

# ANNUAL REPORT

2023-2024



**SANGANI HOSPITALS LIMITED**



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**CORPORATE INFORMATION****BOARD OF DIRECTORS**

<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Ajaykumar Natavarlal Sangani	Chairman cum Managing Director
2	Mr. Rajeshkumar Natvarlal Sangani	Whole Time Director
3	Mr. Kamalkumar Natavarlal Sangani	Whole Time Director
4	Ms. Vaishali Sangani	Executive Director
5	Mr. Vishal Gourishankar Joshi	Non-executive Independent Director
6	Mr. Jagdishbhai Ukabhai Yadav	Non-executive Independent Director
7	Mr. Dharmesh Jaysukhlal Vithalani	Non-executive Independent Director
8	Mr. Shailesh Maganlal Bhimani	Non-executive Independent Director

**KEY MANAGERIAL PERSONNEL**

<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Ajaykumar Natavarlal Sangani	Managing Director
2	Mr. Rajeshkumar Natvarlal Sangani	Whole Time Director
3	Mr. Kamalkumar Natavarlal Sangani	Whole Time Director
4	Mrs. Chandni Sangani	Chief Financial Officer
5	Mr. Gaurav Patadia	Company Secretary & Compliance Officer

**AUDIT COMMITTEE**

<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Vishal Joshi	Chairman
2	Mr. Jagdishbhai Yadav	Member
3	Mr. Kamalkumar Sangani	Member

**NOMINATION & REMUNERATION COMMITTEE**

<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Dharmesh Vithalani	Chairman
2	Mr. Jagdishbhai Yadav	Member
3	Mr. Vishal Joshi	Member

**STAKEHOLDER'S RELATIONSHIP COMMITTEE**

<b>No.</b>	<b>Name</b>	<b>Designation</b>
1	Mr. Dharmesh Vithalani	Chairman
2	Mr. Ajaykumar Sangani	Member
3	Mr. Rajeshkumar Sangani	Member

**IMPORTANT CORPORATE INFORMATION**

<b>STATUTORY AUDITOR</b>	M/s. Kumbhat & Company Chartered Accountants
<b>SECRETARIAL AUDITOR</b>	M/s. K P Ghelani & Associates Practising Company Secretaries
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	Bigshare Services Private Limited Category I Registrar to Issue & Share Transfer Agents
<b>REGISTERED OFFICE</b>	Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh - 362220. Gujarat, India.
<b>CIN</b>	U85300GJ2021PLC127189
<b>Website</b>	<a href="http://www.sanganihospitals.com">www.sanganihospitals.com</a>
<b>Listed on</b>	NSE EMERGE PLATFORM (National Stock exchange of India Limited)
<b>3<sup>RD</sup> ANNUAL GENERAL MEETING</b>	Day: Saturday Date: 28 <sup>th</sup> September, 2024 Time: 1:30 p.m. Venue: Sangani Hospitals Limited, Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh - 362220. Gujarat, India

**MOMENTS OF LISTING CEREMONY:**

The Company came up with the Initial Public Offer (IPO) for 37,92,000 Equity Shares at issue price of Rs. 40/- per Equity Share with your valuable support and faith on Sangani Hospitals Limited. The IPO was oversubscribed by 4.36 times and successfully listed on NSE Emerge Platform on August 17, 2024.





**From the Desk of Chairman**

Dear Stakeholders,

I hope this message finds you well. As the Chairman of your esteemed organization, I am delighted to address you and share some important insights regarding our journey and future plans.

First and foremost, I want to express my sincere gratitude for your continued support and trust in our company. Your commitment as stakeholders has been instrumental in our success, and I assure you that we remain fully dedicated to maximizing value for all involved.

Last one year has been very eventful for the company, wherein we got it listed on NSE Emerge platform. The listing has been very encouraging and we got good response to our Initial Public Offer and it was oversubscribed by around 4.36 times. It continues and we are writing a new chapter of growth every year, while this year may be regarded as a marvellous start to a new journey. In a domain full of volatility, indecision, intricacy and abstruseness, these triumphs are indeed commendable.

We once again thank all the subscribers and shareholders for this overwhelming success.

We are pleased to inform you that Company has been able to successfully face the challenges appropriately and register respectable growth. The growth of the Company is essentially because of faith by all stakeholders including customers, suppliers, bankers, employees and the shareholders.

As the numbers are satisfactory for the current financial year in line with our performance in the past, at the same time it gives bigger responsibility to perform equally good in the forthcoming financial years also. And we wish to ensure you that the team is ready to undertake the challenge and we expect to produce similarly impressive results in the coming years also.

With best wishes,

Dr. Rajeshkumar Sangani  
Chairman & Whole time Director



**NOTICE**

Notice is hereby given that the Third Annual General Meeting of the members of Sangani Hospitals Limited will be held on Saturday, September 28, 2024 at 1.30 p.m. at Registered office of the Company at the Registered Office of the Company at Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh - 362220. Gujarat, India to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Consolidated and standalone Audited Financial Statements for the financial year ended March 31, 2024 and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Vaishali Sangani (DIN- 09437754) who retires by rotation, and being eligible, offers herself for re-appointment.

By Order of the Board of Directors  
**For SANGANI HOSPITALS LIMITED**

Sd/-  
Rajeshkumar Sangani  
Chairman  
DIN: 09394928

Place: Keshod

Date: September 2, 2024

**NOTES:**

(a) The Statement pursuant to Section 102 of the Companies Act, 2013 (Act), in respect of the business as set out in the Notice is annexed hereto.

**(b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members, not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company, carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy forms should be lodged with the Company at its Registered Office at least 48 hours before commencement of the meeting.

(c) With reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB as per SEBI (ICDR) Regulations, 2009 are exempted from e-voting provisions. Your Company is listed on the SME platform of NSE. Therefore, Company is not providing an e-voting facility to its shareholders.

(d) The requirement to place the matter relating to appointment of auditor of ratification by members at every AGM has been done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of Statutory Auditor.

(e) Members are requested to intimate all changes pertaining to their bank details, ECS mandates Nominations, Power of Attorney, Change of Address/name etc. to their Depository Participant only and not to the Company or Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's



records which will help the Company and the Registrar & Transfer Agent to provide efficient service to the members.

(f) Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.

(g) As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or /transposition of shares. Members holding shares in dematerialized mode are requested to submit PAN details to their Depository Participant whereas Members holding shares in physical form are requested to submit their PAN details to the Company's Registrar & Transfer Agent.

(h) Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar & Transfer Agents of the Company, in the prescribed Form SH 13 for this purpose.

(i) The instrument of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.

(j) Members/Proxy holder/Authorised Representative are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Notice to attend the Meeting.

(k) In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.

(l) The Board of Directors has appointed M/s. K P Ghelani & Associates, Company Secretary in Practice (CP No.: 12468) as Scrutinizer for conducting the voting process in a fair and transparent manner.

(m) Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. Physical copy of notice will be sent after receiving request from the members in writing to the Company on email id – [cs@sanganihospitals.com](mailto:cs@sanganihospitals.com). Members may note that this Notice will also be available on the Company's website i.e. [www.sanganihospitals.com](http://www.sanganihospitals.com)

(n) The route map showing directions to reach the venue of the AGM is annexed and forms part of the Notice.





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:**

**ITEM NO. 2**

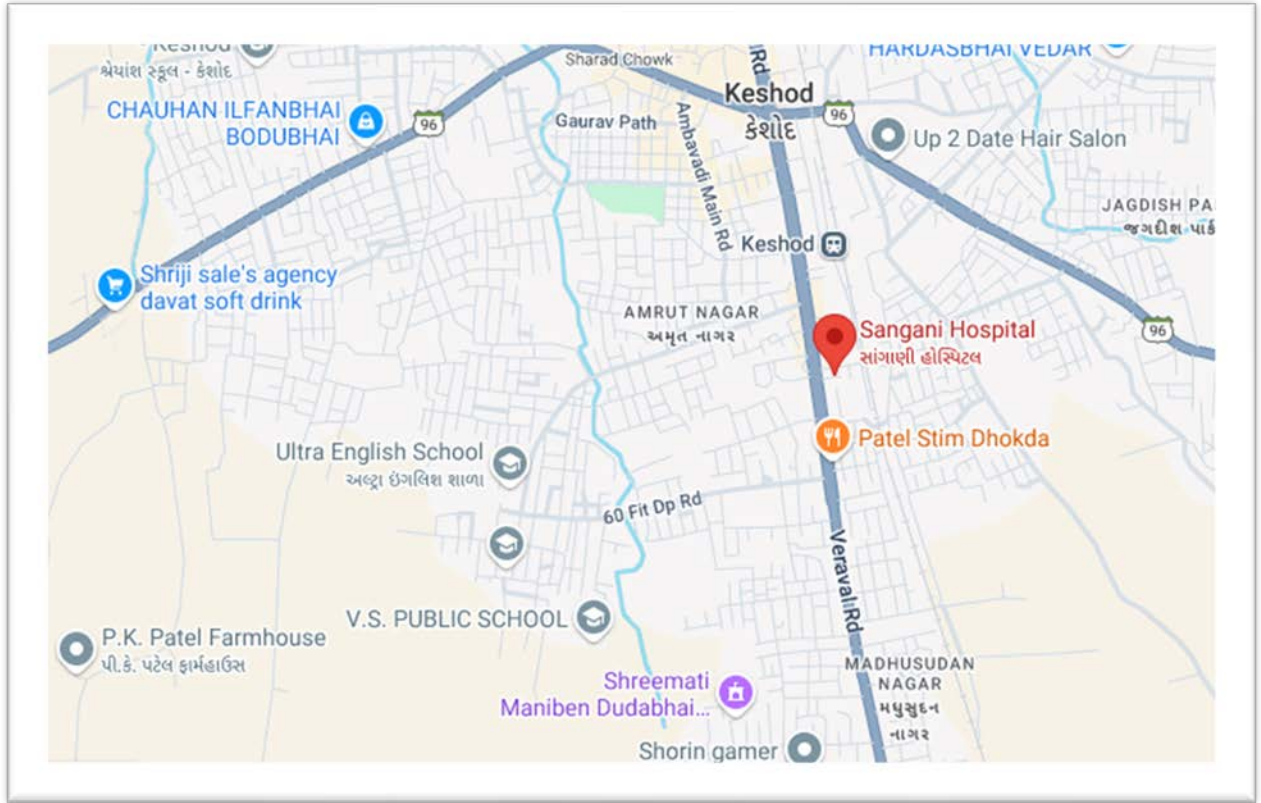
Details of the directors seeking appointment/ re-appointment, pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2.

Particulars	Retire by rotation
Name of the Director	Mrs. Vaishali Sangani
Designation	Executive Director
Director Identification Number (DIN)	09437754
Date of Birth	October 08, 1979
Nationality	Indian
Date of Appointment on Board	April 29, 2023
Qualification	She holds a Bachelor of Medicine and Bachelor of Surgery (MBBS) degree, as well as a Doctor of Medicine (MD) degree in Obstetrics and Gynaecology
Shareholding in the Company	10,000 Equity Shares
Experience	Dr. Vaishali Sangani, our Executive Director, has over 13 years of experience as an M.D. in Obstetrics and Gynaecology, practicing at Sangani Hospital in Keshod. A dedicated member of the Federation of Obstetric and Gynecological Societies of India (FOGSI), she has also been recognized for her exceptional service to patients during the COVID-19 pandemic at Wockhardt Hospital, Rajkot.
List of Directorship in other companies	Nil
Relationship between Directors interse	Mr. Rajeshkumar Sangani is husband of Mrs. Vaishali Sangani
Terms and conditions of re-appointment	Liable to retire by rotation

By Order of the Board of Directors  
**For SANGANI HOSPITALS LIMITED**  
Sd/-  
**Rajeshkumar Sangani**  
**Chairman**  
DIN: 09394928

Place: Keshod  
Date: September 2, 2024

**ROUTE MAP TO THE AGM VENUE**



**Venue:**

Sangani Hospitals Limited  
3<sup>rd</sup> Floor, Sainath Society, Opp. S. T., KSD T,  
Village - Keshod, Taluka - Keshod,  
Junagadh - 362220. Gujarat, India.



**ATTENDANCE SLIP**

(To be presented at the entrance)

**THIRD ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 28, 2024 AT 1.30 P.M. IST**  
at, Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh – 362220, Gujarat, India

I hereby record my presence at the Third Annual General Meeting of the Company held on Saturday, September 28, 2024 at 1.30 p.m. at the Registered Office of the Company at Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh – 362220, Gujarat, India.

Folio No.	DP ID No.	Client ID No.	Name of the Member

Signature: \_\_\_\_\_

Name of the Proxyholder/ Authorised Representative \_\_\_\_\_

Signature: \_\_\_\_\_

1. Only Member/Proxyholder/Authorised Representative can attend the Meeting.
2. Member/Proxyholder/Authorised Representative should bring his/her copy of the Notice of the EGM for reference at the Meeting.

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**PROXY FORM**  
**Form MGT 11**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No:	

I/We, being the member(s) of \_\_\_\_\_ Equity Shares of Sangani Hospitals Limited, hereby appoint:

1. Name: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Third Annual General Meeting on Saturday, September 28, 2024 at 1.30 p.m. at Registered office of the Company at Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh - 362220, Gujarat, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolution	For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Consolidated and standalone Audited Financial Statements for the financial year ended March 31, 2024 and the Reports of Directors' and Auditors' thereon.		
2	To appoint a director in place of Mrs. Vaishali Sangani (DIN-09437754) who retires by rotation, and being eligible, offers herself for re-appointment.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

**NOTES:**

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at the Registered office of the Company at Sainath Society, Opp. S. T., KSD T, Village - Keshod, Taluka - Keshod, Junagadh - 362220. Gujarat, not less than 48 hours before the commencement of the Meeting.
2. \*\*This is only optional. Please put a '√' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the resolution, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing proxy does not prevent a member from attending in person if he so wishes.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**DIRECTORS' REPORT**

To  
The Members,  
**SANGANI HOSPITALS LIMITED**

Your Directors have pleasure in presenting the Third Annual Report of the Company together with the Audited Financial Statement(s) of the Company for the year ended March 31, 2024.

**1. Financial Summary and Highlights:**

Rupees in lakhs

Particulars	Consolidated		Standalone	
	2023- 2024	2022- 2023	2023- 2024	2022- 2023
<b>Gross Income</b>	<b>1652.01</b>	<b>1576.24</b>	<b>1305.09</b>	<b>1174.97</b>
Purchases of Stock in trade	571.24	595.39	263.40	237.22
Increase/Decrease in Stock	(19.00)	29.65	(22.51)	(5.77)
Employee Benefit Expense	320.41	315.62	316.86	312.06
Finance Cost	-	2.96	-	-
Depreciation	28.51	110.04	28.40	106.88
Other Expenses	387.56	321.02	382.73	319.94
<b>Total Expenditure</b>	<b>1288.73</b>	<b>1374.69</b>	<b>941.88</b>	<b>970.34</b>
<b>Profit before tax</b>	<b>363.29</b>	<b>201.56</b>	<b>363.22</b>	<b>204.63</b>
<b>Less:</b>				-
Current Tax	68.01	47.49	68.01	47.49
Excess/Short Provision for Tax	0.43	-	0.43	
Deferred Tax	25.16	2.47	25.16	3.99
<b>Profit after tax</b>	<b>269.69</b>	<b>148.37</b>	<b>269.61</b>	<b>153.15</b>
EPS	1.96	1.49	1.96	1.53

**Standalone:**

Sales and Other Income for the year ended March 31, 2024 amounted to Rs. 1,305.09 Lakhs as against Rs. 1,174.97 Lakhs in the previous Financial Year. Net Profit for the year under review was Rs. 269.61 Lakhs as against Rs. 153.15 Lakhs in the previous Financial Year.

