

INDEPENDENT AUDITORS REPORT

To the Members of

Valsad Institute of Medical Sciences Ltd

Report on the Standalone Indian Accounting Standards (Ind AS)
Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Valsad Institute of Medical Sciences Ltd ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report.

2. In our opinion and to the best of our information and according to the explanations given to us, the accompanying Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2023;
 - b) in the case of the Statement of Profit and Loss, of the **Loss** of the Company for the year ended on that date; and
 - c) in the case of the Statement of Cash Flows for its cash flows for the year ended on that date;

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current year. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report. There are no Key audit matters to be communicated in our Report.

Management's Responsibility for the Standalone Ind AS Financial Statements and Those charged with Governance for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' Responsibility for the Audit of the Ind AS Financial Statements

7. 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.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: -
 - a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls unless its is exempted under Notification.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- i) Planning the scope of our audit work and in evaluating the results of our work; and
- ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

9. 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 and the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Standalone 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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) We have also audited the Internal Financial Controls over the Financial Reporting (IFCoFR) of the Company as on 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date and our report as per "**Annexure A**" expressed an unmodified opinion.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act as amended:

The Company has not paid remuneration to its directors and hence the Provisions of Section 197 read with Schedule 5 to the Act is not applicable to the Company and hence reporting under Sec 197(16) is not required.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigation, which would impact its financial position.

ii) The Company did not have any long-term contract 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) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) As required by the 'the Companies (Auditors' Report) Order, 2020', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate to the information and explanations given to us, we give in **Annexure B** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **AKKAD MEHTA & CO LLP**
Chartered Accountants
FRN. 100259W | W-100384

SHABBIR BHANPURAWALA
Partner
Membership No. 188701

Place: Mumbai
Date:
UDIN:

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting (IFCoFR) of Valsad Institute of Medical Sciences Limited ("the Company") as at 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR 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 IFCoFR includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For **AKKAD MEHTA & CO LLP**
Chartered Accountants
FRN. 100259W | W100384

SHABBIR BHANPURAWALA
Partner
Membership No. 188701

Place : Mumbai
Date :
UDIN :

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 10 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Valsad Institute of Medical Sciences Ltd of even date)

- i. In respect of the Company's Property, Plant & Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment (PPE).
 - (B) The Company does not own Intangible assets hence is not required to maintain any records showing full particulars of the same.
 - b) The Company has a program of verification to cover all the items of PPE in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, PPE's were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Immovable property is registered in the name of the Company as at the Balance Sheet date.
 - d) The Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year and, hence paragraph of clause (i) (d) is not applicable to the Company.
 - e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence no disclosure is required in the financial statements.
- ii. a) According to the information and explanation given to us, the management has not conducted physical verification of inventory as Company has not initiated any business during the year under consideration.

- b) The company has been sanctioned working capital limits of less than 5 crores from banks or financial institutions on the basis of security of current assets; and thus reporting under clause (ii) (b) of the order is not applicable to the Company.
- iii. Based on the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause (iii) (a), (b), (c), (d), (e) and (f) are not applicable to the Company.
- iv. Based on the information and explanations given to us, the Company has not granted any loans or made any Investments, or provided any guarantees or security to the parties covered under the provisions of section 185 and 186 of the Act. Accordingly, the provisions of clause (iv) of the Order are not applicable to the Company.
- v. The Company has not accepted deposits during the year within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and also Company does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause (v) of the Order are not applicable to the Company.
- vi. As informed to us by Management, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 read with Companies (cost records and audit) Rules, 2014 for the business activities carried out by the Company. Thus reporting under clause (vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Goods and Service Tax, Cess, professional tax and other material statutory dues applicable to it with the appropriate authorities.
- b) According to the information and explanations given to us, there are no material dues in respect of Income Tax, Goods and Service Tax, which have not been deposited with the appropriate authorities on account of any dispute as at 31st March, 2023.

- viii. Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the no transactions are accounted during the year which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. Based on our audit procedures and on the basis of information and explanations given to us, in respect of loans or other borrowings, we are of the opinion that, -
- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
 - b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has taken term loans during the year and the same were applied for the purpose for which they were obtained.
 - d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) The company has not invested any sum in subsidiary or joint venture. Hence clause 3(ix)(e) & 3(ix)(f) is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment | private placement of shares of fully paid up equity shares during the year. The requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with, and the funds raised have been used for the purposes for which they were raised.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the

Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) The Company is an unlisted Public Limited Company not accepting public deposits nor the Company has any borrowing more than Rs. 50 crores therefore the establishment of Vigil Mechanism | whistle-blower policy is not required. Hence reporting under clause 3 (xi) (c) is not applicable to the Company

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in Note no. 18.3 of the standalone financial statements as required by the applicable accounting standards.

xiv. The Company is not required to appoint Internal Auditors for the period under audit in terms of section 138 read with Rule 13 of the Companies (Accounts) Rules 2014. Accordingly, reporting under clause 3(xiv) (a) & 3(xiv) (b) of the Order is not applicable.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities. Hence reporting under Clause 3(xvi)(b) of the order is not applicable to the Company.

(c) The Company is not required to be registered as a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under Clause 3(xvi)(c) of the order is not applicable to the Company.

