INDEPENDENT AUDITOR'S REPORT

To the Members of Fortis Malar Hospitals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Fortis Malar Hospitals Limited** (the "Company") which comprise the standalone balance sheet as at March 31, 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 2(b) to the standalone financial statements which explains that consequent to sale of business operations through a slump sale transaction, the Company ceases to have any business operations. While there is no visibility of commencing any new business operations in the future, the Company's management and Board of Directors is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial requirements for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these standalone financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Related party transactions

See Note 32 and 43 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific compliance and disclosures of related parties and transactions with them to be made in the standalone financial statements.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtain an understanding of the Company's related party relationships and transactions. • Obtained a list of related party relationships and significant related party transactions from the management. Made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions.

The key audit matter	How the matter was addressed in our audit
We have identified the related party transactions as a key audit matter due to the significance of risk of non-compliance with various regulations. Also, a material portion of expenses (lease expenses, clinical establishment expenses, pathological expenses, etc.) are paid to related parties and material interest income is received from related parties.	• Evaluated the design and implementation of key internal financial controls with respect to identification and authorization of significant related party transactions and tested the operating effectiveness of such controls on a sample basis. • Obtained confirmation from related party with respect to transactions and balances. Performed substantive procedures to check the completeness of expenditure and interest income. • Evaluated compliance of such related party transactions with the relevant accounting standard and applicable laws and regulations. • Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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

Independent Auditor's Report (Contd.)

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current 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. 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 the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on April 01, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

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

a. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed 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 (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 17(c)(B) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below,

Independent Auditor's Report (Contd.)

the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. in the absence of an independent auditor's report in relation to controls at service organisation for accounting software used for maintaining the books of account relating to general ledger and related records, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions. Further, the feature of recording audit trail (edit log) facility was not enabled for the period from April 01, 2023 to May 22, 2023 for certain tables relating to the supplier module.

ii. in respect of accounting software used for maintaining payroll records (operational for the period from April 01, 2023 to August 15, 2023), in the absence of supporting evidence on account of deactivation post August 15, 2023, we are unable to comment whether audit trail feature of the said software was enabled.

iii. the feature of recording audit trail (edit log) facility was not enabled on certain non-editable fields/ tables of the accounting software used for maintaining the books of account relating to revenue and consumption records.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Certain discrepancies noticed on such verification were material and have been properly dealt with in the books of account.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 01, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	5,789,269*	FY 2019-20	Commisioner of Income Tax (Appeals)	None
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	25,493,296	FY 2008-09 to FY 2011-12	Honourable High Court of Madras	None

*amount has been adjusted against refund due to the Company.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.

(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 subsidiary (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

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

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) We draw attention to Note 2(b) to the standalone financial statements, which indicates that, consequent to sale of business operations through a slump sale transaction, the Company ceases to have any business operations and is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial obligations in the foreseeable future.

On the basis of the above and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 that the 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the annual report is expected to be made available to us after the date of this auditor's report.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024

Report on the internal financial controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of **Fortis Malar Hospitals Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

Independent Auditor's Report (Contd.)

Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

STANDALONE BALANCE SHEET

as at March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	-	1,147.48
Right of use assets	37	-	3,576.45
Other Intangible assets	4(b)	-	17.25
Financial assets			
Investment in subsidiary	5	5.00	5.00
Other financial assets	6	-	45.64
Other tax assets (net)	7	236.57	541.80
Other non-current assets	8	-	2.11
Total non-current assets		**241.57**	**5,335.73**
Current assets			
Inventories	9	-	110.34
Financial assets			
Trade receivables	10	-	318.44
Cash and cash equivalents	11	10,528.78	372.97
Bank balances other than above	12	81.74	357.65
Loans	13	-	6,800.00
Other financial assets	14	327.82	199.24
Other tax assets (net)	7	358.77	-
Other current assets	15	-	74.75
Total current assets		**11,297.11**	**8,233.39**
Total assets		**11,538.68**	**13,569.12**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,875.70	1,875.70
Other equity	17	9,044.95	4,320.04
Total equity		**10,920.65**	**6,195.74**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	18	-	3,818.14
Provisions	21	-	387.81
Total non-current liabilities		**-**	**4,205.95**
Current liabilities			
Financial liabilities			
Lease liabilities	18	-	821.62
Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises		519.06	1,991.12
Other financial liabilities	20	42.67	23.62
Provisions	21	3.23	80.09
Other current liabilities	22	53.07	216.57
Total current liabilities		**618.03**	**3,167.43**
Total liabilities		**618.03**	**7,373.38**
Total equity and liabilities		**11,538.68**	**13,569.12**
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	23	5,900.88	8,595.08
Other income	24	887.42	655.78
Total income		**6,788.30**	**9,250.86**
Expenses			
Purchases of medical consumables and drugs		870.24	1,190.47
Changes in inventories of medical consumables and drugs	25	6.70	76.02
Employee benefits expense	26	1,510.71	1,933.27
Finance costs	27	430.46	607.06
Depreciation and amortisation expense	28	936.01	1,214.66
Other expenses	29	3,632.23	4,937.13
Total expenses		**7,386.35**	**9,958.61**
Loss before exceptional item and tax		**(598.05)**	**(707.75)**
Exceptional item	45	5,792.63	-
Profit/ (loss) before tax		**5,194.58**	**(707.75)**
Tax expense:	30		
Current tax		466.90	-
Deferred tax		-	845.57
Total tax expense		**466.90**	**845.57**
Profit/ (loss) for the year		**4,727.68**	**(1,553.32)**
Other comprehensive income/ (loss)	31		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability		(2.77)	(47.94)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive loss for the year, net of tax		**(2.77)**	**(47.94)**
Total comprehensive income/ (loss) for the year		**4,724.91**	**(1,601.26)**
Earnings per equity share	41		
Basic (in ₹)		25.23	(8.29)
Diluted (in ₹)		25.23	(8.29)
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit/ (loss) before tax for the year		5,194.58	(707.75)
Adjustments for:			
Exceptional item		(5,792.63)	-
Interest income		(551.71)	(620.81)
Dividend income		(200.00)	-
Depreciation and amortisation expense		936.01	1,214.66
Interest expense on lease liability		406.20	563.47
Allowance for credit losses (including bad debts written off)		(47.25)	48.67
Liabilities/ provisions no longer required written back		(88.46)	(34.97)
Operating (loss) / profit before working capital changes		**(143.26)**	**463.27**
Movements in working capital:			
Decrease in other current and non current financial assets		34.22	122.59
Decrease in other current and non-current assets		54.18	44.59
Decrease / (increase) in trade and other receivables		29.69	(147.18)
Decrease in inventories		6.70	76.02
Increase in provisions		60.72	41.30
(Decrease) / increase in trade payables		(269.10)	61.16
Increase / (decrease) in financial liabilities		19.05	(81.90)
(Decrease) in other current liabilities		(13.13)	(28.51)
Cash (used in)/ generated from operations		**(220.93)**	**551.34**
Income taxes (paid) / refund (net)		(500.44)	9.89
Net cash (used in)/ generated from operating activities		**(721.37)**	**561.23**
Cash flows from investing activities			
Payments for purchase of property, plant and equipment, intangible assets, capital work-in-progress and intangibles asset under development		(229.93)	(187.80)
Inter-corporate deposits repaid by related parties		6,800.00	-
Purchase consideration received from slump sale of business		4,426.00	-
Bank balances not considered as cash and cash equivalents		275.91	(342.60)
Interest received		690.39	573.85
Net cash generated from investing activities		**11,962.37**	**43.45**
Cash flows from financing activities			
Repayment of lease liabilities including interest thereon		(1,085.19)	(1,265.18)
Net cash generated from / (used in) financing activities		**(1,085.19)**	**(1,265.18)**
Net increase / (decrease) in cash and cash equivalent		**10,155.81**	**(660.50)**
Cash and cash equivalents at the beginning of the year		372.97	1,033.47
Cash and cash equivalents at the end of the year	11	**10,528.78**	**372.97**
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

STANDALONE STATEMENT OF CHANGE IN EQUITY

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

		Note	As at March 31, 2024	As at March 31, 2023
A	**Equity share capital**	16		
	Balance at the beginning of year		1,875.70	1,875.70
	Changes in equity share capital during the year		-	-
	Closing balance		**1,875.70**	**1,875.70**

B **Other equity** 17

Particulars	Reserves and surplus		Total
	Securities Preimium	Retained Earnings	
Balance as at March 31, 2022	**957.23**	**4,964.07**	**5,921.30**
Loss for the year	-	(1,553.32)	(1,553.32)
Other comprehensive loss for the year, net of taxes	-	(47.94)	(47.94)
Total comprehensive loss for the year	**-**	**(1,601.26)**	**(1,601.26)**
Balance as at March 31, 2023	**957.23**	**3,362.81**	**4,320.04**
Profit for the year	-	4,727.68	4,727.68
Other comprehensive income for the year, net of taxes	-	(2.77)	(2.77)
Total comprehensive income for the year	**-**	**4,724.91**	**4,724.91**
Balance as at March 31, 2024	**957.23**	**8,087.72**	**9,044.95**

Loss of ₹ 2.77 Lakhs and ₹ 47.94 Lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2024 and March 31, 2023 respectively.

Material accounting policies 3

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1. Nature of operations

Fortis Malar Hospitals Limited (the 'Company') was incorporated in the year 1989 to set up, manage and operate a multi-specialty hospital and the Company is a subsidiary of Fortis Hospitals Limited and Fortis Healthcare Limited is the Intermediate Holding Company and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Company operated its state of the art Hospital facility in Chennai. The Hospital building was owned by a fellow subsidiary, Fortis Health Management Limited ("FHML"). The Company had entered into "Hospital and Medical Services Agreement" with FHML w.r.t. rendering of medical and healthcare services at the hospital building (also refer note 35).

2. Basis of preparation

a) Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the previous year.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 17, 2024.

b) Going concern assumptions

During the current year, the Company has sold its business operations pertaining to Malar Hospital, on a slump sale basis on February 01, 2024 (also refer note 35). Post this sale, the Company ceases to have any business operations. Currently, the Company has no visibility of commencing any new business operations in the future, and the Company's management and Board of Directors, in consultation with its legal advisors/ merchant bankers, is evaluating various corporate restructuring options for the future possible course of actions for the Company.

Further, subsequent to the year end, the Company has declared interim dividend amounting to ₹ 40 per share, resulting in significant cash outflows of ₹ 7,496.70 Lakhs. However, the Company has sufficient cash and cash equivalent balance to settle its obligations as and when they fall due and the Company believes that it would be able to meet its financial obligations for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these standalone financial statements have been prepared on a going concern basis.

c) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees ('INR'/'₹'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

d) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit assets/ (liability)	Fair value of plan assets, less present value of defined benefit obligations

e) Use of estimates and judgements

In preparing these standalone financial statements, management/directors have made the following judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

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

a. fair valuation of financial assets (refer note 39)

b. lease arrangement- classification (refer note 37)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

a. Useful lives of Property, plant and equipment and intangible assets (refer note 3.3)

Notes forming part of the Standalone Financial Statements (Contd.)

b. Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.7 and note 36)

c. Recognition and estimation of tax expenses including deferred tax: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; (refer note 3.12 and note 40)

d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; (refer note 3.8, 3.15 and 34)

e. Measurement of expected credit loss (ECL) allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; (refer note 3.6)

f. lease arrangement- accounting (refer note 37)

g. Estimated impairment of financial assets and nonfinancial assets (refer note 3.6)

f) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 38 and 39 – financial instruments.

g) Current and non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

  All other liabilities are classified as non-current.

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

  The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3. Material accounting polices

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the equity investments at fair value through OCI (FVOCI).

3.2 Financial instruments

i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Notes forming part of the Standalone Financial Statements (Contd.)

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

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

3.3 Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management Useful life	Useful life as per Schedule II
Plant and machinery	15 years	15 years
Medical equipment	13 years	13 years
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on leasehold improvements is provided over the primary period of lease or over the useful lives of the respective fixed assets, whichever is shorter.

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

iv. Derecognition

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

3.4 Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Cost of software and licenses, which are acquired, are capitalised and amortised on a straight line basis over a period of 3 to 6 years or the license period, whichever is lower.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.5 Inventories

Inventories of medical consumables and drugs are valued at lower of cost or net releasable value. The cost of inventories is determined based on weighted average basis. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

Notes forming part of the Standalone Financial Statements (Contd.)

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience of the Company and such allowances are adjusted against the carrying inventory value.

3.6 Impairment

i) Impairment of financial instruments

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

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii) Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

iv) Defined contribution plan - Provident fund

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes.The Company makes specified monthly contributions towards Government administered provident fund scheme for eligible employees.

Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the

Notes forming part of the Standalone Financial Statements (Contd.)

contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract (also see Note 3.6(ii)).