**Consolidated:**

Pursuant to the provisions of section 129 and 134, 136 of the Companies Act, 2013 read with Rules made thereunder and pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, your Company had prepared consolidated financial statements of the Company and its subsidiary entity Ankur Distributors.

Sales and Other Income for the year ended March 31, 2024 amounted to Rs. 1,652.01 Lakhs as against Rs. 1,576.24 Lakhs in the previous Financial Year. Net Profit for the year under review was Rs. 269.69 Lakhs as against Rs. 148.37 Lakhs in the previous Financial Year.

The Company came up with Initial Public Issue of 37,92,000 Equity Shares of Face value of Rs. 10.00/- each for cash at a price of Rs. 40.00/- per equity share including a share premium of Rs. 30.00/- per equity share aggregating to Rs. 1,516.80 lakhs. The Company got listed on August 17, 2023 on EMERGE Platform of NSE Limited.



## 2. Change in the Nature of Business:

During the year there was no change in main business activity and adopted following main business activity.

## 3. Share Capital:

### Authorised Capital of the Company:

During the year under review, the Authorised Share Capital of the Company was increased from Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- each to Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each by creation of additional 1,00,00,000 (One Crore) Equity Shares of Rs.10/- and altered Share Capital Clause contained in the Memorandum of Association of the Company.

### Paid up Capital of the Company:

The paid-up Capital of the Company was Rs. 9,98,49,900/- divided into 99,84,990 Equity Shares of Rs. 10/- each. During the year Company had issued 37,92,000 Equity Shares of Rs.10/- each through Initial Public Offer.

## 4. Dividend:

The Directors have not recommended dividend on equity shares for the year under review.

## 5. Subsidiary Companies and Joint Venture:

Your Company has one Subsidiary Entity, namely "Ankur Distributors". The company had acquired 95% ownership of Ankur Distributors with effect from April 01, 2022 by way of Supplementary Partnership Deed dated January 01, 2022.

Pursuant to Section 129(3) of the Act and AS 110 issued by Institute of Chartered Accountants of India, consolidated financial statements presented by the Company include the financial statements of its subsidiaries.

Further, a separate statement containing the silent features of the financial statements of subsidiaries of the Company in the prescribed form AOC 1 has been disclosed in Annexure I.

The Financial Statements, as required, of the subsidiary entity shall be available on website of the Company at [www.snaganihospitals.com](http://www.snaganihospitals.com)

## 6. Policy on Directors' appointment and remuneration:

The Nomination and Remuneration Committee is entrusted with the responsibility of identifying and ascertaining the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommending their appointment for the consideration of the Board.

The Company has drawn up Nomination and Remuneration policy in line with the requirement of Section 178 of the Companies Act, 2013. The Policy *inter alia* provides that a person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position. Details of the policy are available on the Company's website [www.snaganihospitals.com](http://www.snaganihospitals.com).



## **7. Vigil Mechanism / Whistle Blower Policy:**

The Company has a Vigil Mechanism cum Whistle Blower Policy ('Vigil Mechanism') in place. The Vigil Mechanism is a system for providing a tool to the employees of the Company to report violation of personnel policies of the Company, unethical behaviour, suspected or actual fraud, violation of code of conduct. The Company is committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization.

The Policy provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Board of Directors affirm and confirm that no employee of the Company has been denied access to the Committee. Details of the Vigil Mechanism are available on the Company's website [www.snaganihospitals.com](http://www.snaganihospitals.com).

## **8. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace:**

The Company is committed to provide a healthy environment to all employees and thus does not tolerate any sexual harassment at workplace. The Company has in place, "Policy on Prevention, Prohibition and Redressal of Sexual Harassment." The policy aims to provide protection to employees at the workplace and preventing and redressing complaints of sexual harassment and it covers matters connected or incidental thereto.

The Company has not received any complaint of sexual harassment during the financial year 2023-2024.

## **9. Adequacy of Internal Financial Controls with reference to the Financial Statements.**

The Company has devised appropriate systems and framework for adequate internal financial controls with reference to financial statements commensurate with the size, scale and complexity of its operations including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audit framework, risk management framework.

The Audit Committee regularly reviews the internal control system to ensure that it remains effective and aligned with the business requirements. In case weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls.

Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company.

A report of the Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is included in the Auditors' Report.

## **10. Number of Board Meetings:**

During the year, 7 (Seven) Board Meetings were convened and held in accordance with the provisions of the Companies Act, 2013 and rules made there under and as per the Secretarial Standard I as issued by the Institute of Company Secretaries of India.



Sr. No.	Date of Board Meeting	Name of Director							
		Mr. Ajaykumar Natavarlal Sangani	Mr. Rajeshkumar Natvarlal Sangani	Mr. Kamalkumar Natavarlal Sangani	Ms. Vaishali Sangani	Mr. Vishal Gourishankar Joshi	Mr. Jagdishbhai Ukabhai Yadav	Mr. Dharmesh Jaysukhlal Vithalani	Mr. Shailesh Maganlal Bhimani
1.	01.04.2023	P	P	P	NA	NA	NA	NA	NA
2.	06.04.2023	P	P	P	NA	P	P	P	P
3.	29.04.2023	P	P	P	P	P	P	P	P
4.	01.05.2023	P	P	P	P	P	P	P	P
5.	21.07.2024	P	P	P	P	P	P	P	P
6.	09.11.2023	P	P	P	P	P	P	P	P
7.	02.02.2024	P	P	P	P	P	P	P	P

#### Family Relationship between the Directors

Except as stated below, none of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Name	Relationship
Dr. Ajaykumar Sangani, Dr. Rajeshkumar Sangani and Kamalkumar Sangani	Dr. Ajaykumar Sangani, Dr. Rajeshkumar Sangani and Kamalkumar Sangani are brothers
Dr. Rajeshkumar Sangani and Dr. Vaishali Sangani	Dr. Rajeshkumar Sangani is husband of Dr. Vaishali Sangani

#### Following are the changes in the Board of Directors during the year:

Name of Directors	Date of Appointment	Date of Change in designation	Reasons for changes in the Board
Mr. Ajaykumar Sangani	November 11, 2021	April 06, 2023	Appointment as Managing Director
Mr. Rajeshkumar Sangani	November 11, 2021	April 06, 2023	Appointment as Whole Time Director
Mr. Kamalkumar Sangani	November 11, 2021	April 06, 2023	Appointment as Whole Time Director
Mrs. Vaishali Sangani	April 29, 2023	-	Appointment as Executive Director
Mr. Dharmesh Vithalani	-	April 29, 2023	Regularization as Independent Director
Mr. Shailesh Bhimani	-	April 29, 2023	Regularization as Independent Director
Mr. Vishal Joshi	-	April 29, 2023	Regularization as Independent Director
Mr. Jagdishbhai Yadav	-	April 29, 2023	Regularization as Independent Director



## 11. Details of Committees of the Board:

At present, the Board has following three (3) Committees:

- Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on May 01, 2023 as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises of following members.

Name of the Directors	Designation	Designation in Committee
Mr. Vishal Joshi	Non-Executive Independent Director	Chairman
Mr. Jagdishbhai Yadav	Non-Executive Independent Director	Member
Mr. Kamalkumar Sangani	Whole Time Director	Member

- Nomination and Remuneration Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated May 01, 2023. The constituted Stakeholders Relationship Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Mr. Dharmesh Vithalani	Non-Executive Independent Director	Chairman
Mr. Jagdishbhai Yadav	Non-Executive Independent Director	Member
Mr. Vishal Joshi	Non-Executive Independent Director	Member

- Stakeholders' Relationship Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated May 01, 2023. The Nomination and Remuneration Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Mr. Dharmesh Vithalani	Non-Executive Independent Director	Chairman
Mr. Ajaykumar Sangani	Managing Director	Member
Dr. Rajeshkumar Sangani	Whole Time Director	Member

The Composition of the Committees and relative compliances, are in line with the applicable provisions of the Companies Act, 2013 read with the Rules and Listing Regulations.

## 12. Annual Evaluation of Board Performance

Pursuant to the Provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors in their separate meeting who also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the performance evaluation of the Board of Directors.

The Board's functioning was evaluated on various aspects, including *inter alia* degree of fulfillment of key responsibilities, Board Structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board Meeting and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on Key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members. Evaluation of Independent Directors was done by the Entire board.

### **13. Particulars of Loans, Guarantees and Investments:**

Particulars of Loans & Investment as required under Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are given in Notes forming part of Financial Statements. There is no Guarantees given during the year under review.

### **14. Particulars of contracts or arrangements with related parties:**

The Company does have transactions with related party in terms of Section 188 of the Companies Act, 2013. Hence, the disclosure required to be provided under Section 134(3) (h) of the Companies Act, 2013, in Form AOC – 2 is applicable is furnished as **Annexure II** to this report.

The Disclosures as required under Accounting Standard – 18 (AS-18) "Related Party Disclosures" notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in the Notes forming part of the Financial Statements.

### **15. Declaration of Independent Directors:**

The Independent Directors have submitted their disclosures/ declarations to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

### **16. Directors Responsibility Statement:**

The Board of Directors of the Company confirms:

- (i) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2024 the applicable Accounting Standards have been followed.
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.



- (iv) that the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2024 on a 'going concern' basis.
- (v) that the Directors have laid down internal financial control and that such internal financial control are adequate.
- (vi) that the Directors have devised proper system to ensure compliance with the Provisions of all applicable laws.

**17. Disclosures Relating to Remuneration of Directors, Key Managerial Personnel and Particulars of Employees:**

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ Employees of your Company is appended in **Annexure III** forming part of this Report.

**18. Extract of Annual Return:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in form MGT 7 will be available at website of the Company at [www.sanganihospitals.com](http://www.sanganihospitals.com)

**19. Disclosure of Particulars:**

Information's as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given in **Annexure- IV** forming part of this Report.

**20. Corporate Governance:**

Since the Company's securities are listed on EMERGE SME Platform of NSE, Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

**21. Management Discussion and Analysis Report:**

A report in the form of Management Discussion and Analysis Report is annexed hereto as **Annexure V** and forms part of this Report.

**22. Directors and Key Managerial Personnel:**

In accordance with the requirements of the Companies Act, 2013 and Articles of Association of the Company Ms. Vaishali Sangani, Director of the Company retire at the forthcoming Annual General Meeting and being eligible, offer themselves, for re-appointment as Director liable to retire by rotation.

During the year under review following no officials were appointed/resigned:

**23. Auditors**

**a) Statutory Auditors**



Pursuant to Section 139(2) of the Companies Act, 2013 read with rule 6 of Companies (Audit and Auditors) Rules, 2014, M/s. Kumbhat & Co., Chartered Accountants, were appointed for period of 5 years in Extra Ordinary General Meeting held in the year 2022.

**b) Secretarial Auditor and Secretarial Audit Report**

The provisions of Section 203 of Companies Act, 2013 are now applicable to the Company as the Company's Shares are listed on NSE Emerge Platform w.e.f. August 17, 2023. The Company has appointed M/s. K. P. Ghelani & Associates, Practicing Company Secretaries, to carry out Secretarial Audit for the Financial Year 2023-24. The Annual Secretarial Audit Report (MR 3) is attached as **Annexure VI** to this Board Report.

**c) Internal Auditors**

The provisions of Section 138(1) of Companies Act, 2013 is applicable to Company and Company has appointed M/s. R G G R & Associates, Practicing Chartered Accountants, to carry out Internal Audit for the Financial Year 2023-24.

**24. Material Changes and Commitments, if any, Affecting the Financial Position of the Company:**

1. The Shareholders have approved following resolutions at the Extra Ordinary General Meeting held on April 29, 2023:
  - a) Changed designation of Mr. Ajaykumar Sangani as Managing Director of the Company.
  - b) Changed designation of Mr. Rajeshkumar Sangani as Chairman cum Whole Time Director of the Company.
  - c) Changed designation of Mr. Kamalkumar Sangani as Whole Time Director of the Company
  - d) Appointed Mr. Jagdishbhai Ukabhai Yadav as a Non-executive Independent Director
  - e) Appointed Mr. Dharmesh Jaysukhlal Vithalani as a Non-executive Independent Director
  - f) Appointed Mr. Shailesh Bhimani as a Non-executive Independent Director.
  - g) Appointed Mr. Vishal Gourishankar Joshi as a Non-executive Independent Director.
  - h) Increased Authorised Share Capital of the Company from Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- each to Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each by creation of additional 1,00,00,000 (One Crore) Equity Shares of Rs.10/- and altered Share Capital Clause contained in the Memorandum of Association of the Company.
  - i) Approved issue and allotment of equity shares to the public (Initial Public Offer).
2. The Company came up with Initial Public Offer (IPO) of 37,92,000 Equity Shares of Face value of Rs. 10.00/- each for cash at a price of Rs. 40.00/- per equity share including a share premium of Rs. 30.00/- per equity share aggregating to Rs. 1,516.80 lakhs. The Company got listed on August 17, 2023 on EMERGE Platform of NSE Limited.

**25. Other Disclosures/Reporting:**

Your Directors further state that during the year under review:

- a) no amount is transferred to General Reserve
- b) the Company has not taken any deposits from Public or Shareholders of the Company;
- c) there were no significant / material orders passed by the Regulators or Courts or Tribunals impacting going concern status of your Company and its operations in future;
- d) there are no qualifications, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Report.
- e) Personnel:



Your Company continued to enjoy warm and healthy relations with its employees at all locations. Your Directors take this opportunity to record their appreciation for the significant outstanding contribution made by the employees at all levels.

**26. Website:**

As per Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has maintained a functional website namely [www.sanganihospitals.com](http://www.sanganihospitals.com) containing basic information about the Company. The website of the Company is also containing information like Policies, Financial Results, Annual Reports and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

**27. Acknowledgement:**

Your Directors express their deep gratitude for the co-operation and support extended to the Company by its Members, Customers, Suppliers, Bankers and various Government agencies.

**For and on behalf of the Board**

**SANGANI HOSPITALS LIMITED**

**Rajeshkumar Sangani**  
**Chairman & Whole Time Director**  
**(DIN: 09394928)**

Date: September 2, 2024

Place: Keshod

**Ajaykumar Sangani**  
**Managing Director**  
**(DIN: 06718085)**



**ANNEXURE I  
FORM NO. AOC.1**

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries:**

(Information in respect of each subsidiary to be presented with amounts in Rs)

<b>Name of the subsidiary</b>	<b>Ankur Distributors</b>
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
Share capital	Rs. 86,84,652/-
Reserves & surplus	-
Total assets	Rs. 1,00,771/-
Total Liabilities	Rs. 39,28,073/-
Investments	-
Turnover	Rs. 4,17,52,281/-
Profit before taxation	-
Provision for taxation	-
Profit after taxation	-
Proposed Dividend	-
% of shareholding	Acquired 95% ownership of Ankur Distributors with effect from April 01, 2022 by way of Supplementary Partnership Deed dated January 01, 2022.

