related party (current)	(b)		28,884.83	28,884.83
Total		-	372,164.20	372,164.20

31 March, 2020

(Rupees in '000)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial assets				
Cash and cash equivalents	(a)	-	671.04	671.04
Total		-	671.04	671.04

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial Liabilities				
Borrowings (non-current)	(b)	-	300,300.02	300,300.02
Trade payables (current)	(a)	-	73.51	73.51
Other financial liabilities (current)	(a)	-	10,147.72	10,147.72
Interest accrued on borrowings from related party (non-current)	(b)	-	32,743.09	32,743.09
Total		-	343,264.34	343,264.34

The following methods / assumptions were used to estimate the fair values:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short-term maturities of these instruments.
- (b) The Company's borrowings carry a fixed rate of interest, which is reset annually based on market rate of interest. Accordingly, the carrying value of such borrowings (including interest accrued) approximates fair value.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March, 2021 and 31 March, 2020.



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial instruments measured at amortized cost

The carrying amount of financial asset and liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received.

20. Earnings per share

Earnings per share (EPS)	Denomination	For the year ended	For the year ended
		31 March 2021	31 March 2020
Profit/(loss) as per statement of profit and loss	Rupees in '000	(29,497.80)	(38,849.45)
Weighted average number of equity shares in calculating basic and diluted EPS	Numbers	50,000.00	50,000.00
Basic EPS	Rupees	(589.96)	(776.99)
Diluted EPS	Rupees	(589.96)	(776.99)

21. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

The Ministry of Micro and Small Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro enterprises and the small enterprises should mention in their correspondences with their customers the Entrepreneur Memorandum Number as allocated after filing of the memorandum. Accordingly, the below information regarding dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	(Rupees in '000)	
	As at 31 March, 2021	As at 31 March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises	-	1.69
-Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period 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 MSMED Act 2006.		
The amount of interest accrued and remaining unpaid at the end of each accounting year		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

22. Commitment

- a. The Company does not have any long-term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
- b. The Company does not have any commitments on account of capital item purchases.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



FORTIS CANCER CARE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

23. Contingent Liabilities (not provided for) in respect of:

Nature of Statute	(Rupees in '000)	
	As at 31 March 2021	As at 31 March 2020
Income tax	-	2,645.50

During the current year, the Company has opted for settlement of the disputed liability toward Income Tax under the Direct Tax Vivad se Vishwas Act, 2020.

24. The disclosures regarding details of specified bank notes held and transacted during the period November 8, 2016 to December 31, 2016 have not been made since the requirement does not pertain to financial year ended 31 March, 2020.
25. The Company has incurred a net loss of Rupees 29,497.80 ('000) during the year ended 31 March, 2021. Also, as at 31 March 2021, the net worth of the Company has been fully eroded and the net current liability position is Rupees 372,529.96 ('000). The Company currently does not have any revenue generating activities. These events or conditions raise doubt on the ability of the Company to continue as a Going Concern. However, the management is evaluating various business options and intends to carry out business activities through this entity in the foreseeable future. Based on the financial and operational support provided by its Holding Company, the management has considered it appropriate to prepare the financial statements on a Going Concern basis.
26. The COVID-19 pandemic is affecting major economic and financial markets, and virtually all industries and governments are facing challenges associated with the economic conditions resulting from efforts to address it. In many countries, there has been severe disruption in regular business operations due to lockdown, travel bans, quarantines and other emergency measures. Management believes that it has taken into account the possible impact of known events arising from COVID 19 pandemic in the preparation of these financial statements. The associated economic impact of the pandemic is highly dependent on variables that are difficult to predict including the degree to which governments may further restrict business and other activities. The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and impact, if any would be recognised in the financial statements when material changes to economic conditions arise.
27. As the Company currently does not have any revenue generation activities, there are no reportable segments under Ind AS 108 "Operating Segments".

In terms of our report attached.

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

Firm registration number: 101248W/W-100022



Rajesh Arora
Partner

Membership Number: 076124

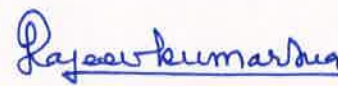


Place: Gurugram
Date: 21 July 2021

For and on behalf of the Board of Directors of
Fortis Cancer Care Limited



Ajey Maharaj
Director
DIN : 07930305



Rajeev Kumar Dua
Director
DIN : 06974102

Place: Gurugram
Date: 21 July 2021

Place: Gurugram
Date: 21 July 2021