3.9 Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Company assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Company expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as Goods and Service Tax (GST) and applicable discounts and allowances including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from hospital services is recognised as and when services are performed.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any revenue transaction for which the Company has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Excess of revenue earned over billings on contracts is recognised as unbilled revenue. Unbilled revenue is classified as Trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised as other current liability when there is billings in excess of revenues.

Other operating revenue comprises revenue from various ancillary revenue generating activities like maintenance agreements and academic services. The revenue in respect of such arrangements is recognised as and when services are performed.

Income from export benefit schemes, included in other operating revenue, is recognised on accrual basis as and when eligible services are performed and convertible foreign exchange is received on a net basis to the extent it is certain that economic benefits will flow to the Company.

3.10 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.11 Leases

The Company has applied Ind AS 116 using the modified retrospective approach from April 01, 2019. Accordingly, the Company has recognised a lease liability at the date of initial application, at the present value of the remaining lease payments discounted using the incremental borrowings rate at the date of initial application, recognised right-of-use asset at the date of initial application equals to the lease liability recognised.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of an identified asset, the Company uses the definition of a lease in Ind AS 116.

(i) Company as a lessee:

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in –substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

(ii) Short term leases

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering

Notes forming part of the Standalone Financial Statements (Contd.)

the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

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

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

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

Diluted earnings per share

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

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.15 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.17 Cash flow statement

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

3.18 Discontinued operation

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative year.

3.19 Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards that are applicable to the Company.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and machinery	Medical equipments	Furniture and fittings	Computers	Office equipments	Total
Gross carrying amount						
As at March 31, 2022	**194.33**	**2,846.73**	**229.96**	**222.75**	**69.58**	**3,563.35**
Additions	-	163.18	2.12	17.05	3.77	186.12
Disposals	-	-	-	-	-	-
As at March 31, 2023	**194.33**	**3,009.91**	**232.08**	**239.80**	**73.35**	**3,749.47**
Additions	-	224.31	1.35	1.22	3.73	230.61
Disposals / transfers*	194.33	3,234.22	233.43	241.02	77.08	3,980.08
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation						
As at March 31, 2022	**114.17**	**1,791.60**	**149.65**	**147.39**	**58.04**	**2,260.85**
Depreciation (refer note 28)	18.79	261.28	19.87	35.81	5.39	341.14
Disposals	-	-	-	-	-	-
As at March 31, 2023	**132.96**	**2,052.88**	**169.52**	**183.20**	**63.43**	**2,601.99**
Depreciation (refer note 28)	10.95	173.74	15.17	29.31	2.82	231.99
Disposals / transfers*	**143.91**	**2,226.62**	**184.69**	**212.51**	**66.25**	**2,833.98**
As at March 31, 2024	-	-	-	-	-	-
Net carrying amounts						
As at March 31, 2023	**61.37**	**957.03**	**62.56**	**56.60**	**9.92**	**1,147.48**
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**

*Refer note 35 for Property, plant and equipment transferred on slump sale of business

Note:

1. There are no immovable properties for which title deeds are not in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
2. The Company has not revalued its Property, Plant and Equipment during the year.

Notes forming part of the Standalone Financial Statements (Contd.)
(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(b) OTHER INTANGIBLE ASSETS

	Software
Gross carrying amount	
As at March 31, 2022	**617.95**
Additions	7.44
Disposals	-
As at March 31, 2023	**625.39**
Additions	-
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Accumulated amortisation	
As at March 31, 2022	**557.58**
Amortisation (refer note 28)	50.56
Disposals	-
As at March 31, 2023	**608.14**
Amortisation (refer note 28)	17.25
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Net carrying amount	
As at March 31, 2023	**17.25**
As at March 31, 2024	**-**

5. INVESTMENTS IN SUBSIDIARY - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unquoted investments (fully paid)		
Investments in equity instruments- at cost		
Malar Stars Medicare Limited [50,000 (March 31, 2023: 50,000) equity shares of ₹ 10 each]	5.00	5.00
Total	**5.00**	**5.00**
Aggregate value of unquoted investments	5.00	5.00

6. OTHER FINANCIAL ASSETS - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	-	40.33
Advance to related parties (refer note 32)	-	5.31
Total	**-**	**45.64**

Refer note 35 for other financial assets (non-current) transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

7. OTHER TAX ASSETS

	As at March 31, 2024	As at March 31, 2023
Income tax assets		
Non-current		
Advance income tax (net of provision for taxation)	236.57	541.80
Total	**236.57**	**541.80**
Current		
Advance income tax (net of provision for taxation)	358.77	-
Total	**358.77**	**-**

8. OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital advances	-	2.11
Total	**-**	**2.11**

9. INVENTORIES

	As at March 31, 2024	As at March 31, 2023
Medical consumables and drugs	-	110.34
Total	**-**	**110.34**

Refer note 35 for inventories transferred on slump sale of business

10. TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Trade receivables considered good - Unsecured	-	318.44
Trade receivables which have significant increase in credit risk- Unsecured	-	8.38
Credit impaired - Unsecured	-	533.33
	-	**860.15**
Less: Allowance for expected credit loss	-	(541.71)
Total	**-**	**318.44**

Refer note 35 for trade receivables transferred on slump sale of business

The movement in allownace for expected credit loss is as follow:

	As at March 31, 2024	As at March 31, 2023
Balances at the beginning of the year	541.71	524.03
Provision recorded/ (reversed) during the year (net)	(47.25)	17.68
Amount written-off during the year	(482.38)	-
Amount transferred as part of slump sale transaction (refer note 35)	(12.08)	-
Balance at the end of the year	**-**	**541.71**

Fortis Malar Hospital

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	193.78	124.66	-	-	-	-	318.44
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	8.38	-	-	-	-	8.38
(iii) Undisputed Trade Receivables - Credit Impaired	-	22.81	28.64	69.34	8.78	403.76	533.33
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	**193.78**	**155.84**	**28.64**	**69.34**	**8.78**	**403.76**	**860.15**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

11. CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	1.51
Balances with banks:		
- On Current accounts	66.69	72.46
- Deposits with original maturity of less than three months*	10,456.62	299.00
Demand drafts on hand	5.47	-
Total	**10,528.78**	**372.97**

*Includes interest accrued on deposits amounting to ₹ 86.61 Lakhs (March 31, 2023 - ₹ Nil)

12. BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts	-	6.31
Deposits with original maturity of more than 3 months but less than 12 months*	81.74	351.34
Total	**81.74**	**357.65**

*Includes interest accrued on deposits amounting to ₹ 0.33 Lakhs (March 31, 2023 - ₹ Nil)

13. LOANS

	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good		
Inter-corporate deposits to related party (refer note 32 and 43)	-	6,800.00
Total	**-**	**6,800.00**

14. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest accrued but not due		
(i) Inter-corporate deposits (refer note 32)	-	136.60
(ii) Deposit with banks	-	2.08
Advances to related parties (refer note 32)	2.24	5.11
Loans and advances to employees	-	9.60
Dividend receivable (refer note 32)	180.00	-
Unbilled revenue from undischarged patients	-	45.85
Consideration receivable in relation to slump sale to business (refer note 35)	145.58	-
Total	**327.82**	**199.24**

Refer note 35 for other financial assets transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

15. OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advance to vendors	-	30.00
Prepaid expenses	-	44.75
Total	**-**	**74.75**

Refer note 35 for other current assets transferred on slump sale of business

16. EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
Authorised		
30,000,000 (March 31, 2023: 30,000,000) equity shares of ₹ 10/- each	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued		
18,772,259 (March 31, 2023: 18,772,259) equity shares of ₹ 10/- each	1,874.17	1,874.17
	1,874.17	**1,874.17**
Subscribed and Paid Up		
18,741,759 (March 31, 2023: 18,741,759) equity shares of ₹ 10/- each fully paid up*	1,875.70	1,875.70
	1,875.70	**1,875.70**

*Includes amount received on forfeited shares amounting to ₹ 1.53 Lakhs

Notes :

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

Equity shares

	Year ended March 31, 2024		Year ended March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	1,87,41,759	1,875.70	1,87,41,759	1,875.70
Outstanding at the end of the year	**1,87,41,759**	**1,875.70**	**1,87,41,759**	**1,875.70**

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by the holding/ ultimate holding company and/or their subsidiaries/associates

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
Fortis Hospitals Limited, the Holding Company (Equity Shares of ₹ 10/- each)	1,17,52,402	1,175.24	1,17,52,402	1,175.24

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Details of shares held by each shareholder holding more than 5% shares:

Equty Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Hospitals Limited, the Holding Company	1,17,52,402	62.71%	1,17,52,402	62.71%
Rajasthan Global Securities Private Limited	-	-	13,42,159	7.16%

(e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five financial year ended March 31, 2024, no shares have been bought back by the Company and the Company has also not alloted any equity shares as full paid up without payment being received in cash.

(f) Details of shares held by promoters

As at March 31, 2024:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

As at March 31, 2023:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

17. OTHER EQUITY

		As at March 31, 2024	As at March 31, 2023
a	**Reserve and surplus**		
	Securities premium		
	Opening balance	957.23	957.23
	Closing balance	**957.23**	**957.23**
	Retained earnings		
	Opening balance	3,362.81	4,964.07
	Add: Profit / (loss) for the year	4,727.68	(1,553.32)
	Add: Remeasurement (loss) of defined employee benefit plans (net of taxes)	(2.77)	(47.94)
	Closing balance	**8,087.72**	**3,362.81**
	Total	**9,044.95**	**4,320.04**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

b Nature and purpose of the reserve

i. Securities premium

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

ii. Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders. It also includes remeasurements of defined benefit liability /(asset) which comprises actuarial gains and losses and return on plan assets (excluding interest income).

c Dividends

The Company has neither declared nor paid any dividend during the current and previous year.

A The board of directors of the Company in its meeting held on April 12, 2024 have declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) for the current year. The dividend was paid to members whose names appear in the register of members of the Company and as beneficial owners in the depositories, as on the record date fixed for the purpose i.e., April 23, 2024. This resulted in net cash outflow of ₹ 7,496.70 Lakhs (including tax deducted at source). The interim dividend has not been accounted as liability in this standalone financial statements.

B The Board of Directors of the Company at its meeting held on May 17, 2024, has proposed a final dividend of ₹ 2.50 per equity share.

18. LEASE LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Non-current		
Lease liabilities (refer note 3.11 and note 37)	-	3,818.14
Total	**-**	**3,818.14**
Current		
Lease liabilities (refer note 3.11 and note 37)	-	821.62
Total	**-**	**821.62**

19. TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 42)	-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises*	519.06	1,991.12
Total	**519.06**	**2,025.53**
*Includes payable to related parties (refer note 32)	0.17	543.61

Refer note 35 for trade payables transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	5.41	1.34	3.79	3.87	14.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**-**	**5.41**	**1.34**	**3.79**	**3.87**	**14.41**
Accrued expenses/ unbilled dues (b)						504.65
Total (a+b)						**519.06**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	25.55	6.97	1.43	0.30	0.16	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	374.34	704.96	71.04	26.65	75.45	1,252.44
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**399.89**	**711.93**	**72.47**	**26.95**	**75.61**	**1,286.85**
Accrued expenses/ unbilled dues (b)						738.68
Total (a+b)						**2,025.53**

20. OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Currrent		
Unpaid equity dividend	-	6.31
Capital creditors**	1.22	17.31
Others	41.45	-
Total	**42.67**	**23.62**

**Includes outstanding dues of micro enterprises and small enterprises of Nil (March 31, 2023 - ₹ 1.35 Lakhs)

Fortis MALAR HOSPITAL

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

21. PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Non-current		
Provision for gratuity	-	377.37
Provision for compensated absences	-	10.44
Total	**-**	**387.81**
Current		
Provision for gratuity	1.61	-
Provision for compensated absences	1.62	80.09
Total	**3.23**	**80.09**

Refer note 35 for provisions transferred on slump sale of business

22. OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Advance from patients/Amounts unclaimed by patients	-	20.91
Employee benefits payable	6.34	109.47
Statutory dues payables	46.73	86.19
Total	**53.07**	**216.57**

Refer note 35 for other current liabilities transferred on slump sale of business

23. REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of services (refer notes below)		
In-Patient	4,894.45	7,232.98
Out-Patient	990.82	1,348.46
Total revenue from contracts with customers (A)	**5,885.27**	**8,581.44**

Notes:

a) The revenue recognised during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenues (contract assets) and contract liabilities.

b) Discounts and deductions amounting to ₹ 110.52 Lakhs (March 31, 2023 - ₹ 202.99 Lakhs) are netted against Sale of In-Patient and Out-Patient services.