**Part "B": Associates and Joint Ventures: N.A.**

**For and on behalf of the Board  
SANGANI HOSPITALS LIMITED**

**Rajeshkumar Sangani  
Chairman & Whole Time Director  
(DIN: 09394928)  
Date: September 2, 2024  
Place: Keshod**

**Ajaykumar Sangani  
Managing Director  
(DIN: 06718085)**

**ANNEXURE II - RELATED PARTIES TRANSACTIONS****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship: NIL  
 (b) Nature of contracts/arrangements/transactions: NIL  
 (c) Duration of the contracts / arrangements/transactions: NIL  
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL  
 (e) Justification for entering into such contracts or arrangements or transactions: NA  
 (f) Date(s) of approval by the Board: NIL  
 (g) Amount paid as advances, if any: NIL  
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship:

No.	Name	Nature of Relationship
1	Mr. Ajaykumar Natwarlal Sangani	Managing Director
2	Mr. Rajeshkumar Natwarlal Sangani	Whole Time Director
3	Mr. Kamalkumar Natwarlal Sangani	Whole Time Director
4	Mrs. Vaishaliben Rajeshkumar Sangani	Director
5	Mrs. Chandniben Ajaykumar Sangani	Chief Financial officer
6	Mr. Gaurav Patadia	Company Secretary
7.	Mrs. Gopiben Kamalkumar Sangani	Wife of Kamalkumar Natwarlal Sangani
8.	M/s. Ankur Distributors	Subsidiary firm

- (b) Nature of contracts/arrangements/transactions:

(Amount in Lakhs)

Type of Related Party	Party Name	Description of the Nature	FY 2023-24	FY 2022-23
Managing Director	Mr. Ajaykumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Mr. Rajeshkumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Mr. Kamalkumar Natavarlal sangani	Remuneration	60.00	60.00
Chief Financial Officer	Mrs. Chandni Ajaykumar sangani	Remuneration	24.00	24.00
Directors	Mrs. Vaishali Rajeshkumar sangani	Remuneration	24.00	24.00
Relative of Directors	Mrs. Gopi Kamalkumar sangani	Salary	24.00	24.00



Type of Related Party	Party Name	Description of the Nature	FY 2023-24				FY 2022-23			
			Opening Balance	Volume of Transactions during	Received /Paid during the year	Closing Balance	Opening Balance	Volume of Transactions during	Received / (Paid) during the year	Closing Balance
Subsidiary Company	Ankur Distributor	Purchase	0.01	71.94	-70.53	0.03	-	63.31	-61.03	0.01
		Sales		1.44	-			2.29	-	

(c) Duration of the contracts / arrangements/transactions: N.A.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.

(e) Amount paid as advances, if any: NIL

**For and on behalf of the Board**  
**SANGANI HOSPITALS LIMITED**

**Rajeshkumar Sangani**  
**Chairman & Whole Time Director**  
**(DIN: 09394928)**  
Date: September 2, 2024  
Place: Keshod

**Ajaykumar Sangani**  
**Managing Director**  
**(DIN: 06718085)**



**ANNEXURE III – MANAGERIAL REMUNERATION**
**Information as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2023-2024 is as follows:

Name of the Director	Total Remuneration (In Rs.)	Ratio of remuneration of director to the Median remuneration
Dr. Ajaykumar Sangani	60,00,000	91.01
Dr. Rajeshkumar Sangani	60,00,000	91.01
Mr. Kamalkumar Sangani	60,00,000	91.01
Mrs. Vaishali Sangani	24,00,000	36.40
Mrs. Chandni Sangani	24,00,000	36.40

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2023-2024.
- Independent Directors receiving only sitting fees for attending the board meeting. The sitting fees paid to Independent Directors is not covered in the above table.
- The remuneration paid to Directors & KMP includes salary, contribution to Provident Fund, Superannuation Fund, and Perquisites etc.
- Median remuneration of the Company for all its employees is Rs. 65,927/- per annum for the financial year 2023-2024.

2. Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 202-2024 are as follows:

Name	Designation	Remuneration (in Rs.)		Increase (%)
		2022-2023	2023-2024	
Dr. Ajaykumar Sangani	Managing Director	60,00,000	60,00,000	-
Dr. Rajeshkumar Sangani	Whole Time Director	60,00,000	60,00,000	-
Mr. Kamalkumar Sangani	Whole Time Director	60,00,000	60,00,000	-
Ms. Vaishali Sangani	Executive Director	-	24,00,000	-
Ms. Chandni Sangani	CFO	-	24,00,000	-
Mr. Gaurav Patadia	CS	-	2,40,000	-

\*Notes:

- The remuneration paid to Directors and as approved by the Shareholders and is within the overall limits as per the Companies Act, 2013.
- The salary for the year 2023-2024 contains figures for part of the year due to which comparison cannot be possible.

3. Number of permanent employees on the rolls of the Company as on March 31, 2024:  
Total Number of Employees on pay roll during the financial year ended March 31, 2024 is 69.



4. **Percentage increase in the median remuneration of all employees in the financial year 2023-2024:**

Particulars	2022-2023 (Rs.)	2023-2024 (Rs.)	Increase/Decrease (%)
Median remuneration of all employees per annum	61,942	65,927	6.43%

5. **Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the Key managerial remuneration:**

Particulars	2022-2023	2023-2024	Increase /Decrease %
Average salary of all employees (other than Key Managerial Personnel)	70,700	86,131	21.83%
Average salary of Managerial Personnel	42,00,000	36,34,286	13.47%

6. **Affirmation:**

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration policy of the Company.

**For and on behalf of the Board**

**SANGANI HOSPITALS LIMITED**

**Rajeshkumar Sangani**  
**Chairman & Whole Time Director**  
**(DIN: 09394928)**

Date: September 2, 2024

Place: Keshod

**Ajaykumar Sangani**  
**Managing Director**  
**(DIN: 06718085)**

**ANNEXURE IV - CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

(Information pursuant to the Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014 and forming part of the Director's Report to the Members for the year ended March 31, 2024)

	<b>PARTICULARS</b>	<b>REMARKS</b>	
1.	<b>CONSERVATION OF ENERGY</b>	In its endeavour towards conservation of energy your Company ensure optimal use of energy, avoid wastages and conserve energy as far as possible.	
A.	The steps taken or impact on Conservation of energy		
i.	Process optimization and automation		
ii.	Optimization of Electrical Equipment		
iii.	Lighting		
iv.	Other Key initiatives for Energy conservation		
B.	The steps taken by the Company for utilizing alternate sources of energy		
C.	The Capital Investment on energy conservation equipment		
2.	<b>TECHNOLOGY ABSORPTION</b>		The Company has no activity relating to technology absorption.  The Company has not imported technology during the year.
a.	The efforts made by the Company towards technology absorption		
b.	The benefits derived like product improvement, cost reduction, product development or import substitution		
c.	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year)		
d.	The expenditure incurred on Research and Development		
3.	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	The Company has no foreign exchange earnings or outgo during the year.	

**For and on behalf of the Board**

**SANGANI HOSPITALS LIMITED**

**Rajeshkumar Sangani**  
**Chairman & Whole Time Director**  
**(DIN: 09394928)**

Date: September 2, 2024

Place: Keshod

**Ajaykumar Sangani**  
**Managing Director**  
**(DIN: 06718085)**

## **ANNEXURE V - MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management of Sangani Hospitals Limited presents the Management Discussion and Analysis (MD&A) of the Company for the year ended on March 31, 2024, and its outlook for the future. This outlook is based on assessment of current business environment. It may vary due to future economic and other developments both in India and Abroad.

It contains financial highlights but does not contain the complete financial statements of the Company. It should be read in conjunction with the Company's Audited Financial Statements for the year ended on March 31, 2024.

### **GLOBAL HEALTHCARE SECTOR OUTLOOK:**

The global health care sector is undergoing a period of unprecedented transformation, driven by technological advancements, demographic shifts, and evolving patient needs. In 2024, several key trends are poised to shape the future of health care delivery.

Lingering COVID-19 effects are still contributing to widespread labor shortages and escalating costs, while the adoption of artificial intelligence (AI) presents possible solutions. Predicted to play a pivotal role in streamlining health care processes, AI promises precision and efficiency from administration, to operations, to supply chain and to patient care. Sustainability takes center stage as health care organizations adopt eco-friendly practices, addressing both environmental concerns and cost savings. Remote technologies are reshaping care delivery, extending beyond medical services to holistic social care, recognizing the link between social determinants and well-being. In response to rising costs, stakeholders implement innovative strategies, from value-based care models to workforce adaptations, defining the sector's future at this critical juncture.

In the wake of the COVID-19 pandemic, healthcare systems worldwide are embracing emerging technologies to address ongoing challenges, including cost reduction, improved access to care and a shortage of skilled workers. AI and other technologies offer the potential to personalise patient interactions, streamline administrative and care processes and free up clinicians to focus on complex procedures. Sustained investments in technology are crucial to fully harness its potential and transform healthcare delivery.

The global healthcare sector faces a severe shortage of workers, with projections indicating a shortfall of 10 million by 2030. This shortage is driven by various factors, including burnout, limited talent pipelines, demographic changes and migration rates. The demand for healthcare workers is expected to surge by 29% in the next decade, requiring transformative measures to address this critical challenge.

Climate change poses significant health risks, particularly in low-income areas with poor health infrastructure. The healthcare sector needs to adapt its practices to mitigate the impact of climate change on patient care and healthcare delivery. Healthcare organisations should implement sustainability measures to reduce their environmental impact and improve resilience to climate change. Additionally, healthcare providers should work with policymakers to develop climate-resilient healthcare infrastructure and collaborate with community organisations to address the social determinants of health that are exacerbated by climate change.

### **INDIAN HEALTHCARE INDUSTRY:**

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is

growing at a brisk pace due to its strengthening coverage, services, and increasing expenditure by public as well as private players.

India's healthcare delivery system is categorised into two major components - public and private. The government, i.e., the public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of Primary Healthcare Centers (PHCs) in rural areas. The private sector provides the majority of secondary, tertiary, and quaternary care institutions with a major concentration in metros, tier-I, and tier-II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost-competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

### **Government Initiatives**

Some of the major initiatives taken by the Government of India to promote the Indian healthcare industry are as follows:

- Union Minister of Health and Family Welfare and Chemicals & Fertilizers Dr. Mansukh Mandaviya, virtually launched 'MedTech Mitra,' a platform designed to support young Indian innovators in the MedTech sector by aiding in their research, development, and regulatory approvals, aiming to reduce import dependence and transform India into a leading US\$ 50 billion MedTech industry by 2030, while fostering indigenous development of affordable, quality medical devices and diagnostics, in line with the vision of Viksit Bharat and Atmanirbhar Bharat.
- PoshanAbhiyan is a Centrally Sponsored Scheme with the implementation of the scheme being done by States/UTs. To ensure that all Anganwadi Centres are equipped with Smartphones and Growth Monitoring devices (GMDs) such as Infantometer, Stadiometers, and Weighing Scale for Mothers and Infant, the Ministry has released revised guidelines for technical specifications and replacement of GMDs by the States.
- In the Union Budget 2023-24:
  - On February 25, 2024, Prime Minister Narendra Modi marked a significant stride in India's healthcare landscape by inaugurating five new All India Institute of Medical Sciences (AIIMS) across different states. These AIIMS facilities, situated in Rajkot (Gujarat), Bathinda (Punjab), Raebareli (Uttar Pradesh), Kalyani (West Bengal), and Mangalagiri (Andhra Pradesh), signify a transformative step towards bolstering tertiary healthcare infrastructure.
  - On January 18, 2024, the Union Cabinet was briefed on a Memorandum of Understanding signed between CDSCO, India, and ARCSA, Ecuador, fostering cooperation in medical product regulation, enhancing international coordination, and potentially boosting India's pharmaceutical exports.
  - On November 8, 2023, India and Netherlands inked a significant Memorandum of Intent in The Hague, aiming to bolster cooperation on medical product regulation, thereby elevating the quality of healthcare services for both nations.
  - Under the Interim Union Budget 2024-25, the Ministry of Health and Family Welfare has been allocated Rs. 90,659 crore (US\$ 10.93 billion), an increase of 1.69% compared to Rs. 89,155 crore (US\$ 10.75 billion) in 2023-24.



- Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 2,400 crore (US\$ 0.29 billion)
  - Human Resources for Health and Medical Education was allotted Rs. 5,016 crore (US\$ 0.60 billion)
  - National Health Mission was allotted Rs. 38,183 crore (US\$ 4.60 billion).
  - Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 7,500 crore (US\$ 0.90 billion).
- 
- In July 2022, the World Bank approved a US\$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.
  - To promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries.
  - In May 2022, the Union Government approved grants for five new medical colleges in Gujarat with a grant of Rs. 190 crore (US\$ 23.78 million) each. These colleges will come up in Navsari, Porbandar, Rajpipla, Godhra and Morbi.
  - In November 2021, the Government of India, the Government of Meghalaya, and the World Bank signed a US\$ 40-million health project for the state of Meghalaya. The project will improve the quality of health services and strengthen the state's capacity to handle future health emergencies, including the COVID-19 pandemic.
  - In September 2021, Prime Minister Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. The mission will connect the digital health solutions of hospitals across the country. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.
  - In September 2021, the Telangana government, in a joint initiative with World Economic Forum, NITI Aayog and HealthNet Global (Apollo Hospitals), launched the 'Medicine from the Sky' project. The project will pave the way for drone delivery of life-saving medicines and jabs in far-flung regions of the country.
  - According to a spokesperson, the Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost the country's healthcare infrastructure. The programme will allow firms to leverage the fund to expand hospital capacity or medical supplies with the government acting as a guarantor and strengthening COVID-19-related health infrastructure in smaller towns.
  - In July 2021, the Ministry of Tourism established the 'National Medical & Wellness Tourism Board' to promote medical and wellness tourism in India.
  - In July 2021, the Union Cabinet approved the continuation of the National Ayush Mission, responsible for the development of traditional medicines in India, as a centrally sponsored scheme until 2026.
  - In July 2021, the Union Cabinet approved the MoU between India and Denmark on cooperation in health and medicine. The agreement will focus on joint initiatives and technology development in the health sector, to improve the public health status of the population of both countries.
  - In June 2021, the Ministry of Health, and Family Welfare, in partnership with UNICEF, held a capacity-building workshop for media professionals and health correspondents in Northeastern states on the current COVID-19 situation in India, to bust myths regarding COVID-19 vaccines & vaccination and reinforce the importance of COVID-19 Appropriate Behaviour (CAB).

## **Road Ahead**

India's healthcare sector is extremely diversified and is full of opportunities in every segment, which includes providers, payers, and medical technology. With the increase in the competition, businesses are looking to explore the latest dynamics and trends which will have a positive impact on their business.



India is a land full of opportunities for players in the medical devices industry. The country has also become one of the leading destinations for high-end diagnostic services with tremendous capital investment for advanced diagnostic facilities, thus catering to a greater proportion of the population. Besides, Indian medical service consumers have become more conscious towards their healthcare upkeep. Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare are expected to boost healthcare services demand in the future. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

The Government aims to develop India as a global healthcare hub and is planning to increase public health spending to 2.5% of the country's GDP by 2025.