- (d) In our opinion, there is no core investment company within any Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvi. The company has incurred cash losses in the financial year under consideration of ₹ 27.95 lakhs and in the immediately preceding financial year of Rs.23.30 lakhs. Company is in its initial stage for construction of its Hospital building. In absence of revenue, Company is incurring cash losses.
- xvii. There has been no resignation of the statutory auditors during the year, hence provisions of clause xviii of the Order are not applicable to the Company.
- xviii. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditors are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xix. In our opinion and according to the information and explanations given to us, the Company is not required to constitute a Corporate Social Responsibility Committee. Hence, the company is not required to transfer the unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.
- xx. There have not been any qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements hence provisions of clause xxi of the Order are not applicable to the Company.

For **AKKAD MEHTA & CO LLP**
Chartered Accountants
FRN: 100259W | W100384

SHABBIR BHANPURAWALA
Partner
Membership No. 188701

Place: Mumbai

Date:

UDIN:

Valsad Institute of Medical Sciences Ltd

Balance Sheet as at March 31, 2023

(₹ in lakhs)

Particulars	Note	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
A ASSETS				
1 Non-current assets				
a) Property, plant and equipment	2	300.79	300.08	300.03
b) Capital work-in-progress	2	2,459.10	1,045.36	2.92
c) Financial assets				
i) Other Financial Assets	3	0.81	0.50	-
d) Deferred tax assets (net)	18.5	0.12	0.06	0.11
e) Income tax assets (net)	18.5	0.30	0.30	-
f) Other non-current assets	4	4.05	22.38	0.05
Total non-current assets		2,765.17	1,368.68	303.11
2 Current assets				
a) Financial assets				
i) Cash and cash equivalents	5	833.29	100.54	178.11
ii) Bank balances other than (i) above	6	1.01	-	-
b) Other current assets	4	0.17	-	-
Total current assets		834.47	100.54	178.11
Total assets		3,599.64	1,469.22	481.22
B EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	7	2,700.00	1,102.35	485.70
b) Other equity	8	828.12	(24.28)	(5.49)
Total equity		3,528.12	1,078.07	480.21
Liabilities				
1 Non-current liabilities				
a) Financial liabilities				
i) Borrowings	9	5.67	-	-
ii) Other financial liabilities	12	0.20	-	-
Total non-current liabilities		5.87	-	-
2 Current liabilities				
a) Financial liabilities				
i) Borrowings	9	-	350.00	-
ii) Trade payables	11	-	-	-
Total outstanding dues of				
a) Micro enterprises and small enterprises		-	0.08	0.27
b) Creditors other than micro enterprises and small enterprises		58.18	24.69	0.60
iii) Other financial liabilities	12	6.74	15.28	0.08
b) Other current liabilities	13	0.67	1.10	0.06
c) Provisions	10	0.06	-	-
Total current liabilities		65.65	391.15	1.01
Total liabilities		71.52	391.15	1.01
Total equity and liabilities		3,599.64	1,469.22	481.22

The accompanying Notes 1-18 form an integral part of the Financial Statements

In terms of our report attached

For Akkad Mehta & CO LLP
Chartered Accountants
FRN: 100259W | W100384

For and on behalf of the Board of Directors

Shabbir Bhanpurawala
Partner
Membership No.188701

Chairman
Sandeep Desai
(DIN:02667533)

Director
Ajitsingh Batra
(DIN:02667533)

Mumbai

Valsad

Valsad Institute of Medical Sciences Ltd

Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in lakhs)

Particulars	Note	2022-23	2021-22
INCOME			
Revenue from operations		-	-
Other income	14	0.02	-
Total income		0.02	-
EXPENSES			
Employee benefit expenses	15	5.05	1.33
Finance costs	16	0.05	0.07
Depreciation and amortisation Expenses	2	0.69	0.36
Other expenses	17	22.87	21.90
Total expenses		28.66	23.66
Profit (Loss) before tax		(28.64)	(23.66)
Tax expense			
Current tax	18.5	0.02	-
Deferred tax	18.5	(0.06)	0.06
Total tax expense		(0.04)	0.06
Profit (Loss) for the year		(28.60)	(23.72)
Other comprehensive income			
a) Items that will not be reclassified to profit loss			
i) Fair value of equity instruments through other comprehensive income (FVOCI)		-	-
ii) Remeasurement gain (loss) on defined benefit plans		-	-
iii) Income tax related to items above		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		(28.60)	(23.72)
Earnings per equity share			
Basic and diluted earning ₹ per equity share	18.2	(1.46)	(3.59)

The accompanying Notes 1-18 form an integral part of the Financial Statements

In terms of our report attached

For Akkad Mehta & CO LLP
Chartered Accountants
FRN: 100259W | W100384

For and on behalf of the Board of Directors

Shabbir Bhanpurawala
Partner
Membership No.188701

Chairman
Sandeep Desai
(DIN:02667533)

Director
Ajitsingh Batra
(DIN:02667533)

Mumbai

Valsad

Valsad Institute of Medical Sciences Ltd

Statement of changes in equity

for the year ended March 31, 2023

A. Equity share capital

(₹ in lakhs)	
Particulars	Amount
As at April 01, 2021	485.70
Changes in equity share capital during the year	616.65
As at March 31, 2022	1,102.35
Changes in equity share capital during the year	1,597.65
As at March 31, 2023	2,700.00