Timing of revenue recognition	5,885.27	8,581.44
Services transferred over time	**5,885.27**	**8,581.44**

Contract assets and liabilities

The following disclosure provide information about receivables, contract assets and liabilities from contract with customer:

	Year ended March 31, 2024	Year ended March 31, 2023
Receivable which are included in trade receivable (refer note 10)	-	318.44
Unbilled revenue from undischarged patients (refer note 14)	-	45.85
Advance from patients / amounts unclaimed by patients (refer note 22)	-	20.91

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
(b) Other operating revenue		
Income from Service Export from India Scheme	-	2.06
Others	15.61	11.58
Total other operating revenues (B)	**15.61**	**13.64**
Total revenue from operations (A+B)	**5,900.88**	**8,595.08**

24. OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income		
Interest income on financial assets carried at amortised cost:		
Bank deposits	213.45	32.78
Inter-corporate deposits (refer note 32)	312.39	554.00
Others	10.42	3.77
Interest income on income tax refund	15.45	30.26
(b) Other non-operating income		
Dividend Income (refer note 32)	200.00	-
Liabilities/ provisions no longer required written back	135.71	34.97
Total other income (a+b)	**887.42**	**655.78**

25. CHANGE IN INVENTORIES OF MEDICAL CONSUMABLES AND DRUGS

	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	110.34	186.36
Less: Inventory transferred on slump sale of business (refer note 35)	(103.64)	-
Less: Inventory at the end of the year	-	(110.34)
Changes in inventories	**6.70**	**76.02**

26. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,279.22	1,659.18
Contribution to provident and other funds (refer note 36)	136.17	146.51
Staff welfare expenses	95.32	127.58
Total	**1,510.71**	**1,933.27**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

27. FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on:		
- lease liabilities (refer note 37)	406.20	563.47
- others	24.26	43.59
Total	**430.46**	**607.06**

28. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4(a))	231.99	341.14
Depreciation of right of use assets (refer note 37)	686.77	822.96
Amortisation of other intangible assets (refer note 4(b))	17.25	50.56
Total	**936.01**	**1,214.66**

29. OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Contractual manpower	85.70	95.79
Power, fuel and water	246.57	292.74
Housekeeping expenses including consumables	31.71	40.86
Patient food and beverages	64.63	68.62
Pathology laboratory expenses (refer note 32)	240.96	342.31
Consultation fees to doctors	938.71	1,183.19
Professional charges to doctors	848.96	1,304.06
Clinical establishment fee (refer note 29.2 below)	445.28	643.61
Repairs and maintenance		
- Building	19.55	16.66
- Plant and machinery	205.86	302.32
- Others	89.83	109.36
Rent		
- Equipments	33.07	36.84
Legal and professional fee	158.19	134.15
Subscription fee	0.65	-
Travel and conveyance	37.48	51.17
Rates and taxes	0.26	1.54
Printing and stationery	41.81	41.47
Communication expenses	11.96	11.61
Directors' sitting fees	47.79	35.40

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Insurance	22.77	46.08
Marketing and business promotion	27.31	62.12
Advances written off	16.24	26.97
Auditors' remuneration (refer note 29.1 below)	14.84	13.11
Allowance for credit losses (including bad debts written off)	-	48.67
Miscellaneous expenses	2.10	28.48
Total	**3,632.23**	**4,937.13**

29.1 Payments to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory audit	5.25	5.25
Tax audit	0.58	0.58
Limited review of quarterly results	4.73	4.73
For GST on professional services	2.26	2.00
Reimbursement of expenses	2.02	0.55
Total	**14.84**	**13.11**

29.2 Clinical establishment fees:

Represents amount paid towards various services such as providing, maintaining and operating the Clinical Establishment (including infrastructure, fixtures and fittings etc.), out-patient department services, radio diagnostic services and other ancillary services provided by Fortis Health Management Limited to the Company in accordance with the agreement. Also refer note 32 and 45.

30. TAX EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current year	466.90	-
Total	**466.90**	**-**
Deferred tax		
Reversal of temporary differences	-	845.57
Total	**-**	**845.57**
Total tax expense	**466.90**	**845.57**

31. OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans [refer note 36(II)(a)]	(2.77)	(47.94)
Total	**(2.77)**	**(47.94)**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

32. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Description of Relationship

Ultimate Holding Company	IHH Healthcare Berhad, Malaysia
Intermediate Holding Company	Integrated Healthcare Holdings Limited, Malaysia
	Parkway Pantai Limited, Singapore
	Northern TK Venture Pte Ltd, Singapore
	Fortis Healthcare Limited, India
Holding Company	Fortis Hospitals Limited, India
Subsidiary Company	Malar Stars Medicare Limited, India
Fellow Subsidiary or Entities Under Common Control	Agilus Diagnostics Limited, India (formerly known as SRL Limited)
	Escorts Heart Institute and Research Centre Limited, India
	Fortis Health Management Limited, India
	Mitsui & Co India Pvt Limited, India
Key Management Personnel	Mr Daljit Singh (Non-Executive Director)
	Mr Chandrasekar R (Whote-time Director)
	Ms Shailaja Chandra (Independent Director)
	Mrs. Nithya Ramamurthy (Non-Executive Director till July 20, 2023)
	Mr Ramesh L Adige (Independent Director till May 05, 2024 and Non-executive Director from May 06, 2024)
	Mr Ravi Rajagopal (Independent Director)
	Mr Sandeep Singh (Company Secretary) (till February 29, 2024)
	Mr Yogendra Kumar Kabra (Chief Financial Officer)
	Ms Srishty (Company Secretary) (from May 17, 2024)
Relatives of Key Management Personnel	Dr. Radhi Malar (till July 20, 2023)
	Dr. M. Anand (till July 20, 2023)

The schedule of related party transactions:

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Sale of Service	Fortis Healthcare Limited	-	0.36
	Fortis Hospitals Limited	-	1.32
	Mitsui & Co India Pvt Limited	0.98	0.34
Interest income on Inter-corporate deposits	Fortis Healthcare Limited	312.39	554.00
Mediclaim reimbursement and transfer of accumulated balance in retirement benefit	Fortis Hospitals Limited	-	1.86
Interim dividend	Malar Stars Medicare Limited	200.00	-

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of related party transactions (Contd.)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Expenses			
Clinical establishment fee	Fortis Health Management Limited	445.28	643.61
Interest expense on lease liabilities	Fortis Health Management Limited	390.38	536.66
Contractual manpower	Agilus Diagnostics Limited (formerly SRL Limited)	11.39	16.04
Pathology laboratory expenses	Agilus Diagnostics Limited (formerly SRL Limited)	228.38	329.95
	Fortis Healthcare Limited	-	0.96
Professional charges to doctors	Malar Stars Medicare Limited	6.52	8.28
	Mrs Nithya Ramamurthy	49.21	162.00
	Dr. Radhi Malar	5.64	19.96
	Dr. M. Anand	17.11	49.29
Travelling Expenses	Fortis Hospitals Limited	-	0.20
Recovery of Expenses incurred on behalf of other companies	Fortis Hospitals Limited	-	0.78
Reimbursement of expenses incurred by other companies on behalf of the Company	Fortis Health Management Limited	240.49	287.59
Mediclaim reimbursement and transfer of accumulated balance in retirement benefits	Fortis Healthcare Limited	-	4.54
	Fortis Health Management Limited	0.03	-
	Fortis Hospitals Limited	0.01	-
Collection done by Company on behalf of the related parties	Fortis Hospitals Limited	-	0.46
Reimbursement of Expenses incurred by Other Companies on behalf of the Company (Refund of advance received from patients)	Fortis Hospitals Limited	2.79	-
Inter Corporate Loan repaid	Fortis Healthcare Limited	6,800	-
Managerial remuneration - Director sitting fees	Mr Ramesh L Adige	12.00	9.00
	Mrs. Nithya Ramamurthy	2.00	5.00
	Mr Daljit Singh	11.50	8.50
	Mr Ravi Rajagopal	7.00	2.00
	Ms Shailaja Chandra	8.00	5.50
Managerial remuneration - Short-term employee benefits*	Mr Chandrasekar R	47.33	40.95

*Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of year end balances of related parties:

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Financial liabilities-non current	Fortis Health Management Limited	-	3,703.22
Trade payables / Other financial liabilities-current	Agilus Diagnostics Limited (Formerly SRL Limited)	-	29.03
	Fortis Health Management Limited	-	1,244.70
	Fortis Hospitals Limited	0.17	-
	Fortis Healthcare Limited	-	4.49
Other financial assets - current	Fortis Hospitals Limited	-	2.64
	Escorts Heart Institute and Research Centre Limited	2.24	2.24
	Malar Stars Medicare Limited	180.00	-
	Mitsui & Co India Pvt Limited	-	0.23
Other financial assets - non-current	Fortis Health Management Limited	-	5.31
Inter corporate loan placed - Current	Fortis Healthcare Limited	-	6,800.00
Interest accrued but not due	Fortis Healthcare Limited	-	136.60

Notes:

1. The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at March 31, 2024 and March 31, 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.
2. All transactions with these related parties are priced on an arm's length basis and are carried out in the course of business.

33. COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account, net of advances with regard to tangible and intangible assets	-	153.45

34. CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS

	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts (in respect of compensation claims by the patients / their relatives). (refer note 2 below)	670.99	1,020.36
Sales tax related matters (refer note 1 below)	254.93	254.93

The Company has given certain warranties/ indemnities pursuant to Business Transfer Agreement ("BTA") entered with MGM Healthcare Private Limited ("MGM") for slump sale transaction (also refer note 35) wherein all the claim against such warranties/ indemnities under BTA shall not exceed 100% of the final purchase consideration. As at March 31, 2024 the Company has not received any claim against such warranties/indemnities from MGM. Management believes that it has fulfilled all the obligations and accordingly there are no claims against such warranties/indemnities from MGM in relation to the BTA as on the date of signing of these financial statements.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

In earlier year, Supreme Court vide their judgment dated February 28, 2019 on Provident fund has interpreted that basic wages would include certain allowances. The Company has evaluated implications arising out of the Supreme Court judgment. Based on legal advice, the Company believes that retrospective application of the above judgement by PF authorities is remote. Accordingly, no provision has been recorded in the standalone financial statements. The Company would continue to evaluate the provision required in the books based on further clarifications from the authorities.

Note:

1. On May 28, 2020, the High Court of Judicature at Madras ("High Court") has pronounced a common order on the liability to pay Value Added Tax (VAT) under the provisions of Tamil Nadu Value Added Tax Act, 2006 on the stents, valve, x-ray etc. (except medicine) used while treating their in-house patients. High Court directed reply to be filed to notice, on the other hand has concluded on VAT applicability on prosthetics and implants. The said order pronounced disposes the writ petitions filed by the Company in 2012 against notices for proposal of revising the assessment order for assessment years from 2008-09 to 2011-12 issued by the Assistant Commissioner (CT) wherein an amount of ₹ 254.93 Lakhs (₹ 73.37 Lakhs pertaining to implants) has been proposed to demanded on January 31, 2012. Against the said order, the Company has filed Writ Appeals with the Division Bench of the Madras High Court on October 16, 2020. The Company, based on legal advice, believes that the possibility of negative outcome is remote and accordingly, no adjustments are made in the standalone financial statements.

2. These claims are pending with various Consumer Disputes Redressal Commissions and the Company has been advised by the legal counsel that there may not be any likely liability in respect of these matters and accordingly no provision has been recognised in these standalone financial statements.

35. SLUMP SALE TRANSACTION

The Company operated its healthcare business from Fortis Malar Hospital situated at Adyar Chennai ("Malar Hospital / undertaking"). It had "Hospital and Medical Services Agreement" ("HMSA") with Fortis Health Management Limited ("FHML") w.r.t. rendering of certain medical and healthcare services in the hospital premises (including right to use of the hospital building). The hospital building owned by FHML has certain ongoing litigations and issues pertaining to regularisation. These legacy issues gave rise to certain challenges for the Company and constrained further investments into the facility. The circumstances accentuated the need to divest the undertaking as a viable and prudent option in the interest of stakeholders.

Accordingly, during current year, the Company entered into Business Transfer Agreement ("BTA") with MGM Healthcare Private Limited ("MGM") for the sale of its business operations pertaining to Malar Hospital, as a going concern, on a slump sale basis, for a sale consideration of ₹ 4,571.58 Lakhs, on such terms and conditions as contained in BTA ("slump sale transaction"). The transaction was an all-cash deal.

As per BTA, the undertaking along with all related assets and liabilities (refer table below) stands transferred and vested in MGM from February 01, 2024. Further, the HMSA with FHML was automatically terminated post this transaction. Accordingly, the Company is no longer associated with the hospital building and related uncertainties such as pending regularisation and ongoing litigations related thereto.

Malar hospital which used to provide healthcare services was the only cash generating units (CGU) for the Company and it does not qualify as a component of the Company as per Ind AS 105, and therefore it is not been classified as a discontinued operation on disposal.