**References:** Department for Promotion of Industry and Internal Trade (DPIIT), RNCOS Reports, Media Reports, Press Information Bureau (PIB), Union Budget 2023-24

(Source: [www.ibef.org/blogs](http://www.ibef.org/blogs))

## **BUSINESS OVERVIEW**

Our Company was originally incorporated as “Sangani Hospital Limited” in Keshod, Gujarat, a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated November 11, 2021 and certificate of commencement of business dated December 14, 2021 issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U85300GJ2021PLC127189.

We are a multi-speciality healthcare provider operating in Keshod and Veraval region of Gujarat with a combined bed capacity of 68 beds. Our services primarily include super speciality services, speciality services and other support services. We also operate pathology laboratory and medical store. Currently, we operate out of two hospitals i.e. Sangani Hospital at Keshod, Junagadh, Gujarat and Sangani Super Speciality Hospital, Veraval, Gujarat.

Sangani Hospital is 36 beds multi-speciality hospital with primary, secondary and tertiary care facilities. It is strategically located near Keshod bus stand and railway station making it accessible to fifty-four adjacent small villages. Sangani Super Speciality Hospital is 32 beds multi-speciality hospital with significant focus on tertiary care facilities.

At Sangani Hospital, Keshod, number of permanent doctors available are 4 and consulting doctors are 12. At Sangani Super Speciality Hospital, Veraval, number of permanent doctors available are 2 and consulting doctors are 9. Other than doctors, number of staff present at Sangani Super Speciality Hospital, Veraval are 14 and at Sangani Hospital, Keshod are 24. Also, as per the requirements, we exchange roles and responsibilities of doctors and staffs at both the hospitals

Both our hospitals offer a comprehensive range of healthcare services in specialties and super specialties, including cardiac sciences, neurosciences, orthopaedics, renal sciences and mother & childcare. We have provided dialysis facility to more than 600 patients and more than 6,000 sessions annually free of cost under the Mukhyamantri Amrutum Yojana (MAA Yojana) and Pradhan Mantri Jan Arogya Yojana (PMJAY). Our team of qualified medical practitioners are trained to handle all kinds of emergencies and ensures that patients get quality healthcare services. Our healthcare staff comprises of Clinical Pharmacist, Microbiologist (DMLT), Medical Officers, Clinical Assistants, Nursing staff, Attendants and Technicians. We strive to deliver advanced healthcare while providing affordable medical services to our patients.

Our hospitals have been certified with ISO 9001:2015 for Quality Management System for the scope of services that includes MD-ICU, ICCU, ECHO-TMT, Dialysis, Orthopaedic Department, PFT, EECF, Diabetic, Clinic, ENT- EAR, NOSE, Throat Head & Neck Surgery, Laser Surgery, Trauma Unit, Endoscopy, Audiology, Vertigo Clinic, OBST & Gynee-USG-Doppler, Normal Delivery, Joint



Replacement Facility, Gynec Surgery, Infertility Clinic, Radiology Unit - Xray, Sonography, CT Scan, General Surgery, all type of general surgery, Dental Surgery, Uro Surgery and hospital services.

Further, our Sangani Super Speciality Hospital at Veraval is certified with National Accreditation Board for Hospitals & Healthcare Providers ("NABH") certification for general medicine, general surgery, orthopaedic surgery (including arthroscopy), urology, 2D Echo, X-Ray, clinical bio-chemistry, clinical pathology, haematology and pharmacy.

We are also a part of Ayushman Bharat, a flagship scheme of Government of India which was launched and recommended by the National Health Policy 2017, to achieve the vision of universal health coverage (UHC). The initiative has been designed to meet SDG (Sustainable Development Goal) & its underlining commitment. Ayushman Bharat, is an attempt to move from sectoral & segmented approach of health service delivery to a comprehensive need-based health care service. We are also a part of Mukhyamantri Amrutam (MA) scheme launched by Gujarat state to cater families below the poverty line.

Currently, our primary focus is Gujarat healthcare market where we have a understanding of regional nuances, customer culture and the mindset of medical professionals and where there is a significant need for quality and affordable healthcare services.

**SEGMENT WISE PERFORMANCE:**

Your company has only one segment that is Healthcare.

**RISKS AND CONCERNS:**

Our Company's future results of operations could be affected potentially by the following factors:

1. Occupancy Rates, Length of Hospital Stay and Revenue Per Bed.
2. Patient volumes and case mix.
3. Government Regulations and Policies.
4. Increase in departments such as urology surgery, laparoscopic surgery, general surgery, and orthopaedic surgery.
5. Expenses Relating to our Purchase of Medical Consumables and Pharmacy Items.
6. Payment of professional fees to doctors and consultants.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

**Standalone:**

Sales and Other Income for the year ended March 31, 2024 amounted to Rs. 1,305.09 Lakhs as against Rs. 1,174.97 Lakhs in the previous Financial Year. Net Profit for the year under review was Rs. 269.61 Lakhs as against Rs. 153.15 Lakhs in the previous Financial Year.





**Consolidated:**

Pursuant to the provisions of section 129 and 134, 136 of the Companies Act, 2013 read with Rules made thereunder and pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, your Company had prepared consolidated financial statements of the Company and its subsidiary entity Ankur Distributors.

Sales and Other Income for the year ended March 31, 2024 amounted to Rs. 1,652.01 Lakhs as against Rs. 1,576.24 Lakhs in the previous Financial Year. Net Profit for the year under review was Rs. 269.69 Lakhs as against Rs. 148.37 Lakhs in the previous Financial Year.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS:**

Your Company has team of qualified and dedicated personnel who have contributed to the consolidation of the operations of your Company. Your Company's industrial relations continued to be harmonious during the year under review. Your Company has succeeded in attracting and retaining key professional and intends to continue to seek fresh talents to further enhance and grow our business.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, estimates, expectations or projections may constitute "forward looking statements", within the meaning of applicable laws and regulations. The current year's outlook is Management's perception at the time of drawing this report. Actual results may differ materially from those either expressed or implied in the statement. Important factors that could influence the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws economic developments within the country and other factors such as litigation, industrial relations and other statutes and other incidental factors.



**Annexure - VI**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules, 2014]**

**The Members,**  
**SANGANI HOSPITALS LIMITED**  
CIN: U85300GJ2021PLC127189  
SAINATH SOCIETY, OPP. S.T.,  
VILLAGE KESHOD, TALUKA KESHOD,  
JUNAGADH - 362220  
GUJARAT

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s SANGANI HOSPITALS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2024 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the Financial Year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



(d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 – Not Applicable to the Company during the Audit Period;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not Applicable to the Company during the Audit Period;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Not Applicable to the Company during the Audit Period;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable to the Company during the Audit Period;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not Applicable to the Company during the Audit Period.

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws applicable specifically to the Company namely:

(i) Information Technology Act, 2000 and the rules made thereunder

(vii) Based on the representation made by the Company and its officers, the Company has proper system and process in place for compliance under the other applicable Labour Laws and other incidental laws, Acts, Rules, Regulations and Guidelines.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory financial auditor and other designated professionals.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.



I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were following specific events / actions having a major bearing on company's affair in pursuance of the above – referred laws, rules, regulations, guidelines, standards, etc:

- (i) During the year under review, vide Ordinary Resolution passed by the Members at their Extra-Ordinary General Meeting held on April 29, 2023, the authorized share capital of the Company has been increased from Rs.10.00 Crore divided into 1,00,00,000 Equity Shares of Rs.10/- each to Rs. 20.00 Crore divided into 2,00,00,000 Equity Shares of Rs.10/- each
- (ii) The Company came up with an Initial Public Offer of 37,92,000 equity shares of Rs.10/- each at a price of Rs.40/- per equity shares. Company has made allotment of equity shares on August 11, 2024. The Company was then listed at Emerge Platform of National Stock Exchange of India Limited with effect from August 17, 2024.
- (iii) During the year under review, company has entered into Memorandum of Understanding (MOU) with Dr. Bhavnish Babubhai Mori and Dr. Pareetaben Dodiya for providing medical services located at Devasya Hospital, Keshod, Gujarat on February 26, 2024 for expansion of healthcare services of the company to meet the growing demand for specialized Surgical and Gynaecology services in the region.
- (iv) During the year under review, company has entered into Memorandum of Understanding (MOU) with Ashirvad Hospital (Dr. Ravi Dholiya), Bandar Road, Mangrol, Gujarat on March 07, 2024 for acquisition of Ashrivad Hospital for expanding its healthcare services.

**For K. P. Ghelani & ASSOCIATES**  
**Company Secretaries**

**Keyur Ghelani**  
**Proprietor**  
**Mem No. 33400**  
**CoP: 12468**  
**Peer Review Certificate No. 5905/2024**

**Date: August 25, 2024**  
**Place: Rajkot**

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.



**Annexure - I**

**The Members,**  
**SANGANI HOSPITALS LIMITED**  
CIN: U85300GJ2021PLC127189  
SAINATH SOCIETY, OPP. S.T.,  
VILLAGE KESHOD, TALUKA KESHOD,  
JUNAGADH - 362220  
GUJARAT

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For K. P. Ghelani & ASSOCIATES**  
**Company Secretaries**

**Keyur Ghelani**  
**Proprietor**  
**Mem No. 33400**  
**CoP: 12468**  
**Peer Review Certificate No. 5905/2024**

Date: August 25, 2024

Place: Rajkot



## INDEPENDENT AUDITORS' REPORT

**To the Members of  
Sangani Hospitals Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **Sangani Hospitals Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and 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 and based on the consideration on separate financial statements of such subsidiaries as were audited by the us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March, 2024 and its consolidated profit and its consolidated 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our Auditor's Report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

## **Responsibility of Management and Those Charge with Governance for the Consolidated Financial Statements**

The Holding 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 Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated statement cash flows of the Group in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group 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.

The Board of Directors are responsible for overseeing the Group financial Reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, We give in the "**Annexure A**" to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of separate financial statements of the subsidiary Firm as were audited by us, we report to the extent applicable 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 purpose of our audit of the aforesaid consolidated financial statement.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Group so far as it appears from our examination of those books and the report.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statement.





- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2024 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 consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditors' reports of the Parent, subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group does not have any pending litigations which would impact consolidated financial position the group.
  - ii. The Group has not entered any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
  - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding 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 the other persons or entities identified in any manner whatsoever by or on behalf of the Holding 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 have been received by the Holding Company or its subsidiaries 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. The Holding Company and its subsidiary has not declared or nor paid any



dividend during the year hence no compliance is required with Section 123 of the Companies Act 2013.

**For KUMBHAT & CO.**  
*Chartered Accountants*  
Firm Regn. No. 001609S

**Gaurang C. Unadkat**  
Partner  
Mem.No. 131708  
UDIN: 24131708BKBIAH4793

Place: Keshod  
Dated: May 29<sup>th</sup>, 2024



**Annexure "A" to the Independent Auditor's Report on the Consolidated Financial Statements**

**(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

We report that:

- (xxi) According to the information and explanations given to us, and based on the reports, issued by the auditors of the subsidiaries, included in the consolidated financial statements of the Company, to which reporting on matters specified in paragraph 3 and 4 of the Order is not applicable, and accordingly reporting under clause 3(xxix) of the Order is not applicable.

**For KUMBHAT & CO.**  
*Chartered Accountants*  
Firm Regn. No. 001609S

**Gaurang C. Unadkat**  
Partner  
Mem.No. 131708  
UDIN: 24131708BKBIAH4793

Place: Keshod  
Dated: May 29<sup>th</sup>, 2024

## **Annexure “B” to the Independent Auditor's Report on the Consolidated Financial Statements**

**(Referred to in Paragraph 2(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)**

### **Report on the Internal Financial Controls with the reference to the consolidated financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

In conjunction with our audit of the Consolidated Financial Statements of **Sangani Hospitals Limited** (hereinafter referred to as the “Holding Company”) as of and for the year ended 31st March, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Parent and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**



A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, The Group in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March, 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KUMBHAT & CO.**  
*Chartered Accountants*  
Firm Regn. No. 001609S

Place: Keshod  
Dated: May 29<sup>th</sup>, 2024

**Gaurang C. Unadkat**  
**Partner**  
Mem.No. 131708  
UDIN: 24131708BKBI AH4793



Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Consolidated Balance Sheet as at March 31,2024 <span style="float: right;">(Rs.in Lakhs)</span>				
	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>A</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders' funds</u></b>			
	(a) Share capital	2	1377.70	998.50
	(b) Reserves and surplus	3	1971.49	800.74
	(c) Minority Interest		3.04	2.93
			<b>3352.22</b>	<b>1802.17</b>
<b>2</b>	<b><u>Non-current liabilities</u></b>			
	(a) Long term borrowings	4	8.53	10.08
	(b) Deferred tax liabilities (net)	5	29.47	4.31
	(c) Long Term Provisions	6	2.82	1.26
			<b>40.81</b>	<b>15.65</b>
<b>3</b>	<b><u>Current liabilities</u></b>			
	(a) Trade payables	7		
	(i) Due to Micro & Small Enterprises		2.23	1.06
	(ii) Others		102.62	76.78
	(b) Other current liabilities	8	42.19	64.68
	(c) Short Term Provisions	9	0.76	0.01
			<b>147.80</b>	<b>142.53</b>
	<b>TOTAL</b>		<b>3540.84</b>	<b>1960.35</b>
<b>B</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-current assets</u></b>			
	(a) Property, Plants and Equipment			
	(i) Tangible Assets	10	1268.17	1187.88
	(b) Long term loans and advances	11	42.63	2.47
			<b>1310.80</b>	<b>1190.35</b>
<b>2</b>	<b><u>Non-current Investments</u></b>	12	-	-
<b>3</b>	<b><u>Current assets</u></b>			
	(a) Inventories	13	77.38	58.38
	(b) Trade receivables	14	225.17	235.77
	(c) Cash and cash equivalents	15	1917.04	448.73
	(d) Other Current Asset	16	10.44	27.12
			<b>2230.04</b>	<b>770.00</b>
	<b>TOTAL</b>		<b>3540.84</b>	<b>1960.35</b>
	Significant Accounting Policies	1		
	Notes on financial statement	2-34		
<b>As per our report of even date attachedFor</b> <b>Kumbhat &amp; Co.</b> <b>Chartered AccountantsFRN:001609S</b>  <b>Gaurang C.</b> <b>UnadkatPartner</b> <b>Membership No.131708</b> Place : Keshod Date :May 29th , 2024		<b>For and on behalf of the Board of</b> <b>DirectorsSangani Hospitals Limited</b>  <b>Ajay Sangani</b> <b>Managing Director</b> DIN: 06718085  <b>Kamal Sangani</b> <b>Whole Time Director</b> DIN: 08175027  <b>Gaurav</b> <b>patadia</b> <b>Company</b> <b>Secretary</b>  Place : Keshod Date : May 29th , 2024		
		<b>Rajesh Sangani</b> <b>Whole Time Director</b> DIN: 09394928  <b>Chandni Sangani</b> <b>Chief Financial Officer</b>		



Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Consolidated Statement of Profit and Loss for the year ended March 31, 2024 (Rs.in Lakhs)				
	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
	<b>Income</b>			
	Revenue From Operations	17	1567.62	1566.79
	Indirect Income	18	84.39	94.52
<b>I</b>	<b>Total Revenue</b>		<b>1652.01</b>	<b>1561.31</b>
	<b>Expenses:</b>			
	Purchase of Stock in Trade			24.00
	Increase/(Decrease) in Inventories			
	Direct Expenses	19	571.24	595.39
	Employee Benefits			
	Expenses Finance Costs	20	-19.00	29.65
	Depreciation and amortization Expenses	21	324.34	277.06
	Other Expenses	22	320.41	315.62
	<b>Total Expenses</b>		<b>915.99</b>	<b>922.72</b>
	Profit Before Tax (I-II)		-	-
	<b>Tax Expense</b>	10	28.51	106.92
	Current Tax	23	63.22	46.93
<b>II</b>	Excess/Short Provision for Tax		<b>1288.73</b>	<b>131.85</b>
	Deferred Tax			71.00
	Profit (Loss) for the year			57.00
<b>III</b>	<b>Minority Interest</b>		363.29	204.68
	<b>Balance Carried Over to Balance Sheet</b>			
<b>IV</b>			68.01	47.49
<b>V</b>	Basic & Diluted		0.43	-
<b>VI</b>			25.16	3.99
<b>VII</b>			269.69	153.19
<b>VIII</b>			0.00	0.00
			269.68	153.19
		30	2.17	1.62
	Significant Accounting Policies	1		
	Notes on financial statement	2-34		
As per our report of even date attached For Kumbhat & Co. Chartered Accountants FRN:001609S  Gaurang C. Unadkat Partner Membership No.131708  Place : Keshod Date : May 29th , 2024		For and on behalf of the Board of Directors Sangani Hospitals Limited  Ajay Sangani Managing Director DIN: 06718085  Kamal Sangani Whole Time Director DIN: 08175027  Gaurav patadia Company Secretary Place : Mumbai Date : May 29th , 2024  Rajesh Sangani Whole Time Director DIN: 09394928  Chandni Sangani Chief Financial Officer		



Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Consolidated Cash flow statement for the period ended 31st March 2024 (Rs.in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	363.29	204.68
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	28.51	101.06
Finance Cost	-	-
<b>Operating profit/(loss) before working capital changes</b>	391.79	305.73
<b>Movements in working capital:</b>		
Increase/(decrease) in short term borrowings	-	-
Increase/(decrease) in trade payables	27.01	-21.29
Increase/(decrease) in other current liabilities	-22.49	-25.96
Increase/(decrease) in short term provision	0.76	0.01
Decrease/(increase) in inventories	-19.00	29.65
Decrease/(increase) in trade receivables	10.60	41.11
Decrease/(increase) in short-term loans and advances	-	-
Decrease/(increase) in long-term loans and advances	-	-
Decrease/(increase) in Other Current Assets	16.67	-24.09
<b>Cash generated from Operations</b>	405.35	305.15
Direct taxes paid	-68.44	-47.49
<b>Net Cash from Operating Activities (A)</b>	<b>336.91</b>	<b>257.66</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of Fixed Assets	-108.80	-1202.48
Sale/(Purchase) of Investments	-	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-108.80</b>	<b>-1202.48</b>
<b>Cash flow from financing activities</b>		
Acceptance / Repayment of Loans	-1.55	-3.08
Share Capital Introduced	379.20	522.39
Increase in Long Term Provisions	1.56	1.26
Decrease/(increase) in Long Term Loans and Advances	-40.16	-0.45
Increase In minority Interest	0.10	2.93
Security Premium	901.06	543.32
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>1240.20</b>	<b>1066.38</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1468.32	121.56
Cash and cash equivalents at the beginning of the year	448.73	327.17
<b>Cash and cash equivalents at the end of the year</b>	<b>1917.04</b>	<b>448.73</b>
<b>As per our report of even date attached</b>	<b>For and on behalf of the Board of Directors</b>	
<b>For Kumbhat &amp; Co.</b>	<b>Sangani Hospitals Limited</b>	
<b>Chartered Accountants</b>		
<b>FRN:001609S</b>		
<b>Gaurang C. Unadkat</b>	<b>Ajay Sangani</b>	<b>Rajesh Sangani</b>
<b>Partner</b>	<b>Managing Director</b>	<b>Whole Time Director</b>
<b>Membership No.131708</b>	DIN: 06718085	DIN: 09394928
	<b>Kamal Sangani</b>	<b>Chandni Sangani</b>
	<b>Whole Time Director</b>	<b>Chief Financial Officer</b>
	DIN: 08175027	
	<b>Gaurav patadia</b>	
	<b>Company Secretary</b>	
Place : Keshod	Place : Keshod	
Date : May 29th , 2024	Date : May 29th , 2024	





Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Consolidated Notes On Financial Statements For The Year Ended 31st March, 2024 (Rs.in Lakhs)					
Not e No.	Particulars	As at March 31, 2024		As at March 31, 2023	
2	<b>SHARE CAPITAL</b> <b>Authorised Share Capital</b> 2,00,00,000 Equity Shares of Rs.10 each (1,00,00,000 Equity Shares of Rs.10 each)	2000.00 <b>2000.00</b>		1000.00 <b>1000.00</b>	
	<b>Issued, Subscribed and Paid up</b> 1,37,76,990 Equity Shares of Rs.10each 99,84,990 Equity Shares of Rs.10 each	1377.70		998.50	
		<b>1377.70</b>		<b>998.50</b>	
i)	<b>No. of shares Outstanding at the beginning &amp; at the end of the reporting period</b>				
	Particulars	As at March 31, 2024		As at March 31, 2023	
		No	Rs	No	Rs
	At the beginning of the year	9,984,990	998.50	3,948,148	394.81
	Add: Equity Shares issued during the year	3,792,000	379.20	6,036,842	603.68
		<b>13,776,990</b>	<b>137,769,900</b>	<b>99,85</b>	<b>99,849,900</b>
ii)	<b>Details of Shares held by Promoters /Shareholders holding more than 5% of the aggregate shares in the Company</b>				
	Name of the Shareholders	No. of Shares held	% of holding	No. of Shares held	% of holding
	Ajaykumar Natvarlal Sangani	3,311,664	24.04%	3,311,664	33.17%
	Rajeshkumar Natvarlal Sangani	3,311,663	24.04%	3,311,663	33.17%
	Kamalkumar Natvarlal Sangani	3,311,663	24.04%	3,311,663	33.17%
	Chandni Ajaykumar Sangani	10,000	0.073%	10,000	0.10%
	Sangani Natavaral Babulal	10,000	0.073%	10,000	0.10%
	Vaishali Rajeshkumar Sangani	10,000	0.073%	10,000	0.10%
	Rasila Natvarlal Sangani	10,000	0.073%	10,000	0.10%
	Gopiben Kamalkumar Sangani	10,000	0.073%	10,000	0.10%
	<b>Total</b>	<b>9,984,990</b>	<b>72.48%</b>	<b>9,984,990</b>	<b>100%</b>
	<b>(a)</b> The company has only one class of shares i.e. Equity Share				
	<b>(b)</b> All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts				
	<b>(c)</b> All the Equity Shares are having one vote per share				
	<b>(d)</b> All the above Shareholders are also promoters of the company				
iv)	<b>Issue of Shares other than cash</b> From the Shares issued in current year, all shares were issued for consideration other than cash				
3	<b>RESERVES AND SURPLUS</b> <b>Surplus/(Deficit) in Statement of Profit &amp; Loss</b>				
	Opening Balance	257.43		104.23	
	Add: profit/(Loss) during the year	269.68		153.19	
	Add: Minority Capital	3.04		2.93	
		<b>530.15</b>		<b>260.36</b>	
	Less:- Minority Capital	<b>3.04</b>		<b>2.93</b>	
	Closing:-Surplus/(Deficit) in Statement of Profit & Loss	<b>527.11</b>		<b>257.43</b>	
	<b>Security Premium</b>				
	Opening Balance	543.32		-	
	Add:- Shares Issued during the year	1137.60		543.32	
	Less:- IPO Expenses	-236.54		-	
		<b>1444.38</b>		<b>543.32</b>	
		<b>1971.49</b>		<b>800.74</b>	
4	<b>Long term borrowings</b> <b>Unsecured Loans:</b> - From Relatives of the Partners - Others (Refer Note No.-26)	6.79 1.74		7.29 2.79	
		<b>8.53</b>		<b>10.08</b>	
5	<b>Net Deferred Tax Liabilities</b> Deferred Tax Asset on account of Gratuity Deferred Tax Liability on account of Depreciation	-0.71 30.18		-0.32 4.63	
		<b>29.47</b>		<b>4.31</b>	



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Consolidated Notes On Financial Statements For The</b> <b>Year Ended 31st March, 2024</b>			
<b>(Rs.in Lakhs)</b>			
Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
6	<b><u>Long Term Provisions</u></b> For Gratuity payable	2.82	1.26
		<b>2.82</b>	<b>1.26</b>
7	<b><u>TRADE PAYABLES</u></b> Dues to MSME Other Payable	2.23 102.62	1.06 76.78 -
		<b>104.85</b>	<b>77.84</b>
8	<b><u>OTHER CURRENT LIABILITIES</u></b> Statutory dues Salary Payable Advance Received from Customer Provision for Audit Fees Provision For Income Tax (Net-off)	3.39 5.43 15.00 0.60 17.77	9.66 34.49 20.23 0.30 -
		<b>42.19</b>	<b>64.68</b>
9	<b><u>Short Term Provisions</u></b> Provision For Gratuity Payable Provision For Electricity expenses	0.01 0.75	0.01 -
		<b>0.76</b>	<b>0.01</b>



Consolidated Notes On Financial Statements For The Year Ended 31st March, 2024										
Note No :- 10 Depreciation as per Companies Act (Rs.in Lakhs)										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01/04/2023	Addition during the year	Deductions during the year	As at 31/03/2024	Total up to 31/03/2023	Deduction / Adjustment during the year	Provided for the year	Total up to 31/03/2024	Total as on 31/03/2024	Total as on 01/04/2023
Building	1214.75	-	-	1214.75	99.46	-	17.83	117.30	1097.45	1115.28
Plant & Machinery	65.43	98.15	-	163.58	3.98	0.98	6.10	11.06	152.52	61.45
Office Equipments	11.63	4.65	-	16.28	2.77	0.03	2.72	5.52	10.77	8.86
Computer	0.91	1.15	-	2.06	0.26	0.00	0.56	0.82	1.24	0.64
Furniture & Fixtures	1.85	4.85	-	6.69	0.20	0.00	0.29	0.49	6.20	1.64
<b>TOTAL</b>	<b>1294.56</b>	<b>108.80</b>	<b>-</b>	<b>1403.35</b>	<b>106.68</b>	<b>1.01</b>	<b>27.50</b>	<b>135.18</b>	<b>1268.17</b>	<b>1187.88</b>
<b>As on 31/3/2023</b>	<b>92.08</b>	<b>1227.81</b>	<b>- 25.33</b>	<b>1294.56</b>	<b>5.62</b>	<b>-5.86</b>	<b>106.92</b>	<b>106.68</b>	<b>1187.88</b>	<b>-</b>



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Consolidated Notes On Financial Statements For The Year Ended 31st</b> <b>March, 2024</b>			
(Rs.in Lakhs)			
Note No.	Particulars	As at March 31, 2024	As at March 31, 2023
11	<b><u>Long term loans and advances</u></b> <i>(Unsecured, considered good unless otherwise stated)</i> Security deposits Capital Advances	16.84 25.79	2.47
		<b>42.63</b>	<b>2.47</b>
12	<b><u>Non-current Investments</u></b> Investment in Partnership firm	-	-
		-	-
13	<b><u>Inventories</u></b> Stock in hand	77.38	58.38
		<b>77.38</b>	<b>58.38</b>
14	<b><u>Trade Receivables</u></b> <b><u>Unsecured, Considered Good</u></b> <i>Over six months from the due date</i> Others	- 225.17	- 235.77
		<b>225.17</b>	<b>235.77</b>
15	<b><u>Cash And Cash Equivalents</u></b> Cash On Hand Balance With Bank -On Current Account -On Fixed Deposit Account	17.97 255.97 1643.11	57.71 71.02 320.00
		<b>1917.04</b>	<b>448.73</b>
16	<b><u>Other Current Asset</u></b> Balances with Revenue Authorities Accrued Interest on Fixed Deposit Prepaid Expenses	0.11 9.44 0.90	21.69 5.43 -
		<b>10.44</b>	<b>27.12</b>



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Consolidated Notes On Financial Statements For The Year Ended 31st March, 2024</b> <b>(Rs.in Lakhs)</b>			
Note No.	Particulars	For the period ended 31st March, 2024	For the period ended 31st March, 2023
<b>17</b>	<b><u>Revenue From Operations</u></b>		
	Sale of Services	934.78	881.62
	Sale of Goods	714.45	695.78
	Less: Sales Return	8.14	10.61
		<b>1641.09</b>	<b>1566.79</b>
<b>18</b>	<b><u>Indirect Incomes</u></b>		
	Interest on Fixed Deposit	76.20	5.90
	Discount Received	4.17	0.69
	Interest from Partnership firm	3.10	2.86
	Interest on Income Tax Refund	0.83	-
	Other Miscellaneous Income	0.10	-
		<b>84.39</b>	<b>9.45</b>
<b>19</b>	<b><u>Purchase of Stock in Trade</u></b>		
	Purchases	651.93	603.76
	Less: Purchase Return	7.22	8.36
		-	-
		<b>644.71</b>	<b>595.39</b>
<b>20</b>	<b><u>Increase/(Decrease) in Inventories</u></b>		
	Inventories at the end of the year	80.90	93.80
	Inventories at the beginning of the year	54.87	52.62
		<b>-26.03</b>	<b>-41.19</b>
<b>21</b>	<b><u>Direct Expenses</u></b>		
	Implant, Dialysis and Lab Charges	62.46	21.15
	Professional fees	164.28	141.67
	Hospital Consumption Charges	70.83	88.83
	Lab Testing Fees Exp.	5.38	4.53
	Medical Oxygen Gas Exp.	2.89	1.94
	Patient Discharge Charges	18.50	-
		<b>324.34</b>	<b>258.12</b>
<b>22</b>	<b><u>Employee Benefits Expense</u></b>		
	Salary Expenses	64.73	59.01
	Directors Remuneration	252.00	252.00
	Staff Welfare Expenses	0.27	-
	Employer's Contribution to P.F.	1.85	3.34
	Gratuity Expenses	1.56	1.27
		<b>32,041,069</b>	<b>315.62</b>



<b>Sangani Hospitals Limited</b> CIN : U85300GJ2021PLC127189 Consolidated Notes On Financial Statements For The Year Ended 31st March, 2024			
(Rs.in Lakhs)			
Note No.	Particulars	For the period ended 31st March, 2024	For the period ended 31st March, 2023
23	<b>Other Expenses:</b>		
	Advertisement Expenses	-	0.84
	Audit Fees	2.30	2.30
	Bank Charges	0.01	0.01
	Business Promotion Exp	0.40	0.71
	Catering and Patient Welfare Expenses	3.63	4.00
	Courier Charges	0.58	0.29
	Electricity Charges	8.50	9.36
	General Expenses	3.47	2.00
	Insurance Charges	0.64	-
	Interest Paid on Capital	3.21	-
	Loss on sales of Fixed Asset	-	6.31
	Medical Waste Exp.	1.91	2.48
	Miscellaneous Expense	0.20	0.78
	Office Expenses	0.15	0.13
	Professional and Counsultancy fees	3.85	-
	Printing & Stationery	8.62	7.45
	Rates and Taxes	18.31	3.51
	Repairs & Maintainance	6.01	3.53
	Telephone Expenses	0.07	0.02
	Travelling Expenses	1.36	0.08
	Shop Expenses	-	0.15
		<b>63.22</b>	<b>43.96</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

**1. SIGNIFICATON ACCOUNTING POLICIES:**

**a) Basis of accounting and preparation of consolidated financial statements:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis and in accordance with Accounting Standards prescribed under section 133 of the companies Act, 2013.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year. In the opinion of the Management, based on the analysis of the significant transactions at subsidiary, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.