B. Other equity

(₹ in lakhs)				
Particulars	Share Application money pending allotment	Reserves and surplus		Total Other equity
		Securities premium	Retained earnings	
As at April 01, 2021	5.00	-	(10.49)	(5.49)
Profit (Loss) for the year	-	-	(23.72)	(23.72)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(23.72)	(23.72)
Shares issued against application money received	(5.00)	-	-	(5.00)
Share application money received pending allotment	9.93	-	-	9.93
Securities Premium on issue of share	-	-	-	-
Share issue expenses	-	-	-	-
Transfer to retained earnings on disposal of FVOCI equity instruments	-	-	-	-
As at March 31, 2022	9.93	-	(34.21)	(24.28)
Profit (Loss) for the year	-	-	(28.60)	(28.60)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(28.60)	(28.60)
Shares issued against application money received	(9.93)	-	-	(9.93)
Securities Premium on issue of share	-	900.05	-	900.05
Share issue expenses	-	(9.14)	-	(9.14)
As at March 31, 2023	-	890.91	(62.80)	828.11

The accompanying Notes 1-18 form an integral part of the Financial Statements

In terms of our report attached

For Akkad Mehta & CO LLP

Chartered Accountants

FRN: 100259W | W100384

Shabbir Bhanpurawala

Partner

Membership No.188701

Mumbai

For and on behalf of the Board of Directors

Chairman

Sandeep Desai
(DIN:02667533)

Director

Ajitsingh Batra
(DIN:02667533)

Valsad

Valsad Institute of Medical Sciences Ltd

Statement of Cash Flows

for the year ended March 31, 2023

(₹ in lakhs)

Particulars	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit (Loss) before tax	(28.64)	(23.66)
Adjustments for:		
Depreciation and amortisation expenses	0.69	0.36
Finance costs	0.05	0.07
Interest received	(0.02)	-
Operating profit before change in operating assets and liabilities	(27.92)	(23.23)
Adjustments for:		
(Increase) Decrease in other financial assets	(0.31)	-
(Increase) Decrease in other current assets	(0.17)	(0.56)
Increase (Decrease) in trade payables	33.41	15.63
Increase (Decrease) in other financial liabilities	(8.33)	-
Increase (Decrease) in other liabilities	(0.42)	33.99
Increase (Decrease) in provisions	0.06	0.51
Cash generated from operations	(3.68)	26.34
Income tax paid (net of refund)	(0.03)	(0.30)
Net cash used in flow from operating activities	A (3.71)	26.05
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(1,415.15)	(1,042.84)
Capital advances	18.35	(22.35)
Investment in Term deposits with banks	(1.01)	-
Interest received	0.02	-
Net cash used in investing activities	B (1,397.79)	(1,065.19)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital (net of share issue expenses)	2,478.63	611.65
Proceeds repayment of Long-term borrowings	5.67	-
Proceeds repayment of short-term borrowings	(350.00)	350.00
Interest paid	(0.05)	(0.07)
Net cash flow from financing activities	C 2,134.25	961.58
Net decrease in cash and cash equivalents	A+B+C 732.75	(77.56)
Cash and cash equivalents at the beginning of the year	100.54	178.11
Cash and cash equivalents at the end of the year	833.29	100.54

i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the IND AS 7 on statement of Cash flow as notified under Companies (Accounts) Rules, 2015.

The accompanying Notes 1-18 form an integral part of the Financial Statements

In terms of our report attached

For Akkad Mehta & CO LLP

Chartered Accountants

FRN: 100259W | W100384

For and on behalf of the Board of Directors

Shabbir Bhanpurawala

Partner

Membership No.188701

Mumbai

Chairman

Sandeep Desai

(DIN:02667533)

Director

Ajitsingh Batra

(DIN:02667533)

Valsad

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Background

Valsad Institute Of Medical Sciences Ltd is a Company domiciled in India under the provisions of The Companies Act 2013 having CIN- U85320GJ2020PLC113263. The Company has registered office address at Maninagar Society, 1/668, Tithal road, Valsad-396001 and is incorporated to engage in the business of providing healthcare and related services.

Note 1 Significant accounting policies

1 Basis of preparation:

a) Compliance with Ind AS:

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

The Financial Statements up to the year ended March 31, 2022 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These Financial Statements are the first Financial Statements of the Company under Ind AS. Refer Note 18.11 for an explanation of how the transition from previously applicable Indian GAAP (hereinafter referred to as 'IGAAP') to Ind AS has affected the financial position, financial performance and cash flows of the Company.

b) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis except for the following:

i) Certain financial assets and liabilities measured at fair value if required

ii) Defined benefit plans: plan assets measured at fair value if required

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2 Investments and other financial assets:

a) Classification:

The Company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)

ii) Those measured at amortised cost

The classification depends on business model of the Company for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition and measurement:

Financial asset is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial asset is recognised initially at fair value plus, in the case of financial asset not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial asset carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial asset is measured at:

i) fair value {either through other comprehensive income (FVOCI) or through profit or loss (FVPL)} or,

ii) amortised cost.