The Company has recorded net gain of ₹ 4,721.54 Lakhs which is shown as an exceptional item in the Statement of Profit and Loss for the year ended March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Following assets and liabilities were transferred as part of the slump sale transaction:

Particulars	Amount
Assets:	
Property, plant and equipment	1,146.10
Other financial assets	69.74
Inventories	103.64
Trade receivables (net of allownace for expected credit loss of ₹ 12.08 Lakhs)	336.00
Other current assets	22.68
Total assets (A)	**1,678.16**
Liabilities:	
Provisions	528.17
Trade payables	1,451.20
Other current liabilities	150.37
Total liabilities (B)	**2,129.74**
Net assets/ (liabilities) transferred (C = A-B)	**(451.58)**
Consideration received/ receivable (D)	**4,571.58**
Gross gain on slump sale transaction (E=D-C)	**5,023.16**
Less: Expenses in nature of 'Legal and professional fee' in relation to slump sale transaction (F)	(301.62)
Net gain on slump sale transaction presented under 'Exceptional items' (refer note 45) (G = F-E)	**4,721.54**

36. EMPLOYEE BENEFITS

(I) Defined contribution plan

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme. The Company's contribution to Provident Fund aggregating ₹ 73.19 Lakhs (Previous year: ₹ 92.70 Lakhs) has been recognised in the Standalone Statement of Profit and Loss under the head Employee Benefits Expense

(II) Defined benefit plans

The Company has a defined benefit gratuity plan, where under employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service and is not subjected to limit in terms of the provisions of Payment of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

(a) Amount recognised in the standalone statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amounts recognised in Standalone Statement of Profit and Loss in respect of these defined benefit plans are as follows:		
Service cost		
- Current service cost	35.99	33.76
Net interest expense	26.99	20.05
Components of defined benefit costs recognised in profit or loss	**62.98**	**53.81**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	10.01	(0.28)
Actuarial gains and loss arising from changes in financial assumptions	0.04	(9.55)
Actuarial gains and loss arising from experience adjustments	(7.28)	57.77
Components of defined benefit costs recognised in other comprehensive income	**2.77**	**47.94**
Total	**65.75**	**101.75**

(i) The current service cost and interest expense for the year are included in "Employee benefits expense" in the standalone statement of profit and loss under the line item "Contribution to provident and other funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
(Net Asset)/Liability recognised in the Balance Sheet		
1. Present value of defined benefit obligation as at March 31,	1.61	486.89
2. Fair value of plan assets as at March 31,	-	109.52
3. Deficit	1.61	377.37
4. Current portion of the above	1.61	-
5. Non current portion of the above	-	377.37

(c) Movement in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in the obligation during the year ended March 31		
Present value of defined benefit obligation at the beginning of the year	486.89	412.35
Expenses Recognised in Standalone Statement of Profit and Loss:		
- Current Service Cost	35.99	33.76
- Interest Expense / (Income)	33.90	27.69
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	0.04	(9.55)
ii. Experience Adjustments	(7.28)	57.77
Benefit payments (including directly paid by the Company)	(38.74)	(33.45)
Transferred out (refer note 35 for provision transferred on slump sale of business)	(509.19)	(1.68)
Present value of defined benefit obligation at the end of the year	**1.61**	**486.89**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Movement in fair value of plan assets are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in fair value of assets during the year ended March 31		
Fair value of plan assets at the beginning of the year	109.52	117.32
Expenses Recognised in Statement of Profit and Loss:		
- Expected return on plan assets	6.91	7.64
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Return on plan assets (excluding amount included in net interest expense)	(10.01)	0.28
Transferred out (refer note 35 for provision transferred on slump sale of business)	(78.60)	-
Contributions by employer	1.93	15.64
Benefit payments	(29.75)	(31.36)
Fair value of plan assets at the end of the year	**-**	**109.52**

(e) The fair value of plan assets at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	-	109.52

(f) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.00%	7.25%
Expected rate of salary increase	7.50%	7.50%
Withdrawal Rate		
Ages From 20 - 30	18.00%	18.00%
Ages From 31 - 44	6.00%	6.00%
Ages From 45 - 58	2.00%	2.00%
Expected average remaining working life*	9 years	9 years
Mortality	IALM 2006-08(Ult)	IALM 2006-08(Ult)

*Based on India's standard mortality table with modification to reflect the expected changes in mortality / others

Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant:

(i) If the discount rate is 50 basis point higher / (lower) the defined benefit obligation would decrease by ₹ 0.08 Lakhs (increase by ₹ 0.08 Lakhs) (As at March 31, 2023; decrease by ₹ 18.20 Lakhs (increase by ₹ 19.41 Lakhs)).

(ii) If the expected salary growth rate increase / (decreases) by 1% the defined benefit obligation would increase by ₹ 0.16 Lakhs (decrease by ₹ 0.15 Lakhs) (As at March 31, 2023 ; increase by ₹ 39.66 Lakhs (decrease by ₹ 35.66 Lakhs)).

(iii) If the withdrawal rate increases/(decreases) by 5% the defined benefit obligation would decrease by ₹ 0.24 Lakhs (increase by ₹ 0.10 Lakhs) (As at March 31, 2023 ; decrease by ₹ 4.22 Lakhs (increase by ₹ 3.98 Lakhs).

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

37. LEASES

37.1 Leases as lessee (Ind AS 116)

The leased assets of the Company include hospital building , nurse hostel building and medical equipments which are taken on lease for providing healthcare services to the patients.

The summary of the movement of right-of-use assets for the year is given below:

	Building	Medical equipments	Total
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2022	4,393.02	6.39	4,399.41
Less: Depreciation charge for the year	(817.48)	(5.48)	(822.96)
Balance as at March 31, 2023	**3,575.54**	**0.91**	**3,576.45**
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2023	3,575.54	0.91	3,576.45
Less: Depreciation charge for the year	(685.86)	(0.91)	(686.77)
Less: Derecognition*	(2,889.68)	-	(2,889.68)
Balance as at March 31, 2024	**-**	**-**	**-**

The following is the movement in lease liabilities during the year:

	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at April 01,	4,639.76	5,341.47
Finance cost accrued during the year	406.20	563.47
Payment of lease liabilities	(1,085.19)	(1,265.18)
Derecognition of lease liabilities*	(3,960.77)	-
Balance as at March 31	**-**	**4,639.76**

*Consequent to the slump sale transaction (refer note 35), the HMSA with FHML has been deemed to be terminated. Also, the lease agreement for nurse hostel has been terminated. Accordingly, Company has recognised net gain on derecognition of such leases amounting to ₹ 1,071.09 Lakhs (derecognition of right of use assets amounting to ₹ 2,889.68 Lakhs and derecognition of lease liabilities amounting to ₹ 3,960.77 Lakhs) as 'Exceptional item' (refer note 45).

	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current lease liabilities	-	821.62
Non-current lease liabilities	-	3,818.14
	-	**4,639.76**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The following table sets out a maturity analysis of lease payments, showing the discounted lease payments to be paid after the reporting date:

	As at March 31, 2024	As at March 31, 2023
Lease liabilities under Ind AS 116		
Less than one year	-	821.62
One to five years	-	3,818.14
More than five years	-	-
Total lease liabilities as at March 31,	**-**	**4,639.76**

Amount of recognised in standalone statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on derecognition of leases presented under 'Exceptional items' (refer note 45)	1,071.09	-
Interest expense on lease liabilities	406.20	563.47
Depreciation expense on right of use assets	686.77	822.96
Expenses relating to short-term leases	33.07	36.84
Expenses relating to leases of low-value assets	-	-

38. FINANCIAL INSTRUMENTS

(I) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through equity. Also refer note 46.

(II) Categories of financial instruments

(a) Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at cost		
Investment in subsidiary	5.00	5.00
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Security deposits	-	40.33
- Advance to related parties	2.24	10.42
- Trade receivables	-	318.44
- Cash and bank balances	10,610.52	730.62
- Loans	-	6,800.00
- Other financial assets	325.58	194.13

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(b) Financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Trade payables	519.06	2,025.53
- Lease liabilities	-	4,639.76
- Other financial liabilities	42.67	23.62

(III) Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The focus of the chief operating decision maker (CODM) is to assess the unpredictability of the financial environment and to mitigate potential adverse effects, if any, on the financial performance of the Company.

The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of patients to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several patients that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about patients. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The average credit period is ranging from 30 to 90 days. No overdue interest is charged. However, the Company has transferred its trade receivables balance as part of the slump sale transaction (refer note 35) and does not have any receivables balance outstanding as at March 31, 2024. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The ageing of trade receivables as at the reporting date was:

As at March 31, 2024

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	-	0%	-	No
1-30 days past due	-	0%	-	No
31-60 days past due	-	0%	-	No
61-90 days past due	-	0%	-	No
More than 90 days past due	-	0%	-	No
	-		**-**	

As at March 31, 2023

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	193.78	0%	-	No
1-30 days past due	28.07	0%	-	No
31-60 days past due	32.50	0%	-	No
61-90 days past due	20.92	17%	3.48	No
More than 90 days past due	584.88	92%	538.23	Yes*
	860.15		**541.71**	

b. Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)

The Company holds cash and bank balances of ₹ 10,610.52 Lakhs at March 31, 2024 (March 31, 2023: ₹ 730.62 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

c. Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties. Further, the Company has transferred its security deposit balance as part of the slump sale transaction (refer note 35) and does not have any amount outstanding as at March 31, 2024.

d. Advance to employees

This balance is primarily constituted by advances given to the employees. The Company does not expect any losses from non-performance by these counter-parties as the amounts are recoverable by salary deductions. Further, the Company has transferred its advance to employees balance as part of the slump sale transaction (refer note 35) and does not have any amount outstanding as at March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(V) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Particulars	With in 1 Year	1 to 2 Years	More than 2 Years	Total
	(₹)	(₹)	(₹)	(₹)
As at March 31, 2024				
- Trade Payables	519.06	-	-	519.06
- Other financial liabilities	42.67	-	-	42.67
Total	**561.73**	**-**	**-**	**561.73**
As at March 31, 2023				
- Trade Payables	2,025.53	-	-	2,025.53
- Lease liabilities	821.62	1,966.77	1,851.37	4,639.76
- Other financial liabilities	23.62	-	-	23.62
Total	**2,870.77**	**1,966.77**	**1,851.37**	**6,688.91**

39. FAIR VALUE MEASUREMENT

There are no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the standalone financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

40. CURRENT TAX AND DEFERRED TAX

(i) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax:		
Current income tax charge	466.90	-
Total	**466.90**	**-**
Deferred tax		
Reversal of temporary difference	-	845.57
Total	**-**	**845.57**
Total tax expense recognised in standalone statement of profit and loss	**466.90**	**845.57**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(ii) The income tax expense for the year can be reconciled to the accounting loss as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	Tax Amount	Amount	Tax Amount
Profit/ (loss) before tax from operations	5,194.58		(707.75)	
Income tax using the Company's domestic tax rate at 25.17% (March 31, 2023 : 27.82%)		1,307.37		(196.90)
Tax effect of :				
Dividend income exempt under section 80M of Income Tax Act, 1961		(50.34)		-
Long-term capital gain on slump sale of business		(172.89)		-
Deferred tax assets not recognised during the year		-		196.90
Changes in estimates relating to previous years		(617.24)		-
Reversal of temporary difference		-		845.57
Total tax expense		**466.90**		**845.57**

The Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 01, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2024.

(iii) Income tax on other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Remeasurements of defined benefit plans	-	-
Total	**-**	**-**

(iv) Following is the analysis of the deferred tax asset / (liabilities) presented in the Balance Sheet

Particulars	Year ended March 31, 2024			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	-	-	-	-
Allowance for credit losses/Others	-	-	-	-
Lease liability	-	-	-	-
Carried forward of business and depreciation losses	-	-	-	-
Property, plant and equipment	-	-	-	-
	-	**-**	**-**	**-**
Net deferred tax asset / (liability)	**-**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Year ended March 31, 2023			
	Opening Balance	Recognised in profit and Loss*	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	113.61	(113.61)	-	-
Allowance for credit losses/Others	145.20	(145.20)	-	-
Lease liability	198.61	(198.61)	-	-
Carried forward of business and depreciation losses	380.63	(380.63)	-	-
Property, plant and equipment	7.51	(7.51)	-	-
	845.57	**(845.57)**	**-**	**-**
Net deferred tax asset / (liability)	**845.57**	**(845.57)**	**-**	**-**

(v) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross amount*	Unrecognised tax effect	Gross amount*	Unrecognised tax effect
Deductible temporary differences	12.56	3.16	2,516.14	699.99
Tax losses	860.64	216.60	2,028.90	564.44
Total	**873.20**	**219.76**	**4,545.04**	**1,264.43**

Tax losses carried forward

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Expiry date	Amount	Expiry date
Expire	860.64	2028-32	848.68	2028-32
Never expire	-		1,180.22	

*Note - In the previous year, the Company has revised its estimate of future taxable profits and taking conservative approach, has reversed the deferred tax assets recognised in the earlier years for the deductible temporary differences and tax losses amounting to ₹ 845.57 Lakhs.

41. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (loss) after tax - ₹	4,727.68	(1,553.32)
Weighted average number of equity shares outstanding	1,87,41,759	1,87,41,759
Earnings Per Share - in ₹		
- Basic - in ₹	25.23	(8.29)
- Diluted - in ₹	25.23	(8.29)
Face value per share - in ₹	10.00	10.00

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

As per the requirement of the MSMED Act, 2006, the following disclosure have been provided. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 has been made in the standalone financial statements based on information received and available with the Company.

	Particulars	As at March 31, 2024	As at March 31, 2023
(a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	35.76
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

43. DETAILS OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The particulars of loans given as required to be disclosed by Section 186 (4) of Companies Act 2013 are as below:

Name of the party	Rate of Interest	Due date for Interest	Secured/ unsecured	As at March 31, 2024	As at March 31, 2023
Fortis Healthcare Limited	10.50%	Quarterly	Unsecured	-	2,800.00
Fortis Healthcare Limited	6.50%	Quarterly	Unsecured	-	4,000.00

Particulars	Relation	Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023
Fortis Healthcare Limited*	Intermediate Holding	6,800.00	6,800.00

* There are two inter corporate deposits placed with Fortis Healthcare Limited:

a) ₹ 2,800 Lakhs was given for meeting its working capital/ general corporate requirements. This loan was repayable on or before July 08, 2023 and the Company has an option to recall this loan at any time after six months from drawdown, i.e. any time after February 09, 2021. This loan was repaid on 10 July 2023.

b) ₹ 4,000 Lakhs was given for meeting its working capital / corporate requirement . This loan was repayable on or before 2 years from the date of drawdown i.e., February 22, 2024 and the Company has option to recall this loan post disbursement after giving one month prior written notice to the borrower. This loan was repaid on February 22, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

44. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a Company, meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on CSR activities. The Company does not meet the applicable thresholds both in the year ended March 31, 2024 and March 31, 2023, accordingly, the Company has not spent any such amounts in both these years.

45. EXCEPTIONAL ITEMS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on slump sale transaction (refer note 35)	4,721.54	-
Net gain on derecognition of leases (refer note 37)	1,071.09	-
Total	**5,792.63**	**-**

46. RATIO ANALYSIS AND ITS ELEMENTS

Particulars	Numerator	Denominator	Current year	Previous year	% of variance	Explanation for change in the ratio by more than 25%
Current Ratio (times)	Total Current Assets	Total Current Liabilities	18.28	2.60	603%	The current ratio has increased in the current year due to increase in current assets and decrease in current liabilities. The current assets have increased majorly due to increase in cash and cash equivalent balance on account of receipt of consideration for slump sale transaction. While the current liabilities have decreased majorly due to transfer of liabilities as part of slump sale transaction (also refer note 35).
Debt-Equity Ratio (times)	Debt consists of borrowings and lease liabilities	Total equity	-	0.75	(100%)	The debt-equity ratio has decreased due to decrease in lease liabilities in the current year (also refer note 37 and 45).
Debt Service Coverage Ratio (times)	Earning for debt service = Net Profit/ loss after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and Lease Payments + Principal Repayments	5.51	0.25	2065%	These ratios have improved in the current year on account of increase in net profit for the year majorly due to gain on slump sale transaction and gain on termination of leases.
Net Profit Ratio (%)	Profit / loss for the year	Revenue from operations	80.1%	(18.1%)	543%	
Return on Equity Ratio (%)	Profit / loss for the year	Average Equity	43.3%	(25.1%)	273%	
Return on Capital employed (%)	Profit / loss before taxes and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	51.5%	(0.9%)	5643%	
Return on Investment (%)	Income generated from invested funds	Average invested funds in treasury investments	5.8%	7.8%	(25%)	The decrease in return on investment is majorly on account of lower interest earned during the year on fixed deposts and inter-corporate loans.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Numerator	Denominator	Current year	Previous year	% of variance	Explanation for change in the ratio by more than 25%
Trade Receivables turnover ratio (times)	Revenue from operations	Average trade receivables	37.1	31.9	16%	Not applicable
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	16	8.5	86%	The increase in inventory turnover ratio is due to transfer of inventory on account of slump sale transaction (refer note 35).
Trade payables turnover ratio (times)	Net purchases	Average Trade Payables	0.7	0.6	16%	Not applicable
Net capital turnover ratio (times)	Revenue from operations	Average working capital (i.e., Total Current assets less Total current liabilities)	0.7	2.6	(71%)	The decrease in net capital turnover ratio is majorly on account of increase in average working capital in the current year due to consideration received for slump sale transactions (refer note 35).

47. ADDITIONAL REGULATORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company had been sanctioned working capital limits in excess of five Crores rupees in aggregate from banks and financial institutions on the basis of security of current assets. Accordingly, it filed quarterly returns or statements of current assets with banks and financial institutions.

(ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

48. In light of the acquisition of the controlling stake of FHL by Northern TK Venture Pte Limited ("NTK") a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, a mandatory open offer got triggered for acquisition by NTK of up to 4,894,308 fully paid up equity shares of face value of ₹ 10 each in the Company, representing 26% of the paid-up equity shares of the Company at a price of ₹ 60.10 per share ("Malar Open Offer") in December 2018. However, in view of order dated December 14, 2018 passed by Hon'ble Supreme Court wherein it was specified that status quo with regard to sale of the controlling stake in Fortis Healthcare Limited to IHH Healthcare Berhad, Malaysia be maintained, the Mandatory Open offer was kept in abeyance. The Hon'ble Supreme Court has disposed of the petitions with certain directions to the Hon'ble High Court of Delhi. Malar Open offer continues to be in abeyance an on date. From publicly available information, it is learnt that SEBI had advised NTK to proceed with the Fortis Open Offer and the Malar Open Offer after obtaining an appropriate order from the Hon'ble High Court of Delhi. In view of the same, NTK is obtaining advice from legal counsel.

During the current year, the Company has declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) on April 12, 2024. Pursuant to such declaration of dividend and in terms of Regulation 8(9) of the SEBI (SAST) Regulations, NTK and Persons Acting in Concert (PACs) have decided to adjust the Malar Open offer price from ₹ 60.1 to ₹ 20.1 per share ("Adjusted Malar offer price").

49. SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Director to make decisions about resources to be allocated to the segments and assess their performance.

The Company has been primarily engaged in only one business namely in the health care services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these standalone financial statements are reflective of the information required by the Ind AS 108 . The Company's operations are entirely domiciled in India and as such all its non-current assets are located in India. Also refer note 35 for the slump sale of business during the year.

50. SUBSEQUENT EVENTS

There are no subsequent events other than those disclosed in the standalone financial statements that have occurred after the reporting period till the date of approval of these standalone financial statements.

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date: May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date: May 17, 2024

Place : Chennai

CONSOLIDATED FINANCIAL STATEMENTS

Contents	Pages

INDEPENDENT AUDITOR'S REPORT

To the Members of Fortis Malar Hospitals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Fortis Malar Hospitals Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended March 31, 2024, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 2(b) to the consolidated financial statements which explains that consequent to sale of business operations through a slump sale transaction, the Holding Company ceases to have any business operations. While there is no visibility of commencing any new business operations in the future, the Holding Company's management and Board of Directors is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Holding Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial requirements for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Related party transactions

See Note 31 and 42 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific compliance and disclosures of related parties and transactions with them to be made in the consolidated financial statements. We have identified the related party transactions as a key audit matter due to the significance of risk of non-compliance with various regulations. Also, a material portion of expenses (lease expenses, clinical establishment expenses, pathological expenses, etc.) are paid to related parties and material interest income is received from related parties.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtain an understanding of the Group's related party relationships and transactions. • Obtained a list of related party relationships and significant related party transactions from the management. Made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions. • Evaluated the design and implementation of key internal financial controls with respect to identification and authorization of significant related party transactions and tested the operating effectiveness of such controls on a sample basis. • Obtained confirmation from related party with respect to transactions and balances. Performed substantive procedures to check the completeness of expenditure and interest income. • Evaluated compliance of such related party transactions with the relevant accounting standard and applicable laws and regulations. • Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in

Independent Auditor's Report (Contd.)

equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors 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. 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 the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, 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 purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on April 01, 2024 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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

   a. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.

   b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2024.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by

Independent Auditor's Report (Contd.)

the Holding Company or its subsidiary company incorporated in India during the year ended March 31, 2024.

d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited have represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, 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 or any of such subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited have represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed 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 (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 16(c)(B) to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. in the absence of an independent auditor's report in relation to controls at service organisation for accounting software used for maintaining the books of account relating to general ledger and related records, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions. Further, the feature of recording audit trail (edit log) facility was not enabled for the period from April 01, 2023 to May 22, 2023 for certain tables relating to the supplier module.

ii. in respect of accounting software used for maintaining payroll records (operational for the period from April 01, 2023 to August 15, 2023), in the absence of supporting evidence on account of deactivation post August 15, 2023, we are unable to comment whether audit trail feature of the said software was enabled.

iii. the feature of recording audit trail (edit log) facility was not enabled on certain non-editable fields/ tables of the accounting software used for maintaining the books of account relating to revenue and consumption records.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024

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

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

Annexure B to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of **Fortis Malar Hospitals Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024 we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's Responsibility

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

Independent Auditor's Report (Contd.)

Annexure B to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	-	1,147.48
Right of use assets	36	-	3,576.45
Other Intangible assets	4(b)	-	17.25
Financial assets			
Other financial assets	5	-	45.64
Deferred tax assets (net)	39	-	0.49
Other tax assets (net)	6	258.39	563.05
Other non-current assets	7	-	2.11
Total non-current assets		**258.39**	**5,352.47**
Current assets			
Inventories	8	-	110.34
Financial assets			
Trade receivables	9	-	318.44
Cash and cash equivalents	10	10,740.88	586.07
Bank balances other than above	11	81.74	357.65
Loans	12	-	6,800.00
Other financial assets	13	147.82	200.27
Other tax assets (net)	6	358.77	-
Other current assets	14	-	74.75
Total current assets		**11,329.21**	**8,447.52**
Total assets		**11,587.60**	**13,799.99**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,875.70	1,875.70
Other equity	16	9,071.25	4,541.54
Total equity		**10,946.95**	**6,417.24**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	17	-	3,818.14
Provisions	20	-	389.09
Total non-current liabilities		**-**	**4,207.23**
Current liabilities			
Financial liabilities			
Lease liabilities	17	-	821.62
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises		520.29	1,992.91
Other financial liabilities	19	42.67	23.62
Provisions	20	3.23	80.76
Income tax liabilities (net)	39	-	0.33
Other current liabilities	21	74.46	221.87
Total current liabilities		**640.65**	**3,175.52**
Total liabilities		**640.65**	**7,382.75**
Total equity and liabilities		**11,587.60**	**13,799.99**
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	22	5,900.88	8,595.08
Other income	23	695.08	663.81
Total income		**6,595.96**	**9,258.89**
EXPENSES			
Purchases of medical consumables and drugs		870.24	1,190.47
Changes in inventories of medical consumables and drugs	24	6.70	76.02
Employee benefits expense	25	1,516.27	1,940.57
Finance costs	26	430.46	607.06
Depreciation and amortisation expense	27	936.01	1,214.66
Other expenses	28	3,627.94	4,930.90
Total expenses		**7,387.62**	**9,959.68**
Loss before exceptional items and tax		**(791.66)**	**(700.79)**
Exceptional items	44	5,792.63	-
Profit/ (loss) before tax		**5,000.97**	**(700.79)**
Tax expense:	29		
Current tax		468.00	1.81
Deferred tax		0.49	845.51
Total tax expense		**468.49**	**847.32**
Profit/ (loss) for the year		**4,532.48**	**(1,548.11)**
Other comprehensive income/ (loss)	30		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability		(2.77)	(47.75)
Income tax relating to items that will not be reclassified to profit or loss		-	(0.05)
Other comprehensive loss for the year, net of tax		**(2.77)**	**(47.80)**
Total comprehensive income/ (loss) for the year		**4,529.71**	**(1,595.91)**
Earnings per equity share	40		
Basic (in ₹)		24.18	(8.26)
Diluted (in ₹)		24.18	(8.26)
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