**Subsidiary**

<b>Sr. No.</b>	<b>Name of the Firm</b>	<b>Percentage of holding</b>
1	Ankur distributors	95.00%

**b) Principles of consolidation**

1. The Financial statements of the company and its Subsidiary firm combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating material intragroup balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21 (AS21) "Consolidated Financial Statements".
2. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of the subsidiary firm when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's separate financial statements.
3. The difference between the cost of investment in the subsidiary firm over the net assets at the time of acquisition of shares in the joint ventures is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

**c) System of accounting and use of estimates:**

- I. The Company follows the mercantile system of accounting and recognizes income & expenditure on an accrual basis except in case of significant uncertainties.
- II. Financial statements are prepared under the historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.

**III.** Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

**d) Property, Plant and Equipment:**

- a. Fixed assets are carried at cost of acquisition less accumulated depreciation.
- b. The cost of fixed assets comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use.

**e) Depreciation:**

- a. Depreciation on fixed assets is being provided on Straight Line Method as per the useful life prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets acquired/installed.
- c. Depreciation on fixed assets sold, discarded or demolished during the year is being provided at their respective rate upto the month in which such assets are sold, discarded or demolished.

**f) Taxation:**

- a. Current tax:

Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

- b. Deferred tax:

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse in subsequent years.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date.

**g) Revenue Recognition:**

- Sales of pharmacy products are exclusive of GST and are stated net of discounts. Sale of pharmacy products is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Returns against sales and price difference are recognized as and when ascertained and are netted from the amount of sales for the year.
- Revenue from hospital services to patients is recognized as revenue when the related services are rendered. Revenue is recognized net of discounts and concessions given to the patients.





**h) Inventories:**

Inventories are valued at lower of cost (FIFO) basis or net realizable value

**i) Provisions and contingencies:**

- a. A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management best estimates of the expenditure required to settle the obligation as at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of each such obligation.
- b. A contingent liability is disclosed when there is a possible or present obligation that may, but probably will not require an outflow of resources, unless the possibility of such outflow is remote.
- c. Contingent Assets are neither recognised nor disclosed.

**j) Earnings per Share:**

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

24. The Company is into the business of Hospitals, pathological laboratory and Pharmacy stores at Keshod and Veraval location in Gujarat. The Company has been incorporated on November 11, 2021.
25. The Company came with an Initial Public Offer of equity shares on 4<sup>th</sup> August, 2023 and closed on 8<sup>th</sup> August, 2023. The Initial Public Offer was for 37,92,000 equity shares of face value of Rs. 10 each at premium of Rs. 30 per share aggregating to INR 1516.80 lakhs. The shares of the Company were listed on the National Stock Exchange of India Limited, Emerge Platform on 17<sup>th</sup> August, 2023.
26. Related party Disclosers as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

❖ Directors Of The Company

- i. Ajaykumar Natwarlal Sangani – Managing Director
- ii. Rajeshkumar Natvarlal Sangani – Whole Time Director
- iii. Kamalkumar Natvarlal Sangani – Whole time Director
- iv. Vaishaliben Rajeshkumar Sangani – Director

❖ Key Management Personnel:

1. Ajaykumar Natwarlal Sangani – Managing Director
2. Rajeshkumar Natvarlal Sangani – Whole Time Director
3. Kamalkumar Natvarlal Sangani – Whole time Director
4. Vaishaliben Rajeshkumar Sangani – Director
5. Chandniben Ajaykumar Sangani – Chief Financial officer
6. Gaurav Patadia - Company Secretary



- ❖ Relatives of the Director/s:
  - i. Gopiben Kamalkumar Sangani - Wife of Kamalkumar Natvarlal Sangani
  - ii. Natvarlal Sangani – Father of Ajaykumar Natwarlal Sangani
- ❖ Relatives of the Partner’s
  - i. Premkuvarben Vallabhdas - Mother of Rasilaben Sangani
- ❖ Enterprise over which Key Management Personnel exercise significant influence:  
Ankur Distributors – Subsidiary firm holding 95% of the Capital  
Related Party Transactions:

Type of Related Party	Party Name	Description of the Nature	FY 2023-24	FY 2022-23
Managing Director	Ajaykumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Rajeshkumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Kamalkumar Natavarlal sangani	Remuneration	60.00	60.00
		Loan Taken	0.29	0.29
Chief Financial Officer	Chandni Ajaykumar sangani	Remuneration	24.00	24.00
Directors	Vaishali Rajeshkumar sangani	Remuneration	24.00	24.00
Relative of Directors	Gopi Kamalkumar sangani	Salary	24.00	24.00
		Loan Taken	3.50	3.50
Relative of Directors	Natvarlal Sangani	Loan Taken	3.00	3.00
Relative of Directors	Premkuvarben Vallabhdas	Loan Taken	-	0.50

Type of Related Party	Party Name	Description of the Nature	FY 2023-24				FY 2022-23			
			Opening Balance	Volume of Transactions during	Received /Paid during the year	Closing Balance	Opening Balance	Volume of Transactions during	Received / (Paid) during the year	Closing Balance
Subsidiary Company	Ankur Distributor	Purchase	0.01	71.94	-70.53	0.03	-	63.31	-61.03	0.01
		Sales		1.44	-			2.29	-	

**24. Deferred Taxation:**

(Rs. in Lakhs)

	Items of Timing Difference	Accumulated Deferred Tax (Asset) / Liability as on April 1, 2023	Charge/ (credit) for the year	Accumulated Deferred Tax (Asset)/ Liability as on March 31, 2024
<b>Deferred Tax Assets</b>				
i.	Depreciation	4.63	25.55	30.18
<b>Deferred Tax Liabilities</b>				
ii	Gratuity	(0.32)	(0.39)	(0.71)
<b>Net Deferred Tax</b>		<b>4.31</b>	<b>25.16</b>	<b>29.47</b>

**24. Dues to Micro & Small Enterprises:****(Rs. in Lakhs)**

Sr. No.	Particulars	As on 31 <sup>st</sup> March 2024	As on 31 <sup>st</sup> March 2023
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at the end of year.	2.23	1.06
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as to at year end.	-	-
3	Principal amount paid to suppliers registered under MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid other than under section 16 of MSMED Act, to supplier registered under the MSMED Act beyond the appointed day during the year.	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7	Further interest remaining due and payable for earlier years.	-	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authority.

**24. Auditors Remunerations:****(Rs. in Lakhs)**

Particulars	For the year ended	For the year ended
	March 31,2024	March 31,2023
Statutory audit fees	1.80	1.80
Tax audit fees	0.50	0.50
Other Services	1.00	-

**27. Earnings per share:****(Rs. in Lakhs)**

Particulars	For the period ended on March 31, 2024	For the period ended on March 31, 2023
Profit/(loss) for the Year (Rs.) (A)	296.61	153.15
Weighted Average Number of Equity Shares (B)	1,24,09,383	94,55,733
Earnings per Share – Basic and Diluted (Rs.) (A/B)	2.17	1.62
Nominal Value of an Equity Share (Rs.)	10.00	10

**28. Disclosure of Ratios**



DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE						
	Particulars	Formula for Computation	Measures (in times / percentage)	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023	% change (2024-2023)
A	Current Ratio	Current assets / Current liabilities	Times	15.09	5.40	179.27%
B	Debt Equity Ratio	Debt / Net worth	Times	0.00	0.01	-54.50%
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Principal repayment of long term borrowings within one year)	Times	N/A	N/A	N/A
D	Return on Equity	Profit after tax / Net worth	Percentage	8.04%	8.50%	-5.36%
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	8.14	10.71	-24.01%
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	6.96	6.65	4.76%
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	6.25	7.65	-18.24%
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	0.75	2.50	-69.85%
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	17.20%	9.78%	75.95%
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	10.81%	11.29%	-4.29%
K	Return on Investment (ROI)	Not Applicable	Percentage	N/A	N/A	N/A

Notes	
1	Debt = Non-current borrowings + Current borrowings
2	Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated losses
3	Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-
4	Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material
5	Working Capital = Current assets - Current liabilities
6	EBIT = Earnings before Interest, tax and exceptional items
7	Capital employed = Total equity + Non-current borrowings

Disclosure of change in ratio by more than 25%		
Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance
Current Ratio	179.27%	Due to increase in current assets.
Debt Equity Ratio	-54.50%	Due to Increase in Shareholder's funds.
Net Capital Turnover Ratio	-69.85%	Due to increase in current assets.
Net Profit Ratio	75.95%	Due to decrease in expenses.

24. Debtors & Creditors balances are subject to confirmation. Adjustments, if any, will be made in the accounts on the receipt of such confirmations.



25. In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the accounts.
26. The provision for all the liabilities are adequate and not in excess of the amounts reasonably necessary and there are no other liabilities other than what is provided in accounts.

As per our attached report of even date

**For Kumbhat & Co.**  
**Chartered Accountants**  
**FRN:001609S**

**Gaurang C. Unadkat**  
**Partner**  
**Membership No. 131708**

Place : Keshod  
Date : May 29<sup>th</sup>, 2024

**For and on behalf of the Board Of Directors**  
**Sangani Hospitals Limited**

**Ajay Sangani**  
**Director**  
**DIN: 06718085**

**Kamal Sangani**  
**Whole Time Director**  
**DIN: 08175027**

**Gaurav patadia**  
**Company Secretary**

Place : Keshod  
Date : May 29<sup>th</sup>, 2024

**Rajesh Sangani**  
**Director**  
**DIN: 09394928**

**Chandni Sangani**  
**Chief Financial Officer**



## INDEPENDENT AUDITORS' REPORT

**To the Members of  
Sangani Hospitals Limited**

### **Report on the Audit of the standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **Sangani Hospitals Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and 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 standalone financial statements give the information required by the Companies Act, 2013 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<sup>st</sup> March, 2024 and its profit and its cash flows for the year ended on that date.

#### **Basis for opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 there under, 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 Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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 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.

#### **Responsibility of Management and Those Charge with Governance for the Financial Statements**

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 financials position, financial performance, changes in equity and cash flows of the



Company in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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.

The Board of Directors are responsible for overseeing the Company's financial Reporting process.

### **Auditor's Responsibilities for the Audit of the standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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**

3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in "Annexure 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 purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.





- g) 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, as amended 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 has not entered any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
  - iii. There has been no delay in transferring the amounts, 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 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 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. The Company has not declared or paid any dividend during the year hence no compliance is required with Section 123 of the Companies Act 2013.
  - vi. **Based on our examination, which includes test check basis, the Company has used accounting softwares for maintaining books of account for the financial year ended March 31, 2024 which does not has a feature of recording audit trail (edit log) facility.**

**For KUMBHAT & CO.**

*Chartered Accountants*  
Firm Regn. No. 001609S

**Gaurang C. Unadkat**

Partner

Mem.No. 131708

UDIN: 24131708BKBIAF9644

Place: Keshod

Dated: May 29<sup>th</sup>, 2024

**Annexure "A" to the Independent Auditor's Report  
(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any intangible assets hence reporting under clause 3 (i)(a)(B) of the order are not applicable.
- (b) The Company has a phased program of physical verification of Property, Plant and Equipment so to cover all the assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. 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 title deeds of immovable properties are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) (a) As explained to us, the physical verification of inventory has been conducted by the Management in accordance with the phased programme of verification which, In our opinion, is reasonable and no material discrepancies were noticed on such verification and the discrepancies noticed on physical verification for each class of inventory have been properly dealt with in the books of accounts.  
(b) The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b)
- (iii) According to the information and explanations given to us, during the year, the Company has made investments in subsidiary.
- (a) According to the information and explanations given to us, during the year, the Company has made investments in firm, and not granted unsecured loans to other parties. Further, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

The Company has not granted unsecured loans to other parties. Further, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or

any other parties. Hence reporting under clause 3 (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.

- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee, which are covered by the provisions of Section 185 and 186 of the Companies Act 2013. Hence, reporting under Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or money deemed to be deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Cost records prescribed under Section 148(1) of the Act are not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they become payable.  
  
(b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.  
(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 not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.  
(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) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.  
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has raised money by way of initial public offer during the year. Accordingly, the utilisation and pending utilisation of funds raised for the purpose is given below:



Objects as stated in the prospectus	Projected Utilization of proceeds as per prospectus	Actual Utilization of proceeds upto 31/03/2024	Variations, if any, upto 31/03/2024	Pending utilisation till 31/03/2024
Capital Expenditure for expansion in Keshod Hospital	809.58	21.62	-	787.96
Capital Expenditure for expansion in Veraval Hospital	319.02	4.17	-	314.85
General Corporate Purpose	161.10	11.86	-	149.24
Issue expenses	227.10	227.10		-
<b>Total</b>	<b>1,516.80</b>	<b>264.75</b>	<b>-</b>	<b>1,252.05</b>

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) 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.

(c) According to information and explanations given to us there were no whistle blower complaints received by the Company during the year.

(xii) As the Company is not Nidhi Company, the reporting under clause 3(xii) of the Order is not applicable.

(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 the financial statements etc. as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, the company does not have an internal audit system commensurate with the size and nature of its business..

(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 with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) (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 non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the 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 the 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.

(xvii) The Company has not incurred cash loss during the current financial year and during the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Currently Provisions of Section 135(5) of the Companies Act, relating to Corporate Social Responsibility spending, are not applicable to the Company, hence the reporting under clause 3(xx) of the Order is not applicable.