Equity instruments :

The Company measures all investments in equity instruments other than subsidiary companies, associates companies and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 1 Significant accounting policies (continued)

Investments in subsidiary companies, associate companies and joint venture company:

Investments in subsidiary companies, associate companies and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

b) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

c) Derecognition:

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, the asset expires or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised through Statement of Profit and Loss or other comprehensive income as applicable. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

d) Financial liabilities:

i) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

iv) Derecognition:

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

3 Property, plant and equipment:

Items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on the written down value method (except leasehold land) to allocate the cost of assets, net of their residual values, over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Amortisation on leasehold land has been provided on the straight line method over the term of lease.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 1 Significant accounting policies (continued)

Depreciation is calculated on a pro-rata basis from the date of acquisition | installation till the date the assets are sold or disposed of:

Asset category	Useful life in years
Land (Leasehold)	Over the lease term i.e. 964 years
Office Equipment	5
Computer and hardware	3

Capital work in progress

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

Commencement of Depreciation related to property, plant and equipment classified as Capital work in progress (CWIP) involves determining when the assets are available for their intended use. The criteria used to determine whether CWIP are available for their intended use involves subjective judgments and assumptions about the conditions necessary for the assets to be capable of operating in the intended manner.”

4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as Lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and Furnitures. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) control the use of an identified asset,
- (b) obtain substantially all the economic benefits from use of the identified asset, and
- (c) direct the use of the identified asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. This expense is presented within ‘other expenses’ in statement of profit and loss.

Lease Liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate

Lease payments included in the measurement of the lease liability comprise:

- i) fixed lease payments (including in-substance fixed payments), less any lease incentives;
- ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- iii) the amount expected to be payable by the lessee under residual value guarantees;
- iv) lease payments in optional renewal periods, where exercise of extension options is reasonably certain, and
- v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 1 Significant accounting policies (continued)

The lease liability is presented as a separate line in the Balance Sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease Liability payments are classified as cash used in financing activities in Statement of cash flows

The Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever

- i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right-of-Use Assets:

The Company recognises right-of-use asset at the commencement date of the respective lease. Right-of-use asset are stated at cost less accumulated depreciation. Upon initial recognition, cost comprises of:

- i) the initial lease liability amount,
- ii) initial direct costs incurred when entering into the lease,
- iii) (lease) payments before commencement date of the respective lease, and
- iii) an estimate of costs to dismantle and remove the underlying asset,
- iii) less any lease incentives received.

Prepaid lease payments (including the difference between nominal amount of the deposit and the fair value) are also included in the initial carrying amount of the right of use asset.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related Right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Right-of-use assets are presented as a separate line in the Balance Sheet. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

The Company incurs obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease. The Company has assessed that such restoration costs are negligible and hence no provision under Ind-AS 37 has been recognised.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the Right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit and loss.

5 Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 1 Significant accounting policies (continued)

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, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

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

6 Revenue recognition:

a) Revenue from contracts with customers:

Revenue from services is recognised upon completion of services in accordance with the terms of the contract.

The Company earns revenue primarily by providing healthcare services and sale of pharmaceutical products. The Company is yet to commence its operations as Hospital building construction is under process.

b) Other revenue:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

7 Employee benefits:

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. Termination benefits are recognised as an expense as and when incurred.

a) Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

b) Defined benefit plan:

Gratuity:

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is unfunded. Liability for above defined benefit plan is provided on accrual basis based on the Management's estimates.

c) Short-term leave encashment:

The Liability for Compensated Absences is provided on accrual basis based on the Management's estimates.

8 Provisions and contingent liabilities:

Provisions:

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

9 Taxation:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 1 Significant accounting policies (continued)

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

10 Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

11 Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 2 Property, plant and equipment and capital work-in-progress

(₹ in lakhs)

Particulars	Right-of-use leasehold land ¹	Office Equipment	Computer	Total	Capital work-in-progress ²
As at April 01, 2021	300.25	-	-	300.25	2.92
Additions	-	-	0.41	0.41	1,042.44
Other adjustments	-	-	-	-	-
Disposal, transfer and adjustments	-	-	-	-	-
As at March 31, 2022	300.25	-	0.41	300.66	1,045.36
Additions	-	0.38	1.02	1.40	1,413.74
Disposal, transfer and adjustments	-	-	-	-	-
As at March 31, 2023	300.25	0.38	1.43	302.06	2,459.10
Depreciation Amortisation					
Up to April 01, 2021	0.22	-	-	0.22	-
For the year	0.31	-	0.05	0.36	-
Up to March 31, 2022	0.53	-	0.05	0.58	-
For the year	0.31	0.05	0.33	0.69	-
As at March 31, 2023	0.84	0.05	0.38	1.27	-
Net carrying amount					
As at April 01, 2021	300.03	-	-	300.03	2.92
As at March 31, 2022	299.72	-	0.36	300.08	1,045.36
As at March 31, 2023	299.41	0.33	1.05	300.79	2,459.10

Notes:

- ¹The Company has taken on lease a parcel of land from Dastoor Medichem Pvt Ltd for a period of 964 years on which hospital building construction has been planned and in progress. It has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land.
- ²Capital work-in-progress mainly comprises addition projects in progress.
- The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.
- The Company has not revalued any of its property plant and equipment during the current year as well as during the previous year.
- Refer Note 18.1 for disclosure of contractual commitment for acquisition of property, plant and equipment.
- Refer Note No 9 for disclosure of Securities pledged.