Fortis MALAR HOSPITAL

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit/ (loss) before tax for the year		5,000.97	(700.79)
Adjustments for:			
Exceptional items		(5,792.63)	-
Interest income		(559.37)	(627.68)
Depreciation and amortisation expense		936.01	1,214.66
Interest expense on lease liability		406.20	563.47
Allowance for credit losses (including bad debts written off)		(47.25)	48.67
Liabilities/ provisions no longer required written back		(88.46)	(36.13)
Operating (loss) / profit before working capital changes		**(144.53)**	**462.20**
Movements in working capital:			
Decrease in other current and non current financial assets		36.18	124.45
Decrease in other current and non-current assets		54.18	44.59
Decrease / (increase) in trade and other receivables		29.69	(147.18)
Decrease in inventories		6.70	76.02
Increase in provisions		58.77	41.54
(Decrease) / increase in trade payables		(270.85)	61.45
Increase / (decrease) in financial liabilities		19.05	(81.90)
(Decrease) in other current liabilities		(17.04)	(28.59)
Cash (used in)/ generated from operations		**(227.85)**	**552.58**
Income taxes (paid) / refund (net)		(502.44)	8.41
Net cash (used in)/ generated from operating activities		**(730.29)**	**560.99**
Cash flows from investing activities			
Payments for purchase of property, plant and equipment, intangible assets, capital work-in-progress and intangibles asset under development		(229.93)	(187.80)
Inter-corporate deposits repaid by related parties		6,800.00	-
Purchase consideration received from slump sale of business		4,426.00	-
Bank balances not considered as cash and cash equivalents		275.91	(342.60)
Interest received		698.31	580.37
Net cash generated from investing activities		**11,970.29**	**49.97**
Cash flows from financing activities			
Repayment of lease liabilities including interest thereon		(1,085.19)	(1,265.18)
Net cash generated from / (used in) financing activities		**(1,085.19)**	**(1,265.18)**
Net increase / (decrease) in cash and cash equivalent		**10,154.81**	**(654.22)**
Cash and cash equivalents at the beginning of the year		586.07	1,240.29
Cash and cash equivalents at the end of the year	10	**10,740.88**	**586.07**
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

		Note	As at March 31, 2024	As at March 31, 2023
A	**Equity share capital**	15		
	Balance at the beginning of year		1,875.70	1,875.70
	Changes in equity share capital during the year		-	-
	Closing balance		**1,875.70**	**1,875.70**

B Other equity 16

Particulars	Reserves and surplus		Total
	Securities Preimium	Retained Earnings	
Balance as at March 31, 2022	**957.23**	**5,180.22**	**6,137.45**
Loss for the year	-	(1,548.11)	(1,548.11)
Other comprehensive loss for the year, net of taxes	-	(47.80)	(47.80)
Total comprehensive loss for the year	**-**	**(1,595.91)**	**(1,595.91)**
Balance as at March 31, 2023	**957.23**	**3,584.31**	**4,541.54**
Profit for the year	-	4,532.48	4,532.48
Other comprehensive income for the year, net of taxes	-	(2.77)	(2.77)
Total comprehensive income for the year	**-**	**4,529.71**	**4,529.71**
Balance as at March 31, 2024	**957.23**	**8,114.02**	**9,071.25**

Loss of ₹ 2.77 Lakhs and ₹ 47.80 Lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2024 and March 31, 2023 respectively.

Material accounting policies 3

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Fortis Malar Hospitals Limited (the 'Parent Company') was incorporated in the year 1989 to set up, manage and operate a multi-specialty hospital and the Company is a subsidiary of Fortis Hospitals Limited and Fortis Healthcare Limited is the Intermediate Holding Company and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Parent Company operated its state of the art Hospital facility in Chennai. The Hospital building was owned by a fellow subsidiary, Fortis Health Management Limited ("FHML"). The Parent Company had entered into "Hospital and Medical Services Agreement" with FHML w.r.t. rendering of medical and healthcare services at the hospital building (also refer note 34).

The Parent Company has one wholly owned subsidiary company, Malar Stars Medicare Limited ('Malar Stars' or 'the subsidiary'), which was incorporated on July 07, 2009 in Chennai and is engaged in providing medical and surgical and consultancy services to the Parent Company. The Parent Company and the subsidiary are hereinafter collectively referred to as "the Group".

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Group and other provisions of the Act. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

The consolidated financial statements were authorised for issue by the Parent Company's Board of Directors on May 17, 2024.

b) Going concern assumptions

During the current year, the Parent Company has sold its business operations pertaining to Malar Hospital, on a slump sale basis on February 01, 2024 (also refer note 34). Post this sale, the Parent Company ceases to have any business operations. Currently, the Parent Company has no visibility of commencing any new business operations in the future, and the Parent Company's management and Board of Directors, in consultation with its legal advisors/ merchant bankers, is evaluating various corporate restructuring options for the future possible course of actions for the Parent Company.

Further, subsequent to the year end, the Parent Company has declared interim dividend amounting to ₹ 40 per share, resulting in significant cash outflows of ₹ 7,496.70 Lakhs. However, the Parent Company has sufficient cash and cash equivalent balance to settle its obligations as and when they fall due and the Parent Company believes that it would be able to meet its financial obligations for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

c) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees ('₹'/'₹'), which is also the Group's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

d) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit assets/ (liability)	Fair value of plan assets, less present value of defined benefit obligations

e) Principles of consolidation:

The consolidated financial statements relate to the Parent Company and its subsidiary. The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the Parent Company and its subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating material intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

Notes forming part of the Consolidated Financial Statements (Contd.)

The details of the subsidiary considered in the preparation of these consolidated financial statements are given below:

Name of the subsidiary	Country of incorporation	Relationship	Effective ownership as at	
			March 31, 2024	March 31, 2023
Malar Stars Medicare Limited	India	Subsidiary	100%	100%

f) Use of estimates and judgements

In preparing these consolidated financial statements, management/directors have made the following judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

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

a. fair valuation of financial assets (refer note 38)

b. lease arrangement- classification (refer note 36)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

a. Useful lives of Property, plant and equipment and intangible assets (refer note 3.3)

b. Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.7 and note 35)

c. Recognition and estimation of tax expenses including deferred tax: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; (refer note 3.12 and note 39)

d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; (refer note 3.8, 3.15 and 33)

e. Measurement of expected credit loss (ECL) allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; (refer note 3.6)

f. lease arrangement- accounting (refer note 36)

g. Estimated impairment of financial assets and nonfinancial assets (refer note 3.6)

g) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 37 and 38 – financial instruments.

h) Current and non-current classification

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3. MATERIAL ACCOUNTING POLICES

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the equity investments at fair value through OCI (FVOCI).

3.2 Financial instruments

i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Notes forming part of the Consolidated Financial Statements (Contd.)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

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

3.3 Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management Useful life	Useful life as per Schedule II
Plant and machinery	15 years	15 years
Medical equipment	13 years	13 years
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on leasehold improvements is provided over the primary period of lease or over the useful lives of the respective fixed assets, whichever is shorter.

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

iv. Derecognition

Property, plant and equipment is derecognised on disposal or when no future economic benefits are

Notes forming part of the Consolidated Financial Statements (Contd.)

expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

3.4 Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is de-recognised.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Cost of software and licenses, which are acquired, are capitalised and amortised on a straight line basis over a period of 3 to 6 years or the license period, whichever is lower.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.5 Inventories

Inventories of medical consumables and drugs are valued at lower of cost or net releasable value. The cost of inventories is determined based on weighted average basis. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-Item basis.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience of the Group and such allowances are adjusted against the carrying inventory value.

3.6 Impairment

i) Impairment of financial instruments

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

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group

Notes forming part of the Consolidated Financial Statements (Contd.)

recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii) Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Group presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

iv) Defined contribution plan - Provident fund

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes.The Group makes specified monthly contributions towards Government administered provident fund scheme for eligible employees. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (also see Note 3.6(ii)).

3.9 Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Group assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Group expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as Goods and Service Tax (GST) and applicable discounts and allowances including claims. Further, the Group also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from hospital services is recognised as and when services are performed and from sale of products is recognised upon transfer of control of products to customers at the time of delivery of goods to the customers.

Revenue includes only those sales for which the Group has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any revenue transaction for which the Group has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Excess of revenue earned over billings on contracts is recognised as unbilled revenue. Unbilled revenue is classified as Trade receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised as other current liability when there is billings in excess of revenues.

Other operating revenue comprises revenue from various ancillary revenue generating activities like maintenance agreements and academic services. The revenue in respect of such arrangements is recognised as and when services are performed.

Income from export benefit schemes, included in other operating revenue, is recognised on accrual basis as and when eligible services are performed and convertible foreign exchange is received on a net basis to the extent it is certain that economic benefits will flow to the Group.

3.10 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.11 Leases

The Group has applied Ind AS 116 using the modified retrospective approach from April 01, 2019. Accordingly, the Group has recognised a lease liability at the date of initial application, at the present value of the remaining lease payments discounted using the incremental borrowings rate at the date of initial application, recognised right-of-use asset at the date of initial application equals to the lease liability recognised.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of an identified asset, the Group uses the definition of a lease in Ind AS 116.

(i) Group as a lessee:

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if

Notes forming part of the Consolidated Financial Statements (Contd.)

any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

(ii) Short term leases

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease

are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

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

Diluted earnings per share

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

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

3.15 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Notes forming part of the Consolidated Financial Statements (Contd.)

3.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.17 Cash flow statement

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

3.18 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative year.

3.19 Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards that are applicable to the Group.

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and machinery	Medical equipments	Furniture and fittings	Computers	Office equipments	Total
Gross carrying amount						
As at March 31, 2022	**194.33**	**2,846.73**	**229.96**	**222.75**	**69.58**	**3,563.35**
Additions	-	163.18	2.12	17.05	3.77	186.12
Disposals	-	-	-	-	-	-
As at March 31, 2023	**194.33**	**3,009.91**	**232.08**	**239.80**	**73.35**	**3,749.47**
Additions	-	224.31	1.35	1.22	3.73	230.61
Disposals / transfers*	194.33	3,234.22	233.43	241.02	77.08	3,980.08
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation						
As at March 31, 2022	**114.17**	**1,791.60**	**149.65**	**147.39**	**58.04**	**2,260.85**
Depreciation (refer note 27)	18.79	261.28	19.87	35.81	5.39	341.14
Disposals	-	-	-	-	-	-
As at March 31, 2023	**132.96**	**2,052.88**	**169.52**	**183.20**	**63.43**	**2,601.99**
Depreciation (refer note 27)	10.95	173.74	15.17	29.31	2.82	231.99
Disposals / transfers*	143.91	2,226.62	184.69	212.51	66.25	2,833.98
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amounts						
As at March 31, 2023	**61.37**	**957.03**	**62.56**	**56.60**	**9.92**	**1,147.48**
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**

* Refer note 34 for Property, plant and equipment transferred on slump sale of business

Note:

1. There are no immovable properties for which title deeds are not in the name of the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee).
2. The Group has not revalued its Property, Plant and Equipment during the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(b) OTHER INTANGIBLE ASSETS

	Software
Gross carrying amount	
As at March 31, 2022	**617.95**
Additions	7.44
Disposals	-
As at March 31, 2023	**625.39**
Additions	-
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Accumulated amortisation	
As at March 31, 2022	557.58
Amortisation (refer note 27)	50.56
Disposals	-
As at March 31, 2023	**608.14**
Amortisation (refer note 27)	17.25
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Net carrying amount	
As at March 31, 2023	**17.25**
As at March 31, 2024	**-**

5. OTHER FINANCIAL ASSETS - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	-	40.33
Advance to related parties (refer note 31)	-	5.31
Total	**-**	**45.64**

Refer note 34 for other financial assets (non-current) transferred on slump sale of business

6. OTHER TAX ASSETS

	As at March 31, 2024	As at March 31, 2023
Income tax assets		
Non-current		
Advance income tax (net of provision for taxation)	258.39	563.05
Total	**258.39**	**563.05**
Current		
Advance income tax (net of provision for taxation)	358.77	-
Total	**358.77**	**-**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

7. OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital advances	-	2.11
Total	**-**	**2.11**

8. INVENTORIES

	As at March 31, 2024	As at March 31, 2023
Medical consumables and drugs	-	110.34
Total	**-**	**110.34**

Refer note 34 for inventories transferred on slump sale of business

9. TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Trade receivables considered good - Unsecured	-	318.44
Trade receivables which have significant increase in credit risk- Unsecured	-	8.38
Credit impaired - Unsecured	-	533.33
	-	**860.15**
Less: Allowance for expected credit loss	-	(541.71)
Total	**-**	**318.44**

Refer note 34 for trade receivables transferred on slump sale of business

The movement in allownace for expected credit loss is as follow:

	As at March 31, 2024	As at March 31, 2023
Balances at the beginning of the year	541.71	524.03
Provision recorded/ (reversed) during the year (net)	(47.25)	17.68
Amount written-off during the year	(482.38)	-
Amount transferred as part of slump sale transaction (refer note 34)	(12.08)	-
Balance at the end of the year	**-**	**541.71**