**For KUMBHAT & CO.**  
*Chartered Accountants*  
Firm Regn. No. 001609S

**Gaurang C. Unadkat**  
Partner

Mem.No. 131708

UDIN: 24131708BKBIAF9644

Place: Keshod

Dated: May 29<sup>th</sup>, 2024

## **Annexure “B” to the Independent Auditor's Report**

**(Referred to in Paragraph 2(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **Sangani Hospitals Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KUMBHAT & CO.**  
*Chartered Accountants*  
Firm Regn. No. 001609S

**Gaurang C. Unadkat**  
Partner  
Mem.No. 131708  
UDIN: 24131708BKBIAF9644

Place: Keshod  
Dated: May 29<sup>th</sup>, 2024



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Balance Sheet as at March 31,2024</b>				
(Rs.in Lakhs)				
	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>A</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders' funds</u></b>			
	(a) Share capital	2	1377.70	998.50
	(b) Reserves and surplus	3	1971.37	800.70
			3349.07	1799.20
<b>2</b>	<b><u>Non-current liabilities</u></b>			
	(a) Long term borrowings	4	0.00	0.00
	(b) Deferred tax liabilities (net)	5	29.47	4.31
	(c) Long Term Provisions	6	2.82	1.26
			32.29	5.57
<b>3</b>	<b><u>Current liabilities</u></b>			
	(a) Trade payables	7		
	(i) Due to Micro & Small Enterprises		2.23	1.06
	(ii) Others		72.80	53.27
	(b) Other current liabilities	8	23.51	62.73
	(c) Short Term Provisions	9	18.54	0.01
			117.08	117.07
			<b>3498.44</b>	<b>1921.83</b>
<b>B</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-current assets</u></b>			
	(a) Property, Plants and Equipment			
	(i) Tangible Assets	10	1267.04	1187.37
	(b) Long term loans and advances	11	42.63	2.47
			1309.68	1189.83
<b>2</b>	<b><u>Non-current Investments</u></b>	12	83.81	81.03
<b>3</b>	<b><u>Current assets</u></b>			
	(a) Inventories	13	53.63	31.12
	(b) Trade receivables	14	179.48	193.88
	(c) Cash and cash equivalents	15	1861.50	399.45
	(d) Other Current Asset	16	10.33	26.52
			2104.95	650.97
			<b>3498.44</b>	<b>1921.83</b>
	Significant Accounting Policies	1		
	Notes on financial statement	2-34		
<b>As per our report of even date attached</b> <b>For Kumbhat &amp; Co.</b> <b>Chartered Accountants</b> <b>FRN: 001609S</b>  <b>Gaurang C. Unadkat</b> <b>Partner</b>  Membership No.131708		<b>For and on behalf of the Board of Directors</b> <b>Sangani Hospitals Limited</b>  <b>Ajay Sangani</b> <b>Managing Director</b> DIN: 06718085  <b>Kamal Sangani</b> <b>Whole Time Director</b> DIN: 08175027  <b>Gaurav patadia</b> <b>Company Secretary</b>		
Place : Keshod Date : May 29th ,2024		<b>Rajesh Sangani</b> <b>Whole Time Director</b> DIN: 09394928  <b>Chandni Sangani</b> <b>Chief Financial Officer</b>  Place : Keshod Date : May 29th ,2024		





<b>Sangani Hospitals Limited</b>				
<b>CIN : U85300GJ2021PLC127189</b>				
<b>Statement of Profit and Loss for the year ended March 31, 2024</b>				
<b>(Rs.in Lakhs)</b>				
	<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>I</b>	Revenue From Operations	17	1223.56	1165.52
<b>II</b>	Other Income	18	81.53	9.45
<b>III</b>	<b>Total Revenue</b>		<b>1305.09</b>	<b>1174.97</b>
<b>IV</b>	<b>Expenses:</b>			
	Purchase of Stock in Trade	19	236.40	237.22
	Increase/(Decrease) in Inventories	20	-22.51	-5.77
	Direct Expenses	21	324.34	275.63
	Employee Benefits Expenses	22	316.86	312.23
	Finance Costs		-	-
	Depreciation and amortization Expenses	10	28.40	106.88
	Other Expenses	23	58.38	44.14
	<b>Total Expenses</b>		<b>941.88</b>	<b>970.34</b>
<b>V</b>	Profit Before Tax (I-II)		363.22	204.63
<b>VI</b>	<b>Tax Expense</b>			
	Current Tax		68.01	47.49
	Excess/Short Provision for Tax		0.43	-
	Deferred Tax		25.16	3.99
	Profit (Loss) for the year		269.61	153.15
<b>VII</b>	<b>Balance Carried Over to Balance Sheet</b>		<b>269.61</b>	<b>153.15</b>
<b>VIII</b>	<b>Earning Per Equity Share</b>			
	(1) Basic	30	2.17	1.62
	(2) Diluted	30	2.17	1.62
	Significant Accounting Policies	1		
	Notes on financial statement	2-34		
<b>As per our report of even date attached For Kumbhat &amp; Co.</b>		<b>For and on behalf of the Board of Directors Sangani Hospitals Limited</b>		
<b>Chartered Accountants</b>		<b>Ajay Sangani</b>		
<b>FRN: 001609S</b>		<b>Managing Director</b>		
<b>Gaurang C. Unadkat</b>		<b>DIN: 06718085</b>		
<b>Partner</b>		<b>Rajesh Sangani</b>		
<b>Membership No.131708</b>		<b>Whole Time Director</b>		
		<b>DIN: 09394928</b>		
		<b>Kamal Sangani</b>		
		<b>Whole Time Director</b>		
		<b>DIN: 08175027</b>		
		<b>Chandni Sangani</b>		
		<b>Chief Financial Officer</b>		
		<b>Gaurav patadia</b>		
		<b>Company Secretary</b>		
<b>Place : Keshod</b>		<b>Place : Keshod</b>		
<b>Date : May 29th ,2024</b>		<b>Date : May 29th ,2024</b>		



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Cash flow statement for the period ended 31st March 2024</b>		
Particulars	31.03.2024	31.03.2023
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	363.22	204.63
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	28.40	101.02
Finance Cost	-	-
<b>Operating profit/(loss) before working capital changes</b>	391.62	305.65
<b>Movements in working capital:</b>		
Increase/(decrease) in short term borrowings	-	-
Increase/(decrease) in trade payables	20.70	-16.12
Increase/(decrease) in other current liabilities	-39.22	-27.81
Increase/(decrease) in short term provision	18.53	0.01
Decrease/(increase) in inventories	-22.51	-5.77
Decrease/(increase) in trade receivables	14.40	40.48
Decrease/(increase) in short-term loans and advances	-	-
Decrease/(increase) in Other Current Assets	16.19	-23.98
<b>Cash generated from Operations</b>	399.70	272.45
Direct taxes paid	-68.44	-47.49
<b>Net Cash from Operating Activities (A)</b>	<b>331.26</b>	<b>224.96</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of Fixed Assets	-108.08	-1202.48
Sale/(Purchase) of Investments	-2.79	-81.03
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-110.87</b>	<b>-1283.51</b>
<b>Cash flow from financing activities</b>		
Acceptance / Repayment of Loans	-	-3.08
Finance Cost	-	-
Share Capital Introduced	379.20	603.68
Increase/(decrease) in Long Term Provisions	1.56	1.26
Decrease/(increase) in long-term loans and advances	-40.16	-0.45
Security Premium	901.06	543.32
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>1241.65</b>	<b>1144.74</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1462.05	86.19
Cash and cash equivalents at the beginning of the year	399.45	313.26
<b>Cash and cash equivalents at the end of the year</b>	<b>1861.50</b>	<b>399.45</b>
<b>As per our report of even date attached</b> <b>For Kumbhat &amp; Co.</b> <b>Chartered Accountants</b> <b>FRN: 001609S</b>  <b>Gaurang C. Unadkat</b> <b>Partner</b> <b>Membership No.131708</b>		
<b>For and on behalf of the Board of Directors</b> <b>Sangani Hospitals Limited</b>  <b>Ajay Sangani</b> <b>Managing Director</b> <b>DIN: 06718085</b>  <b>Kamal Sangani</b> <b>Whole Time Director</b> <b>DIN: 08175027</b>  <b>Gaurav patadia</b> <b>Company Secretary</b>		
<b>Rajesh Sangani</b> <b>Whole Time Director</b> <b>DIN: 09394928</b>  <b>Chandni Sangani</b> <b>Chief Financial Officer</b>		
Place : Keshod Date : May 29th ,2024		



Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Notes On Financial Statements For The Year Ended 31st March, 2024 (Rs.in Lakhs)					
Note No.	Particulars	As at March 31, 2024		As at March 31, 2023	
2	<b>SHARE CAPITAL</b>				
	<b>Authorised Share Capital</b>				
	2,00,00,000 Equity Shares of Rs.10 each	2000.00		1000.00	
	(1,00,00,000 Equity Shares of Rs.10 each )	<b>2000.00</b>		<b>1000.00</b>	
	<b>Issued, Subscribed and Paid up</b>				
	1,37,76,990 Equity Shares of Rs.10each	1377.70		998.50	
	(99,84,990 Equity Shares of Rs.10 each )				
		<b>1377.70</b>		<b>998.50</b>	
i)	<b>No. of shares Outstanding at the beginning &amp; at the end of the reporting period</b>				
		As at March 31, 2024		As at March 31, 2023	
	Particulars	No.	Rs.	No.	Rs.
	At the beginning of the year	9,984,990	998.50	3,948,148	394.81
	Add: Equity Shares issued during the year	3,792,000	379.20	6,036,842	603.68
	Add: Bonus Shares issued during the year	-	-	-	-
		<b>13,776,990</b>	<b>1377.70</b>	<b>9,984,990</b>	<b>998.50</b>
ii)	<b>Details of Shares held by Promoters /Shareholders holding more than 5% of the aggregate shares in the Company</b>				
		As at March 31, 2024		As at March 31, 2023	
	Name of the Shareholders	No. of Shares held	% of holding	No. of Shares held	% of holding
	Ajaykumar Natvarlal Sangani	3,311,664	23.95%	3,311,664	33.17%
	Rajeshkumar Natvarlal Sangani	3,311,663	23.95%	3,311,663	33.17%
	Kamalkumar Natvarlal Sangani	3,311,663	23.95%	3,311,663	33.17%
	Chandni Ajaykumar Sangani	10000	0.07%	10,000	0.10%
	Sangani Natavaral Babulal	10000	0.07%	10,000	0.10%
	Vaishali Rajeshkumar Sangani	10000	0.07%	10,000	0.10%
	Rasila Natvarlal Sangani	10000	0.07%	10,000	0.10%
	Gopiben Kamalkumar Sangani	10000	0.07%	10,000	0.10%
	Others	3,842,000	27.79%		
	<b>Total</b>	<b>13,826,990</b>	<b>100.00%</b>	<b>9,934,990</b>	<b>100.00%</b>
iii)	<b>Terms/Rights to Equity Shares</b>				
	(a) The company has only one class of shares i.e. Equity Share				
	(b) All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the				
	(c) All the Equity Shares are having one vote per share				
	(d) All the above Shareholders are also promoters of the company				
	<b>Particulars</b>	As at March 31, 2024		As at March 31, 2023	
3	<b>RESERVES AND SURPLUS</b>				
iv)	<b>Surplus/(Deficit) in Statement of Profit &amp; Loss</b>				
	Opening Balance	257.38		104.23	
	Add: profit/(Loss) during the year	269.61		153.15	
		<b>527.00</b>		<b>257.38</b>	
	<b>Security Premium</b>				
	Opening Balance	543.32		-	
	Add:- Shares Issued during the year	1137.60		543.32	
	Less:- IPO Expenses	-236.54		-	
		<b>1444.38</b>		<b>543.32</b>	
		<b>1971.37</b>		<b>800.70</b>	



<b>Sangani Hospitals Limited</b> <b>CIN : U85300GJ2021PLC127189</b> <b>Notes On Financial Statements For The Year Ended 31st March, 2024</b> <b>(Rs.in Lakhs)</b>					
Not e No.	Particulars	As at March 31, 2024	As at March 31, 2023		
4	<b>Long Term Borrowings :</b>				
	Loans and advances from Directors and their relatives	-	-		
		-	-		
5	<b>Net Deferred Tax Liabilities</b>				
	Deferred Tax Asset on account of Gratuity	-0.71	-0.32		
	Deferred Tax Liability on account of Depreciation	30.18	4.63		
		<b>29.47</b>	<b>4.31</b>		
6	<b>Long Term Provisions</b>				
	Gratuity payable (Refer Note No. 31)	2.82	1.26		
		<b>2.82</b>	<b>1.26</b>		
7	<b>Trade Payables</b>				
	Dues to MSME	2.23	1.06		
	Other Payable (Refer Note No. 28)	72.80	53.27		
		<b>75.03</b>	<b>54.33</b>		
<b>Trade Payables ageing schedule: As at 31st March, 2024</b>					
		Outstanding for following periods from due date of payment			
Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	2.23	-	-	-	2.23
Others	72.55	0.25	-	-	72.80
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Trade Payables ageing schedule: As at 31st March, 2023</b>					
		Outstanding for following periods from due date of payment			
Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	1.06	-	-	-	1.06
Others	50.13	3.14	-	-	53.27
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-



<b>Sangani Hospitals Limited</b>			
<b>CIN : U85300GJ2021PLC127189</b>			
<b>Notes On Financial Statements For The Year Ended 31st March, 2024</b>			
<b>(Rs.in Lakhs)</b>			
<b>Note No.</b>	<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>8</b>	<b><u>Other Current Liabilities</u></b>		
	Statutory Dues	3.09	8.01
	Salary Payable	5.43	34.49
	Advance Received from Customer	15.00	20.23
		<b>23.51</b>	<b>62.73</b>
<b>9</b>	<b><u>Short Term Provisions</u></b>		
	Provision for Expenses	0.75	0.00
	Gratuity payable	0.01	0.01
	Provision For Income Tax (Net-off)	17.77	0.00
		<b>18.54</b>	<b>0.01</b>



Notes On Financial Statements For The Year Ended 31st March, 2024										
Note No :- 10 Depreciation as per Companies Act (Rs.in Lakhs)										
Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01/04/2023	Addition during the year	Deductions during the year	As at 31/03/2024	Total up to 31/03/2023	Deduction / Adjustment during the year	Provided for the year	Total up to 31/03/2024	Total as on 31/03/2024	Total as on 01/04/2023
Building	1214.75	-	-	1214.75	99.46	0.00	17.83	117.30	1097.45	1115.28
Plant & Machinery	64.88	98.15	-	163.03	3.94	0.98	6.07	10.98	152.05	60.94
Office Equipments	11.63	3.93	-	15.56	2.77	0.03	2.65	5.45	10.11	8.86
Computer	0.91	1.15	-	2.06	0.26	0.00	0.56	0.82	1.24	0.64
Furniture & Fixtures	1.85	4.85	-	6.69	0.20	0.00	0.29	0.49	6.20	1.64
<b>TOTAL</b>	<b>1294.01</b>	<b>108.08</b>	<b>-</b>	<b>1402.09</b>	<b>106.64</b>	<b>1.01</b>	<b>27.39</b>	<b>135.04</b>	<b>1267.04</b>	<b>1187.37</b>
<b>As on 31/3/2023</b>	<b>91.53</b>	<b>1227.81</b>	<b>- 25.33</b>	<b>1294.01</b>	<b>5.62</b>	<b>-5.86</b>	<b>106.88</b>	<b>106.64</b>	<b>1187.37</b>	