Capital-work-in progress ageing as at March 31, 2023

(₹ in lakhs)

Particulars	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,413.74	1,042.44	2.92	-	2,459.10

Capital-work-in progress ageing as at March 31, 2022

(₹ in lakhs)

Particulars	As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,042.44	2.92	-	-	1,045.36

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 3 Other financial assets		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Current	Non-current	Current	Non-current	Current	Non-current
a)	Security deposits	-	0.81	-	0.50	-	-
		-	0.81	-	0.50	-	-

(₹ in lakhs)

Note 4 Other assets		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Current	Non-current	Current	Non-current	Current	Non-current
a)	Capital advances	-	4.05	-	22.38	-	0.05
b)	Prepaid expenses	0.17	-	-	-	-	-
		0.17	4.05	-	22.38	-	0.05

(₹ in lakhs)

Note 5 Cash and cash equivalents		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		a)	Balances with banks in current accounts		833.29		100.54
			833.29		100.54		178.11

There are no repatriations restrictions with regard to cash and cash equivalents.

(₹ in lakhs)

Note 6 Bank balances		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		a)	Term Deposits with maturity less than 12 months		1.01		-
			1.01		-		-

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 7 Equity share capital		As at		As at		As at	
		March 31, 2023		March 31, 2022		April 01, 2021	
		Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
a)	Authorised						
	Equity shares of ₹ 100/- each	27,00,000	2,700.00	15,00,000	1,500.00	5,00,000	500.00
			2,700.00		1,500.00		500.00
b)	Issued						
	Equity shares of ₹ 100/- each	27,00,000	2,700.00	13,50,000	1,350.00	4,58,700	458.70
			2,700.00		1,350.00		458.70
c)	Subscribed						
	Equity shares of ₹ 100/- each	27,00,000	2,700.00	10,19,800	1,019.80	4,85,700	485.70
d)	Partly paid up						
	Equity shares of ₹ 25/- each	-	-	3,30,200	82.55	-	-
		27,00,000	2,700.00	13,50,000	1,102.35	4,85,700	485.70

- a) Rights, preferences and restrictions:
The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is declared by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

- b) Movement in equity share capital

(₹ in lakhs)

Particulars	Number of shares	Equity share capital
As at April 01, 2021	4,85,700	485.70
Add : Share issued fully paid up	5,34,100	534.10
Add : Share issued partly paid up	3,30,200	82.55
As at March 31, 2022	13,50,000	1,102.35
Add : Share issued fully paid up	13,50,000	1,350.00
Add : Proceeds from partly paid up shares	-	247.65
As at March 31, 2023	27,00,000	2,700.00

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

c) Details of shareholders holding more than 5% of equity shares:

No	Name of the shareholder	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Holding %	Number of shares	Holding %	Number of shares	Holding %	Number of shares
1	Atul Healthcare Ltd	50.00%	13,50,000	0.00%	-	0.00%	-
2	Sandeep Desai	7.67%	2,07,000	13.37%	1,80,500	18.74%	91,000
3	Nitin Chunilal Mehta	7.20%	1,94,400	14.40%	1,94,400	0.00%	-
4	Hitendrasinh Padhiyar	7.00%	1,89,000	12.83%	1,73,250	15.44%	75,000
5	Anil Patel	0.00%	-	8.00%	1,08,000	0.00%	-
6	Parth Solanki	0.00%	-	0.00%	-	18.53%	90,000
7	Aditi Desai	0.00%	-	0.00%	-	6.28%	30,500
8	Urmilaben Solanki	0.00%	-	0.00%	-	5.15%	25,000
9	Bhaumik Thakor	0.00%	-	0.00%	-	5.19%	25,200
10	Nirav Desai	0.00%	-	9.93%	1,34,000	27.59%	1,34,000

d) Shareholding of Promoters:

No.	Promoter name	As at March 31, 2023			As at March 31, 2022			As at April 01, 2021		
		Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1.	Atul Healthcare Ltd (w.e.f 18-Oct-22)	13,50,000	50.00%	0.00%	-	0.00%	0.00%	-	0.00%	-
2.	Sandeep Desai	2,07,000	7.67%	14.68%	1,80,500	13.37%	98.35%	91,000	18.74%	100%
3.	Aditi Desai	31,000	1.15%	0.00%	31,000	2.30%	1.64%	30,500	6.28%	100%
4.	Rahul Desai	5,000	0.19%	0.00%	5,000	0.37%	0.00%	5,000	1.03%	100%

(₹ in lakhs)

Note 8 Other equity		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a)	Securities premium	890.91	-	-
	Balance as at the beginning of the year	-	-	-
	Add: Securities Premium on issue of share	900.05	-	-
	Less: Share issue expenses	(9.14)	-	-
	Balance as at the end of the year	890.91	-	-
b)	Retained earnings	(62.79)	(34.19)	(10.49)
	Balance as at the beginning of the year	(34.19)	(10.49)	-
	Add: Profit for the year	(28.60)	(23.70)	(10.49)
	Balance as at the end of the year	(62.79)	(34.19)	(10.49)
		828.12	(34.19)	(10.49)