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

	Particulars	Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(iii)	Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	193.78	124.66	-	-	-	-	318.44
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	8.38	-	-	-	-	8.38
(iii)	Undisputed Trade Receivables - Credit Impaired	-	22.81	28.64	69.34	8.78	403.76	533.33
(iv)	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total		**193.78**	**155.84**	**28.64**	**69.34**	**8.78**	**403.76**	**860.15**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

10. CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	1.51
Balances with banks:		
- On Current accounts	68.02	74.03
- Deposits with original maturity of less than three months*	10,667.39	510.53
Demand drafts on hand	5.47	-
Total	**10,740.88**	**586.07**

*Includes interest accrued on deposits amounting to ₹ 87.38 Lakhs (March 31, 2023 - ₹ Nil)

11. BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts	-	6.31
Deposits with original maturity of more than 3 months but less than 12 months*	81.74	351.34
Total	**81.74**	**357.65**

*Includes interest accrued on deposits amounting to ₹ 0.33 Lakhs (March 31, 2023 - ₹ Nil)

12. LOANS

	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good		
Inter-corporate deposits to related party (refer note 31 and 42)	-	6,800.00
Total	**-**	**6,800.00**

13. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest accrued but not due		
(i) Inter-corporate deposits (refer note 31)	-	136.60
(ii) Deposit with banks	-	3.11
Advances to related parties (refer note 31)	2.24	5.11
Loans and advances to employees	-	9.60
Unbilled revenue from undischarged patients	-	45.85
Consideration receivable in relation to slump sale to business (refer note 34)	145.58	-
Total	**147.82**	**200.27**

Refer note 34 for other financial assets transferred on slump sale of business

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

14. OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advance to vendors	-	30.00
Prepaid expenses	-	44.75
Total	**-**	**74.75**

Refer note 34 for other current assets transferred on slump sale of business

15. EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
Authorised		
30,000,000 (March 31, 2023: 30,000,000) equity shares of ₹ 10/- each	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued		
18,772,259 (March 31, 2023: 18,772,259) equity shares of ₹ 10/- each	1,874.17	1,874.17
	1,874.17	**1,874.17**
Subscribed and Paid Up		
18,741,759 (March 31, 2023: 18,741,759) equity shares of ₹ 10/- each fully paid up*	1,875.70	1,875.70
	1,875.70	**1,875.70**

*Includes amount received on forfeited shares amounting to ₹ 1.53 Lakhs

Notes :

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

Equity shares

	Year ended March 31, 2024		Year ended March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	1,87,41,759	1,875.70	1,87,41,759	1,875.70
Outstanding at the end of the year	**1,87,41,759**	**1,875.70**	**1,87,41,759**	**1,875.70**

(b) Terms/rights attached to equity shares

The Parent Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by the holding/ ultimate holding Group and/or their subsidiaries/associates

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
Fortis Hospitals Limited, the Holding Company (Equity Shares of ₹ 10/- each)	1,17,52,402	1,175.24	1,17,52,402	1,175.24

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Hospitals Limited, the Holding Company	1,17,52,402	62.71%	1,17,52,402	62.71%
Rajasthan Global Securities Private Limited	-	-	13,42,159	7.16%

(e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five financial year ended March 31, 2024, no shares have been bought back by the Parent Company and the Parent Company has also not alloted any equity shares as full paid up without payment being received in cash.

(f) Details of shares held by promoters

As at March 31, 2024:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

As at March 31, 2023:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

16. OTHER EQUITY

		As at March 31, 2024	As at March 31, 2023
a	Reserve and surplus		
	Securities premium		
	Opening balance	957.23	957.23
	Closing balance	**957.23**	**957.23**
	Retained earnings		
	Opening balance	3,584.31	5,180.22
	Add: Profit / (loss) for the year	4,532.48	(1,548.11)
	Add: Remeasurement (loss) of defined employee benefit plans (net of taxes)	(2.77)	(47.80)
	Closing balance	**8,114.02**	**3,584.31**
	Total	**9,071.25**	**4,541.54**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

b Nature and purpose of the reserve

i. Securities premium

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

ii. Retained earnings

The amount that can be distributed by the Group as dividends to its equity shareholders. It also includes remeasurements of defined benefit liability /(asset) which comprises actuarial gains and losses and return on plan assets (excluding interest income).

c Dividends

The Parent Company has neither declared nor paid any dividend during the current and previous year.

A The Board of Directors of the Parent Company in its meeting held on April 12, 2024 have declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) for the current year. The dividend was paid to members whose names appear in the register of members of the Parent Company and as beneficial owners in the depositories, as on the record date fixed for the purpose i.e. April 23, 2024. This resulted in net cash outflow of ₹ 7,496.70 Lakhs (including tax deducted at source). The interim dividend has not been accounted as liability in this consolidated financial statements.

B The Board of Directors of the Parent Company at its meeting held on May 17, 2024, has proposed a final dividend of ₹ 2.50 per equity share.

C The Board of Directors of the Subsidiary Company at its meeting held on March 29, 2024 have delared an interim dividend of ₹ 400 per equity share (4000% on face value of ₹ 10 per share).

17. LEASE LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Non-current		
Lease liabilities (refer note 3.11 and note 36)	-	3,818.14
Total	**-**	**3,818.14**
Current		
Lease liabilities (refer note 3.11 and note 36)	-	821.62
Total	**-**	**821.62**

18. TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 41)	-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises*	520.29	1,992.91
Total	**520.29**	**2,027.32**
*Includes payable to related parties (refer note 31)	0.17	543.61

Refer note 34 for trade payables transferred on slump sale of business

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	5.41	1.34	3.79	3.87	14.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**-**	**5.41**	**1.34**	**3.79**	**3.87**	**14.41**
Accrued expenses/ unbilled dues (b)						505.88
Total (a+b)						**520.29**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	25.55	6.97	1.43	0.30	0.16	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	374.34	704.96	71.04	26.65	75.45	1,252.44
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**399.89**	**711.93**	**72.47**	**26.95**	**75.61**	**1,286.85**
Accrued expenses/ unbilled dues (b)						740.47
Total (a+b)						**2,027.32**

19. OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Currrent		
Unpaid equity dividend	-	6.31
Capital creditors**	1.22	17.31
Others	41.45	-
Total	**42.67**	**23.62**

**Includes outstanding dues of micro enterprises and small enterprises of Nil (March 31, 2023 - ₹ 1.35 Lakhs)

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

20. PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Non-current		
Provision for gratuity	-	378.65
Provision for compensated absences	-	10.44
Total	**-**	**389.09**
Current		
Provision for gratuity	1.61	0.67
Provision for compensated absences	1.62	80.09
Total	**3.23**	**80.76**

Refer note 34 for provisions transferred on slump sale of business

21. OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Advance from patients/Amounts unclaimed by patients	-	20.91
Employee benefits payable	6.34	114.77
Statutory dues payables	68.12	86.19
Total	**74.46**	**221.87**

Refer note 34 for other current liabilities transferred on slump sale of business

22. REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of services (refer notes below)		
In-Patient	4,894.45	7,232.98
Out-Patient	990.82	1,348.46
Total revenue from contracts with customers (A)	**5,885.27**	**8,581.44**

Notes:

a) The revenue recognised during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenues (contract assets) and contract liabilities.

b) Discounts and deductions amounting to ₹ 110.52 Lakhs (March 31, 2023 - ₹ 202.99 Lakhs) are netted against Sale of In-Patient and Out-Patient services.

Timing of revenue recognition	5,885.27	8,581.44
Services transferred over time	**5,885.27**	**8,581.44**

Contract assets and liabilities

The following disclosure provide information about receivables, contract assets and liabilities from contract with customer:

	Year ended March 31, 2024	Year ended March 31, 2023
Receivable which are included in trade receivable (refer note 9)	-	318.44
Unbilled revenue from undischarged patients (refer note 13)	-	45.85
Advance from patients / amounts unclaimed by patients (refer note 21)	-	20.91

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
(b) Other operating revenue		
Income from Service Export from India Scheme	-	2.06
Others	15.61	11.58
Total other operating revenues (B)	**15.61**	**13.64**
Total revenue from operations (A+B)	**5,900.88**	**8,595.08**

23. OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income		
Interest income on financial assets carried at amortised cost:		
Bank deposits	221.11	39.65
Inter-corporate deposits (refer note 31)	312.39	554.00
Others	10.42	3.77
Interest on income tax refund	15.45	30.26
(b) Other non-operating income		
Liabilities/ provisions no longer required written back	135.71	36.13
Total other income (a+b)	**695.08**	**663.81**

24. CHANGE IN INVENTORIES OF MEDICAL CONSUMABLES AND DRUGS

	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	110.34	186.36
Less: Inventory transferred on slump sale of business (refer note 34)	(103.64)	-
Less: Inventory at the end of the year	-	(110.34)
Changes in inventories	**6.70**	**76.02**

25. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,284.78	1,666.24
Contribution to provident and other funds (refer note 35)	136.17	146.75
Staff welfare expenses	95.32	127.58
Total	**1,516.27**	**1,940.57**

26. FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on:		
- lease liabilities (refer note 36)	406.20	563.47
- others	24.26	43.59
Total	**430.46**	**607.06**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

27. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4(a))	231.99	341.14
Depreciation of right of use assets (refer note 36)	686.77	822.96
Amortisation of other intangible assets (refer note 4(b))	17.25	50.56
Total	**936.01**	**1,214.66**

28. OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Contractual manpower	85.70	95.79
Power, fuel and water	246.57	292.74
Housekeeping expenses including consumables	31.71	40.86
Patient food and beverages	64.63	68.62
Pathology laboratory expenses (refer note 31)	240.96	342.31
Consultation fees to doctors	938.71	1,183.19
Professional charges to doctors	842.44	1,295.78
Clinical establishment fee (refer note 28.2 below)	445.28	643.61
Repairs and maintenance		
- Building	19.55	16.66
- Plant and machinery	205.86	302.32
- Others	89.83	109.36
Rent		
- Equipments	33.07	36.84
Legal and professional fee	158.80	134.69
Subscription fee	0.65	-
Travel and conveyance	37.48	51.17
Rates and taxes	0.26	1.54
Printing and stationery	41.81	41.47
Communication expenses	11.96	11.61
Directors' sitting fees	47.79	35.40
Insurance	22.77	46.08
Marketing and business promotion	27.31	62.12
Advances written off	16.24	26.97
Auditors' remuneration (refer note 28.1 below)	16.40	14.56
Allowance for credit losses (including bad debts written off)	-	48.67
Miscellaneous expenses	2.16	28.54
Total	**3,627.94**	**4,930.90**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

28.1 Payments to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory audit	6.30	6.30
Tax audit	0.58	0.58
Limited review of quarterly results	4.73	4.73
For GST on professional services	2.50	2.22
Reimbursement of expenses	2.29	0.73
Total	**16.40**	**14.56**

28.2 Clinical establishment fees:

Represents amount paid towards various services such as providing, maintaining and operating the Clinical Establishment (including infrastructure, fixtures and fittings etc.), out-patient department services, radio diagnostic services and other ancillary services provided by Fortis Health Management Limited to the Group in accordance with the agreement. Also refer note 31 and 44.