Sangani Hospitals Limited						
CIN : U85300GJ2021PLC127189						
Notes On Financial Statements For The Year Ended 31st March, 2024						
(Rs.in Lakhs)						
Not e No .	Particulars	As at March 31, 2024			As at March 31, 2023	
1 1	<b>Long Term Loans and Advances</b> (Unsecured, considered good unless otherwise stated)					
	Security Deposits				2.47	
	Capital Advance				-	
		<b>42.63</b>			<b>2.47</b>	
1 2	<b>Non-current Investments</b> Investment in Partnership Firm	83.81			81.03	
		<b>83.81</b>			<b>81.03</b>	
1 3	<b>Inventories</b> Stock in Hand	53.63			31.12	
		<b>53.63</b>			<b>31.12</b>	
1 4	<b>Trade Receivables</b> <b>Unsecured, Considered Good</b> Over six months from the due date Others					
		<b>179.48</b>			<b>193.88</b>	
<b>Trade Receivables ageing schedule as at 31 March 2024</b>						
		Outstanding for following periods from due date of payment				
	Particulars	Less than 6	6 months to 1	1 to 2 years	2 to 3 years	More than 3
			year			years
	Undisputed trade receivables - considered good	140.45	0.97	-	38.06	-
	Undisputed trade receivables - credit impaired	-	-	-	-	-
	Disputed trade receivables - considered good	-	-	-	-	-
	Disputed trade receivables - credit impaired	-	-	-	-	-
						<b>179.48</b>
<b>Trade Receivables ageing schedule as at 31 March 2023</b>						
		Outstanding for following periods from due date of payment				
	Particulars	Less than 6	6 months to 1	1 to 2 years	2 to 3 years	More than 3
			year			years
	Undisputed trade receivables - considered good	148.67	7.47	37.74	0.00	0.00
	Undisputed trade receivables - credit impaired	-	-	-	-	-
	Disputed trade receivables - considered good	-	-	-	-	-
	Disputed trade receivables - credit impaired	-	-	-	-	-
						<b>193.88</b>
1 5	<b>Cash And Cash Equivalents</b> Cash On Hand Balance With Bank -On Current Account -On Fixed Deposit Account	11.64			39.85	
		206.74			39.60	
		643.11			20.00	
		<b>1861.50</b>			<b>399.45</b>	
1 6	<b>Other Current Asset</b> Balances with Revenue Authorities Accrued Interest on Fixed Deposit Prepaid Expenses					
					21.09	
		9.44			5.43	
		0.90			-	
		<b>10.33</b>			<b>26.52</b>	



Sangani Hospitals Limited CIN : U85300GJ2021PLC127189 Notes to and forming part of statement of Profit and Loss for the year ended March 31, 2024 (Rs.in Lakhs)			
Note No.	Particulars	For the year ended 31 March, 2024	For the year ended 31st March, 2023
17	<b><u>Revenue From Operations</u></b>		
	Sale of Services	934.78	881.62
	Sale of Goods	288.78	283.90
		<b>1223.56</b>	<b>1165.52</b>
18	<b><u>Indirect Incomes</u></b>		
	Interest on Fixed Deposit	76.11	5.90
	Discount Received	1.41	0.69
	Interest from Partnership firm	3.10	2.86
	Interest on Income Tax Refund	0.83	-
	Miscellaneous Income	0.08	-
		<b>81.53</b>	<b>9.45</b>
19	<b><u>Purchase of Stock in Trade</u></b>		
	Purchases	236.40	237.22
		<b>236.40</b>	<b>237.22</b>
20	<b><u>Increase/(Decrease) in Inventories</u></b>		
	Inventories at the end of the year	53.63	31.12
	Inventories at the beginning of the year	31.12	25.36
		<b>-22.51</b>	<b>-5.77</b>
21	<b><u>Direct Expenses</u></b>		
	Implant, Dialysis and Lab Charges	62.46	21.15
	Professional fees	164.28	140.24
	Hospital Consumption Charges	70.83	88.83
	Lab Testing Fees Exp.	5.38	4.53
	Medical Oxygen Gas Exp.	2.89	1.94
	Patient Discharge Charges	18.50	18.94
		<b>324.34</b>	<b>275.63</b>
22	<b><u>Employee Benefits Expense</u></b>		
	Salary Expenses	61.18	55.53
	Directors Remuneration	252.00	252.00
	Staff Welfare Expenses	0.27	0.10
	Employer's Contribution to P.F.	1.85	3.34
	Gratuity Expenses	1.56	1.27
		<b>316.86</b>	<b>312.23</b>





<b>Sangani Hospitals Limited</b>			
<b>CIN : U85300GJ2021PLC127189</b>			
<b>Notes to and forming part of statement of Profit and Loss for the year ended March 31, 2024</b>			
<b>(Rs.in Lakhs)</b>			
<b>Note No.</b>	<b>Particulars</b>	<b>For the year ended 31 March, 2024</b>	<b>For the year ended 31st March, 2023</b>
<b>23</b>	<b><u>Other Expenses:</u></b>		
	Advertisement Expenses	-	0.84
	Audit Fees	2.00	2.00
	Business Promotion Exp	0.40	0.71
	Catering and Patient Welfare Expenses	3.63	4.00
	Professional and Counsultancy fees	3.85	1.43
	Courier Charges	0.58	0.29
	Electricity Charges	8.37	9.32
	General Expenses	3.47	1.90
	Insurance Charges	0.64	-
	Loss on sales of Fixed Asset	-	6.31
	Medical Waste Exp.	1.91	2.48
	Miscellaneous Expense	0.14	0.69
	Printing & Stationery	8.62	7.45
	Rates and Taxes	17.95	3.17
	Repairs & Maintainance	6.01	3.53
	Telephone & Internet Expenses	0.07	0.02
	Travelling Expenses	0.74	-
		<b>58.38</b>	<b>44.14</b>

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES****i. Basis of Accounting:**

- a. The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013.
- b. The accounts have been prepared on a going concern basis under historical cost convention.
- c. Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company.

**ii. Property, Plant and Equipment:**

- a. Fixed assets are carried at cost of acquisition less accumulated depreciation.
- b. The cost of fixed assets comprises the purchase price (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use.

**iii. Depreciation:**

- a. Depreciation on fixed assets is being provided on Straight Line Method as per the useful life prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets acquired/installed.
- c. Depreciation on fixed assets sold, discarded or demolished during the year is being provided at their respective rate upto the month in which such assets are sold, discarded or demolished.

**iv. Taxation:****a. Current tax:**

Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

**b. Deferred tax:**

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse in subsequent years.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date.

**v. Revenue Recognition:**

- a. Sales of pharmacy products are exclusive of GST and are stated net of discounts. Sale of pharmacy products is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Returns against



sales and price difference are recognized as and when ascertained and are netted from the amount of sales for the year.

- b. Revenue from hospital services to patients is recognized as revenue when the related services are rendered. Revenue is recognized net of discounts and concessions given to the patients.

vi. **Inventories:**

Inventories are valued at lower of cost (FIFO) basis or net realizable value

vii. **Provisions and Contingencies:**

- a. A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management best estimates of the expenditure required to settle the obligation as at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate of each such obligation.
- b. A contingent liability is disclosed when there is a possible or present obligation that may, but probably will not require an outflow of resources, unless the possibility of such outflow is remote.
- c. Contingent Assets are neither recognised nor disclosed.

viii. **Earnings per Share:**

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

- 29. The Company is into the business of Hospitals, pathological laboratory and Pharmacy stores at Keshod and Veraval location in Gujarat. The Company has been incorporated on November 11, 2021.
- 30. The Company came with an Initial Public Offer of equity shares on 4<sup>th</sup> August, 2023 and closed on 8<sup>th</sup> August, 2023. The Initial Public Offer was for 37,92,000 equity shares of face value of Rs. 10 each at premium of Rs. 30 per share aggregating to INR 1516.80 lakhs. The shares of the Company were listed on the National Stock Exchange of India Limited, Emerge Platform on 17<sup>th</sup> August ,2023.
- 31. Related party Disclosers as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

❖ **Directors Of The Company**

- v. Ajaykumar Natwarlal Sangani – Managing Director
- vi. Rajeshkumar Natvarlal Sangani – Whole Time Director
- vii. Kamalkumar Natvarlal Sangani – Whole time Director
- viii. Vaishaliben Rajeshkumar Sangani – Director



❖ Key Management Personnel:

1. Ajaykumar Natvarlal Sangani – Managing Director
2. Rajeshkumar Natvarlal Sangani – Whole Time Director
3. Kamalkumar Natvarlal Sangani – Whole time Director
4. Vaishaliben Rajeshkumar Sangani – Director
5. Chandniben Ajaykumar Sangani – Chief Financial officer
6. Gaurav Patadia - Company Secretary

❖ Relatives of the Director/s

- i) Gopiben Kamalkumar Sangani - Wife of Kamalkumar Natvarlal Sangani

❖ Enterprise over which Key Management Personnel exercise significant influence:

- i) Ankur Distributors – Subsidiary firm holding 95% of the Capital

(Rs. in Lakhs)

Type of Related Party	Party Name	Description of the Nature	FY 2023-24	FY 2022-23
Managing Director	Ajaykumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Rajeshkumar Natavarlal sangani	Remuneration	60.00	60.00
Whole Time Director	Kamalkumar Natavarlal sangani	Remuneration	60.00	60.00
Chief Financial Officer	Chandni Ajaykumar sangani	Remuneration	24.00	24.00
Directors	Vaishali Rajeshkumar sangani	Remuneration	24.00	24.00
Relative of Directors	Gopi Kamalkumar sangani	Salary	24.00	24.00

Type of Related Party	Party Name	Description of the Nature	FY 2023-24				FY 2022-23			
			Opening Balance	Volume of Transactions during	Received /Paid during the year	Closing Balance	Opening Balance	Volume of Transactions during	Received / (Paid) during the year	Closing Balance
Subsidiary Company	Ankur Distributor	Purchase	0.01	71.94	-70.53	0.03	-	63.31	-61.03	0.01
		Sales		1.44	-			2.29	-	

**27. Deferred Taxation:**

(Rs. in Lakhs)

Items of Timing Difference	Accumulated Deferred Tax (Asset) / Liability as on April 1, 2023	Charge/ (credit) for the year	Accumulated Deferred Tax (Asset)/ Liability as on March 31, 2024
<b>Deferred Tax Assets</b>			
i. Depreciation	4.63	25.55	30.18
<b>Deferred Tax Liabilities</b>			
ii. Gratuity	(0.32)	(0.39)	(0.71)
<b>Net Deferred Tax</b>	<b>4.31</b>	<b>25.16</b>	<b>29.47</b>

**28. Dues to Micro & Small Enterprises:**

(Rs. in Lakhs)



Sr. No.	Particulars	As on 31 <sup>st</sup> March 2024	As on 31 <sup>st</sup> March 2023
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at the end of year.	2.23	1.06
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as to at year end.	-	-
3	Principal amount paid to suppliers registered under MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid other than under section 16 of MSMED Act, to supplier registered under the MSMED Act beyond the appointed day during the year.	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7	Further interest remaining due and payable for earlier years.	-	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authorities

**29: Auditors Remunerations:**

(Rs. in Lakhs)

Particulars	For the year ended	For the year ended
	March 31,2024	March 31,2023
Statutory audit fees	1.50	1.50
Tax audit fees	0.50	0.50
Other Services	1.00	-

**30: Earnings per share:**

(Rs. in Lakhs)

Particulars	For the period ended on March 31, 2024	For the period ended on March 31, 2023
Profit/(loss) for the Year (Rs.) (A)	296.61	153.15
Weighted Average Number of Equity Shares (B)	1,24,09,383	94,55,733
Earnings per Share – Basic and Diluted (Rs.) (A/B)	2.17	1.62
Nominal Value of an Equity Share (Rs.)	10.00	10

**31:** The particulars as required under the Accounting Standard-AS 15 of Employees Benefits are as under:



i. As Defined Contribution plan:

(Rs. in Lakhs)

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Contribution to Employees Provident Fund	1.85	3.34

ii. As Defined Benefit Plan

Following are the principle Actuarial Assumptions used for determining defined benefit obligation towards gratuity as of the Balance Sheet Dates.

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Retirement Age	60 years	60 years
Future Salary Rise	7.00 %	7.00 %
Rate of Discount	7.50 %	7.50 %
Method Used for Measuring Liabilities	Projected Unit Credit Method	Projected Unit Credit Method

Current and Non-Current Liability:

(Rs. in Lakhs)

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	0.01	0.00
Non-Current Liability	2.82	1.26

As per the Actuarial Valuation Report of Gratuity Liability, based on the above assumptions, gratuity liability as on March 31, 2024 works out to INR 2,82,883 /-.The same has been provided in the books of accounts.

### 32: Disclosure of Accounting Ratios and Reasons for Variance

DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE						
	Particulars	Formula for Computation	Measures (in times / percentage)	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023	% Change [2023-2024]
A	Current Ratio	Current assets / Current liabilities	Times	17.98	5.56	223.32%
B	Debt Equity Ratio	Debt / Net worth	Times	-	-	0.00%
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Principal repayment of long term borrowings within one year)	Times	-	-	0.00%
D	Return on Equity	Profit after tax / Net worth	Percentage	8.05%	8.51%	-5.42%
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	5.05	8.20	-38.42%
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	6.55	5.44	20.41%
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	3.65	4.37	-16.29%
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	0.62	2.18	-71.80%
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	22.04%	13.14%	67.69%
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	10.85%	11.37%	-4.64%
K	Return on Investment (ROI)	Net Income/cost of Investment	Percentage	3.44%	-	NA



Notes	
1	Debt = Non-current borrowings + Current borrowings
2	Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated losses
3	Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods,
4	Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material
5	Working Capital = Current assets - Current liabilities
6	EBIT = Earnings before Interest, tax and exceptional items
7	Capital employed = Total equity + Non-current borrowings

Disclosure of change in ratio by more than 25%		
Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance
Current Ratio	223.32%	Due to Increase in current assets
Inventory Turnover Ratio	-38.42%	Due to increase in closing stock and Average inventories.
Net Capital Turnover Ratio	-71.80%	Due to Increase in Current assets
Net Profit Ratio	67.69%	Due to increase in profit after tax

33. Debtors & Creditors balances are subject to confirmation. Adjustments, if any, will be made in the accounts on the receipt of such confirmations.

34: In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the accounts.

As per our attached report of even date

**For Kumbhat & Co.**  
**Chartered Accountants**  
**FRN:001609S**

**For and on behalf of the Board of Directors**  
**Sangani Hospitals Limited**

**Gaurang C. Unadkat**  
**Partner**  
Membership No. 131708

**Ajay Sangani**  
**Director**  
DIN:06718085

**Rajesh Sangani**  
**Director**  
DIN:09394928

**Kamal Sangani**  
**Director**  
DIN:08175027

**Chandani Sangani**  
**Chief Financial**  
**Officer**

**Gaurav Patadia**  
**Company Secretary**

Place : Keshod  
Date : May 29<sup>th</sup>, 2024

Place : Keshod  
Date : May 29<sup>th</sup>, 2024



**CFO CERTIFICATION**

To,  
The Board of Directors  
**SANGANI HOSPITALS LIMITED**

I, the undersigned, in my capacities as Chief Financial Officer of SANGANI HOSPITALS LIMITED ('the Company'), to the best of my knowledge and belief certify that

A. I have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2024 and that to the best of my knowledge and belief, I state that:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. I have indicated, based on our evaluation, to the auditors and the Audit committee:

(1) significant changes, if any, in internal control over financial reporting during the year;

(2) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For SANGANI HOSPITALS LIMITED**

**Sd/-**

**CHANDANI SANGANI**

**Chief Financial Officer**

**Date: May 29, 2024**

**Place: Keshod**



## **REGISTERED OFFICE**

**SAINATH SOCIETY, OPP. S. T., KSD T, VILLAGE - KESHOD, TALUKA - KESHOD,  
JUNAGADH - 362220. GUJARAT, INDIA.**

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