Nature and Purpose of other reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, any transfers from or to OCI, dividends or other distributions paid to shareholders.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 9 Borrowings	Maturity	Terms of repayment	Interest Rate p.a	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
				Current	Non-current	Current	Non-current	Current	Non-current
a)	Secured								
	Rupee Term Loan from banks	April, 2034	96 equal monthly installment to commence after 24 months from April, 2024	7.50%	-	5.67	-	-	-
b)	Unsecured								
	Loan from related parties *	October, 2022	0-180 days	12.00%	-	-	350.00	-	-
					-	5.67	350.00	-	-

a) Security details:

The loan is secured by hypothecation of entire current assets and charge on Companies movable and immovable assets (including land situated at blocksurvey no. 644 [old survey no. 13626] near sugar mill NH no. 48 village Pradi Parnera , Dist Valsad, Gujarat -396001) both present and future on exclusive basis.

b) There is no breach of loan covenants as at March 31, 2023 and March 31, 2022

c) The Company has used the borrowings from banks and financial institutions for the purpose for which it was taken as at March 31, 2023

d) The registration for creation of charge | hypothecation with Registrar of Companies is under process.

e) The company was not required to submit Quarterly statement of current assets to the bank during the year as the loan was sanctioned on 20-Mar-23.

f) The carrying amount of assets hypothecated | mortgaged as security for borrowing limits are :

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
a) Lease hold land	299.41	-	-
b) Property, plant & equipments including capital work in progress	2,460.48	-	-
c) Current assets other than inventories and trade receivables	834.47	-	-
	3,594.36	-	-

g) Net debt reconciliation :

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Net debt as at the beginning of the year	-	-	-
(Repayment) Disbursement	5.67	-	-
Interest expense	-	-	-
Interest paid	-	-	-
Net debt as at the end of the year	5.67	-	-

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 10 Provisions		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Current	Non-current	Current	Non-current	Current	Non-current
a)	Provision for leave entitlement	0.06	-	-	-	-	-
		0.06	-	-	-	-	-

(₹ in lakhs)

Note 11 Trade payables		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		a)	Total outstanding dues of micro enterprises and small enterprises	-	-	0.08	-
b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	i) Related party (refer note xx.iii)	-	-	-	-	-	-
	ii) Others	58.18	58.18	24.69	24.77	0.60	0.87
		58.18	58.18	24.77	24.77	0.60	0.87

Trade payables ageing

(₹ in lakhs)

No.	Particulars	As at March 31, 2023					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a)	MSME	-	-	-	-	-	-
b)	Others	57.73	0.45	-	-	-	58.18
		57.73	0.45	-	-	-	58.18

(₹ in lakhs)

No.	Particulars	As at March 31, 2022					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a)	MSME	0.08	-	-	-	-	0.08
b)	Others	24.69	-	-	-	-	24.69
		24.77	-	-	-	-	24.77

(₹ in lakhs)

No.	Particulars	As at April 01, 2021					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
a)	MSME	-	0.27	-	-	-	0.27
b)	Others	-	0.60	-	-	-	0.60
		-	0.87	-	-	-	0.87

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 12 Other financial liabilities		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
		Current	Non-current	Current	Non-current	Current	Non-current
a)	Employee benefits obligation	1.87	0.20	0.11	-	0.08	-
b)	Creditors for capital goods	4.87	-	15.17	-	-	-
		6.74	0.20	15.28	-	0.08	-

(₹ in lakhs)

Note 13 Other current liabilities		As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
a)	Statutory dues (net)		0.67		1.10		0.06
			0.67		1.10		0.06

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

(₹ in lakhs)

Note 14 Other income	2022-23	2021-22
Interest from others	0.02	-
	0.02	-

(₹ in lakhs)

Note 15 Employee benefit expenses	2022-23	2021-22
Salaries, wages and bonus	4.88	1.33
Contribution to Provident and other funds	0.17	-
	5.05	1.33

(₹ in lakhs)

Note 16 Finance costs	2022-23	2021-22
Interest on others	0.05	0.07
	0.05	0.07

(₹ in lakhs)

Note 17 Other expenses	2022-23	2021-22
Payments to the Statutory Auditors		
a) Audit fees	0.76	0.51
b) Other matters	8.75	5.75
c) Out of pocket expenses	-	-
Directors' fees	0.65	-
Manpower services	1.44	-
Bad debts and irrecoverable balances written off	-	0.04
Legal and professional fees	3.95	1.50
Miscellaneous expenses	7.32	14.10
	22.87	21.90

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 18.1 Commitments

a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	(₹ in lakhs)		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Estimated amount of contracts remaining to be executed and not provided for (net of advances):			
Property, plant and equipment	1,565.78	2,522.53	-

Note 18.2 Earning per share

Earning per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		(₹ in lakhs)	
		2022-23	2021-22
Profit for the year attributable to the equity shareholders	₹ in lakhs	(28.60)	(23.72)
Basic Weighted average number of	Number	19,60,274	6,60,224
Nominal value of equity share (₹) of equity share	₹	100.00	100.00
Basic and diluted Earning per equity share	₹	(1.46)	(3.59)

Note 18.3 Related party disclosures

Note 18.3 (A) Related party information

Name of the related party and description of relationship:

No	Name of the related party	Description of relationship
	Party where control exists	
1	Atul Healthcare Ltd	Holding Company (w.e.f 18-Oct-22)
2	None	Subsidiary Companies
	Key Management Personnel (KMP)	
3	Sandeep Desai	Director
4	Hitendrasinh Padhiyar	Director
5	Dhananjay Thakorbbhai Desai	Director (w.e.f 14-Nov-22)
6	Pramod Hari Lele	Director (w.e.f 04-Oct-22)
7	Sunil Sumant Joshi	Director (w.e.f 04-Oct-22)
8	Ajitsingh Mohindersingh Batra	Director (w.e.f 04-Oct-22)
9	Sunil Kanubhai Choksi	Director
10	Nishtha Sunilbhai Labhai	Director (w.e.f 04-Oct-22)
11	Aditi Sandeep Desai	Chief Executive Officer (w.e.f 16-Jan-23)
	Parties under common control with whom transactions have taken place during the year	
13	Atul Ltd	Holding Company of Atul Healthcare Ltd

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Details of Related Party Transactions during the year ended March 2023

(₹ in lakhs)

Note 18.3 (B) Transactions with KMP		2022-23	2021-22
	Salary to		
1	Aditi Sandeep Desai	4.88	-
	Reimbursement of Expenses		
2	Aditi Sandeep Desai	0.72	-
	Director sitting fees		
3	Pramod Hari Lele	0.60	-
	Investment made in equity shares		
4	Sandeep Desai	1.50	86.13
5	Aditi Desai	-	0.13
6	Hitendrasinh Padhiyar	26.25	71.06
7	Aditi Desai	0.38	-
8	Dhananjay Thakorbhai Desai	20.25	-
9	Sunil Choksi	-	22.00
	Calls in Advance		
10	Sandeep Desai	-	1.75
11	Hitendrasinh Padhiyar	-	0.94

(₹ in lakhs)

Note 18.3 (C) Transactions with Parties under common control		2022-23	2021-22
1	Reimbursement of Expense		
	Atul Ltd	0.02	-

(₹ in lakhs)

Note 18.3 (D) Transactions with Holding Company		2022-23	2021-22
1	Investment made in equity shares		
	Atul Healthcare Ltd	2,250.05	-

Note 18.3 (E) Outstanding balances as at year end

(₹ in lakhs)

Name		2022-23	2021-22	2020-21
	Payables			
1	Aditi Desai	0.72	-	-
2	Atul Ltd	0.02	-	-
		-	-	-

- i) There are no provisions for doubtful debts or amounts written back in respect of debts due to or due from related parties.
- ii) Related party relationship is as identified by the Company and relied upon by the Auditors.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 18.4 Segment information

The Company has one primary business segment viz. providing of healthcare services.

Note 18.5 Current and Deferred tax

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

a) Income tax expense

Particulars	(₹ in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	0.02	-
Total current tax expense	0.02	-
Deferred tax		
(Decrease) increase in deferred tax liabilities	(0.00)	0.01
Decrease (increase) in deferred tax assets	(0.06)	0.05
Total deferred tax expense (benefit)	(0.06)	0.06
Income tax expense	(0.04)	0.06

b) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Statutory income tax rate	25.17%	25.17%	26.00%
Effective income tax rate	25.17%	25.17%	26.00%

c) Current tax assets

Particulars	(₹ in lakhs)		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance	0.30	-	-
Less: Refund received	(0.30)	-	-
Add: Taxes paid	0.30	0.30	-
Closing balance	0.30	0.30	-

d) Current tax liabilities

Particulars	(₹ in lakhs)		
	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance	-	-	-
Add: Current tax payable for the year	0.02	-	-
Less: Taxes paid	(0.02)	-	-
Closing balance	-	-	-

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

e) Deferred tax assets

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

(₹ in lakhs)

Particulars	As at March 31, 2023	Charged (Credited) to profit or loss	As at March 31, 2022	Charged (Credited) to profit or loss	As at April 01, 2021
Property, plant and equipment	0.00	(0.00)	0.01	0.01	-
Total deferred tax liabilities	0.00	(0.00)	0.01	0.01	-
Provision for Employee benefits	(0.10)	(0.10)	-	-	-
Pre-operative Expenses	(0.00)	0.00	(0.01)	(0.01)	-
Preliminary expenses	(0.02)	0.04	(0.06)	0.05	(0.11)
Total deferred tax assets	(0.12)	(0.06)	(0.07)	0.05	(0.11)
Net deferred tax liabilities (assets)	(0.12)	(0.06)	(0.06)	0.06	(0.11)

Note 18.6 Micro, Small and Medium Enterprises Development

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Principal Amount due and remaining unpaid	-	0.08	0.27
Interest due on above and the unpaid interest	-	-	-
Interest paid reversed during the year	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 18.7 Employee benefit obligations

a) **Defined benefit plans:**

Gratuity (unfunded)

Amount of ₹ 0.06 lakhs (March 31, 2022: ₹ NIL) is recognised as expense and included in the Note 15 'Contribution to Provident and other funds'.

b) **Defined contribution plans:**

Provident fund:

Amount of ₹ 0.11 lakhs (March 31, 2022: ₹ NIL) is recognised as expense and included in the Note 15 'Contribution to Provident and other funds'.

Compensated absences:

Amount of ₹ 0.6 lakhs (March 31, 2022: ₹ NIL) is recognised as expense and included in the Note 15 'Salaries, wages and bonus'.

Note 18.8 Capital management

The primary objective of capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. It determines the capital requirement based on project plan and annual operating plans. The funding requirements are met through equity and debt.

Note 18.9 Other statutory information (required by schedule III to the Companies ACT, 2013)

- a) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- c) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 18.9 Other statutory information (required by schedule III to the Companies ACT, 2013) (continued)

- f) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- g) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.
- h) The Company has not yet commenced operations and is at the stage of construction of Hospital building, and therefore disclosures of ratios are not applicable

Note 18.10 Rounding off

Figure less than ₹ 500 have been shown as '0.00' in the relevant notes in these Financial Statement.

Note 18.11 Transition to Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2023, the comparative information presented in these Financial Statements for the year ended March 31, 2022 and in the preparation of an opening Ind AS Balance Sheet at April 01, 2021 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (IGAAP). An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company is set out in the following tables and notes.

A) Exemptions and exceptions availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 01, 2021 and the Financial Statements as at and for the year ended March 31, 2022. The Company does not have any adjustments wherein exemptions and exceptions have been availed to restating its IGAAP Financial Statements, including the Balance Sheet as at April 01, 2021 and the Financial Statements as at and for the year ended March 31, 2022.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

B) Reconciliations between IGAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

a) Reconciliation of equity as at March 31, 2022 and April 01, 2021

(₹ in lakhs)

Particulars	Notes to first time adoption	As at March 31, 2022			As at April 01, 2021		
		Regrouped IGAAP*	Adjustments	Ind AS	Regrouped IGAAP*	Adjustments	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	a	300.38	0.31	300.07	300.25	0.22	300.03
Capital work-in-progress		1,045.36	-	1,045.36	2.92	-	2.92
Financial assets							
i) Other financial assets		0.50	-	0.50	-	-	-
Deferred tax assets (net)		0.06	-	0.06	0.11	-	0.11
Income tax assets (net)		0.30	-	0.30	-	-	-
Other non-current assets		22.40	-	22.40	0.05	-	0.05
Total non-current assets		1,368.99	0.31	1,368.68	303.33	0.22	303.11
Current assets							
Financial assets							
i) Cash and cash equivalents		100.54	-	100.54	178.11	-	178.11
Total current assets		100.54	-	100.54	178.11	-	178.11
Total assets		1,469.53	0.31	1,469.22	481.44	0.22	481.22
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,102.35	-	1,102.35	485.70	-	485.70
Other equity	b	(23.95)	0.31	(24.27)	(5.27)	0.22	(5.49)
Total equity		1,078.40	0.31	1,078.08	480.43	0.22	480.21
Current liabilities							
Financial liabilities							
i) Borrowings		350.00	-	350.00	-	-	-
ii) Trade payables		24.77	-	24.77	0.87	-	0.87
iii) Other financial liabilities		15.28	-	15.28	0.08	-	0.08
Other current liabilities		1.09	-	1.09	0.06	-	0.06
Total current liabilities		391.14	-	391.14	1.01	-	1.01
Total liabilities		391.14	-	391.14	1.01	-	1.01
Total equity and liabilities		1,469.53	0.31	1,469.22	481.44	0.22	481.22

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this Note.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

b) Reconciliation of total comprehensive income for the year ended March 31, 2022

	Notes to first time adoption	Regrouped IGAAP*	Adjustments	(₹ in lakhs) Ind AS
Revenue from operations		-	-	-
Other income		-	-	-
Total income		-	-	-
Employee benefit expenses		1.33	-	1.33
Finance costs		0.07	-	0.07
Depreciation and amortisation Expenses	a	0.05	0.31	0.36
Other expenses		21.90	-	21.90
Total expenses		23.35	0.31	23.66
Profit (Loss) before tax		(23.35)	(0.31)	(23.66)
Tax expense				
Current tax		-	-	-
Deferred tax		0.06	-	0.06
Total tax expense		0.06	-	0.06
Profit (Loss) for the year		(23.40)	(0.31)	(23.72)
Other comprehensive income		-	-	-
Total comprehensive income for the year		(23.40)	(0.31)	(23.72)

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this Note.

c) Impact of Ind AS adoption on the Standalone Statements of Cash Flows for the year ended March 31, 2022

The transition from Indian GAAP to Ind AS has not had a material impact on the Statement of Cash Flows.

B) Notes to the reconciliations

a) Leases

Under IGAAP, leasehold land was accounted under AS 10 - 'Accounting for fixed assets'. Under Ind AS, leasehold land is to be evaluated for operating or a finance lease as per the definition and classification criteria under Ind AS 17.

Accordingly, leasehold land for 964 years have been identified and amortised over the life of the lease.

b) Retained earnings

Retained earnings as at April 01, 2021 has been adjusted consequent to the above Ind AS transition adjustments.

Valsad Institute of Medical Sciences Ltd

Notes to the Financial Statements

Note 18.12 Authorisation for issue of the Financial Statements

The Financial Statements were authorised for issue by the Board of Directors on April __, 2023.

In terms of our report attached

For Akkad Mehta & CO LLP
Chartered Accountants
FRN: 100259W | W100384

For and on behalf of the Board of Directors

Shabbir Bhanpurawala
Partner
Membership No.188701

Chairman
Sandeep Desai
(DIN:02667533)

Director
Ajitsingh Batra
(DIN:02667533)

Mumbai

Valsad