29. TAX EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current year	468.02	1.81
In respect of prior year	(0.02)	-
Total	**468.00**	**1.81**
Deferred tax		
In respect of current year	0.49	(0.06)
Reversal of temporary differences	-	845.57
Total	**0.49**	**845.51**
Total tax expense	**468.49**	**847.32**

30. OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans [refer note 35(II)(a)]	(2.77)	(47.75)
Total	**(2.77)**	**(47.75)**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

31. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Description of Relationship

Ultimate Holding Group	IHH Healthcare Berhad, Malaysia
Intermediate Holding Group	Integrated Healthcare Holdings Limited, Malaysia
	Parkway Pantai Limited, Singapore
	Northern TK Venture Pte Ltd, Singapore
	Fortis Healthcare Limited, India
Holding Company	Fortis Hospitals Limited, India
Fellow Subsidiary or Entities Under Common Control	Agilus Diagnostics Limited, India (formerly known as SRL Limited)
	Escorts Heart Institute and Research Centre Limited, India
	Fortis Health Management Limited, India
	Mitsui & Co India Pvt Limited, India
Key Management Personnel	Mr Daljit Singh (Non-Executive Director)
	Mr Chandrasekar R (Whote-time Director)
	Ms Shailaja Chandra (Independent Director)
	Mrs. Nithya Ramamurthy (Non-Executive Director till July 20, 2023)
	Mr Ramesh L Adige (Independent Director till May 05, 2024 and Non-executive Director from May 06, 2024)
	Mr Ravi Rajagopal (Independent Director)
	Mr Sandeep Singh (Company Secretary) (till February 29, 2024)
	Mr Yogendra Kumar Kabra (Chief Financial Officer)
	Mr.Srishty (Company Secretary) (from May 17, 2024)
	Mr Prabhat Kumar (Director) (effective from May 17, 2022)
	Mr Ajay Maharaj (Director)
	Mr Ranjan Bihari Pandey (Director)
Relatives of Key Management Personnel	Dr. Radhi Malar (till July 20, 2023)
	Dr. M. Anand (till July 20, 2023)

The schedule of related party transactions:

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Sale of Service	Fortis Healthcare Limited	-	0.36
	Fortis Hospitals Limited	-	1.32
	Mitsui & Co India Pvt Limited	0.98	0.34
Interest income on Inter-corporate deposits	Fortis Healthcare Limited	312.39	554.00
Mediclaim reimbursement and transfer of accumulated balance in retirement benefit	Fortis Hospitals Limited	-	1.86

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of related party transactions (Contd.)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Expenses			
Clinical establishment fee	Fortis Health Management Limited	445.28	643.61
Interest expense on lease liabilities	Fortis Health Management Limited	390.38	536.66
Contractual manpower	Agilus Diagnostics Limited (formerly SRL Limited)	11.39	16.04
Pathology laboratory expenses	Agilus Diagnostics Limited (formerly SRL Limited)	228.38	329.95
	Fortis Healthcare Limited	-	0.96
Professional charges to doctors	Mrs. Nithya Ramamurthy	49.21	162.00
	Dr. Radhi Malar	5.64	19.96
	Dr. M. Anand	17.11	49.29
Travelling Expenses	Fortis Hospitals Limited	-	0.20
Recovery of Expenses incurred on behalf of other companies	Fortis Hospitals Limited	-	0.78
Reimbursement of expenses incurred by other companies on behalf of the Group	Fortis Health Management Limited	240.49	287.59
Mediclaim reimbursement and transfer of accumulated balance in retirement benefits	Fortis Healthcare Limited	-	4.54
	Fortis Health Management Limited	0.03	-
	Fortis Hospitals Limited	0.01	-
Collection done by Group on behalf of the related parties	Fortis Hospitals Limited	-	0.46
Reimbursement of Expenses incurred by Other Companies on behalf of the Group (Refund of advance received from patients)	Fortis Hospitals Limited	2.79	-
Inter Corporate Loan repaid	Fortis Healthcare Limited	6,800	-
Managerial remuneration - Director sitting fees	Mr. Ramesh L Adige	12.00	9.00
	Mrs. Nithya Ramamurthy	2.00	5.00
	Mr. Daljit Singh	11.50	8.50
	Mr. Ravi Rajagopal	7.00	2.00
	Ms. Shailaja Chandra	8.00	5.50
Managerial remuneration - Short-term employee benefits*	Mr Chandrasekar R	47.33	40.95

*Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

The schedule of year end balances of related parties:

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Financial liabilities-non current	Fortis Health Management Limited	-	3,703.22
Trade payables / Other financial liabilities-current	Agilus Diagnostics Limited (Formerly SRL Limited)	-	29.03
	Fortis Health Management Limited	-	1,244.70
	Fortis Hospitals Limited	0.17	-
	Fortis Healthcare Limited	-	4.49

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Other financial assets - current	Fortis Hospitals Limited	-	2.64
	Escorts Heart Institute and Research Centre Limited	2.24	2.24
	Mitsui & Co India Pvt Limited	-	0.23
Other financial assets - non-current	Fortis Health Management Limited	-	5.31
Inter corporate loan placed - Current	Fortis Healthcare Limited	-	6,800.00
Interest accrued but not due	Fortis Healthcare Limited	-	136.60

Notes:

1. The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at March 31, 2024 and March 31, 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.

2. All transactions with these related parties are priced on an arm's length basis and are carried out in the course of business.

32. COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account, net of advances with regard to tangible and intangible assets	-	153.45

33. CLAIMS AGAINST THE GROUP NOT ACKNOWLEDGED AS DEBTS

	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts (in respect of compensation claims by the patients / their relatives). (refer note 2 below)	670.99	1,020.36
Sales tax related matters (refer note 1 below)	254.93	254.93

The Parent Company has given certain warranties/ indemnities pursuant to Business Transfer Agreement ("BTA") entered with MGM Healthcare Private Limited ("MGM") for slump sale transaction (also refer note 35) wherein all the claim against such warranties/indemnities under BTA shall not exceed 100% of the final purchase consideration. As at March 31, 2024 the Parent Company has not received any claim against such warranties/indemnities from MGM. Management believes that it has fulfilled all the obligitations and accordingly there are no claims against such warranties/indemnities from MGM in relation to the BTA as on the date of signing of these financial statements.

In earlier year, Supreme Court vide their judgment dated February 28, 2019 on Provident fund has interpreted that basic wages would include certain allowances. The Group has evaluated implications arising out of the Supreme Court judgment. Based on legal advice, the Group believes that retrospective application of the above judgement by PF authorities is remote. Accordingly, no provision has been recorded in the consolidated financial statements. The Group would continue to evaluate the provision required in the books based on further clarifications from the authorities.

Note:

1. On May 28, 2020, the High Court of Judicature at Madras ("High Court") has pronounced a common order on the liability to pay Value Added Tax (VAT) under the provisions of Tamil Nadu Value Added Tax Act, 2006 on the stents, valve,

x-ray etc. (except medicine) used while treating their in-house patients. High Court directed reply to be filed to notice, on the other hand has concluded on VAT applicability on prosthetics and implants. The said order pronounced disposes the writ petitions filed by the Parent Company in 2012 against notices for proposal of revising the assessment order for assessment years from 2008-09 to 2011-12 issued by the Assistant Commissioner (CT) wherein an amount of ₹ 254.93 Lakhs (₹ 73.37 Lakhs pertaining to implants) has been proposed to demanded on January 31, 2012. Against the said order, the Parent Company has filed Writ Appeals with the Division Bench of the Madras High Court on October 16, 2020. The Parent Company, based on legal advice, believes that the possibility of negative outcome is remote and accordingly, no adjustments are made in the consolidated financial statements.

2. These claims are pending with various Consumer Disputes Redressal Commissions and the Parent Company has been advised by the legal counsel that there may not be any likely liability in respect of these matters and accordingly no provision has been recognised in these consolidated financial statements.

34. SLUMP SALE TRANSACTION

The Parent Company operated its healthcare business from Fortis Malar Hospital situated at Adyar Chennai ("Malar Hospital / undertaking"). It had "Hospital and Medical Services Agreement" ("HMSA") with Fortis Health Management Limited ("FHML") w.r.t. rendering of certain medical and healthcare services in the hospital premises (including right to use of the hospital building). The hospital building owned by FHML has certain ongoing litigations and issues pertaining to regularisation. These legacy issues gave rise to certain challenges for the Parent Company and constrained further investments into the facility. The circumstances accentuated the need to divest the undertaking as a viable and prudent option in the interest of stakeholders.

Accordingly, during current year, the Parent Company entered into Business Transfer Agreement ("BTA") with MGM Healthcare Private Limited ("MGM") for the sale of its business operations pertaining to Malar Hospital, as a going concern, on a slump sale basis, for a sale consideration of ₹ 4,571.58 Lakhs, on such terms and conditions as contained in BTA ("slump sale transaction"). The transaction was an all-cash deal.

As per BTA, the undertaking along with all related assets and liabilities (refer table below) stands transferred and vested in MGM from February 01, 2024. Further, the HMSA with FHML was automatically terminated post this transaction. Accordingly, the Parent Company is no longer associated with the hospital building and related uncertainties such as pending regularisation and ongoing litigations related thereto.

Malar hospital which used to provide healthcare services was the only cash generating units (CGU) for the Parent Company and it does not qualify as a component of the Parent Company as per Ind AS 105, and therefore it is not been classified as a discontinued operation on disposal.

The Parent Company has recorded net gain of ₹ 4,721.54 Lakhs which is shown as an exceptional item in the Statement of Profit and Loss for the year ended March 31, 2024.

Following assets and liabilities were transferred as part of the slump sale transaction:

Particulars	**Amount**
Assets:	
Property, plant and equipment	1,146.10
Other financial assets	69.74
Inventories	103.64
Trade receivables (net of allownace for expected credit loss of ₹ 12.08 Lakhs)	336.00
Other current assets	22.68
Total assets (A)	**1,678.16**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Amount
Liabilities:	
Provisions	528.17
Trade payables	1,451.20
Other current liabilities	150.37
Total liabilities (B)	**2,129.74**
Net assets/ (liabilities) transferred (C = A-B)	**(451.58)**
Consideration received/ receivable (D)	**4,571.58**
Gross gain on slump sale transaction (E=D-C)	**5,023.16**
Less: Expenses in nature of 'Legal and professional fee' in relation to slump sale transaction (F)	(301.62)
Net gain on slump sale transaction presented under 'Exceptional items' (refer note 44) (G = F-E)	**4,721.54**

35. EMPLOYEE BENEFITS

(I) Defined contribution plan

The Group makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme. The Group's contribution to Provident Fund aggregating ₹ 73.19 Lakhs (Previous year: ₹ 92.70 Lakhs) has been recognised in the consolidated Statement of Profit and Loss under the head Employee Benefits Expense.

(II) Defined benefit plans

The Group has a defined benefit gratuity plan, where under employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service and is not subjected to limit in terms of the provisions of Payment of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

(a) Amount recognised in the consolidated statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amounts recognised in consolidated Statement of Profit and Loss in respect of these defined benefit plans are as follows:		
Service cost		
- Current service cost	35.99	33.89
Net interest expense	26.99	20.16
Components of defined benefit costs recognised in profit or loss	**62.98**	**54.05**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	10.01	(0.28)
Actuarial gains and loss arising from changes in financial assumptions	0.04	(9.63)
Actuarial gains and loss arising from experience adjustments	(7.28)	57.66
Components of defined benefit costs recognised in other comprehensive income	**2.77**	**47.75**
Total	**65.75**	**101.80**

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(i) The current service cost and interest expense for the year are included in "Employee benefits expense" in the consolidated statement of profit and loss under the line item "Contribution to provident and other funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
(Net Asset)/Liability recognised in the Balance Sheet		
1. Present value of defined benefit obligation as at March 31,	1.61	488.84
2. Fair value of plan assets as at March 31,	-	109.52
3. Deficit	1.61	379.32
4. Current portion of the above	1.61	0.67
5. Non current portion of the above	-	378.65

(c) Movement in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in the obligation during the year ended March 31,		
Present value of defined benefit obligation at the beginning of the year	488.84	414.25
Expenses Recognised in consolidated Statement of Profit and Loss:		
- Current Service Cost	35.99	33.89
- Interest Expense / (Income)	33.90	27.80
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	0.04	(9.63)
ii. Experience Adjustments	(7.28)	57.66
Benefit payments (including directly paid by the Group)	(40.69)	(33.45)
Transferred out (refer note 34 for provision transferred on slump sale of business)	(509.19)	(1.68)
Present value of defined benefit obligation at the end of the year	**1.61**	**488.84**

(d) Movement in fair value of plan assets are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in fair value of assets during the year ended March 31,		
Fair value of plan assets at the beginning of the year	109.52	117.32
Expenses Recognised in Statement of Profit and Loss:		
- Expected return on plan assets	6.91	7.64
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Return on plan assets (excluding amount included in net interest expense)	(10.01)	0.28
Transferred out (refer note 34 for provision transferred on slump sale of business)	(78.60)	-
Contributions by employer	1.93	15.64
Benefit payments	(29.75)	(31.36)
Fair value of plan assets at the end of the year	**-**	**109.52**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	-	109.52

(f) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.00%	7.25%
Expected rate of salary increase	7.50%	7.50%
Withdrawal Rate		
Ages From 20 - 30	18.00%	18.00%
Ages From 31 - 44	6.00%	6.00%
Ages From 45 - 58	2.00%	2.00%
Expected average remaining working life*	9 years	9 years
Mortality	IALM 2006-08(Ult)	IALM 2006-08(Ult)

*Based on India's standard mortality table with modification to reflect the expected changes in mortality / others

Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant:

(i) If the discount rate is 50 basis point higher / (lower) the defined benefit obligation would decrease by ₹ 0.08 Lakhs (increase by ₹ 0.08 Lakhs) (As at March 31, 2023; decrease by ₹ 20.12 Lakhs (increase by ₹ 21.39 Lakhs)).

(ii) If the expected salary growth rate increase / (decreases) by 1% the defined benefit obligation would increase by ₹ 0.16 Lakhs (decrease by ₹ 0.15 Lakhs) (As at March 31, 2023 ; increase by ₹ 41.66 Lakhs (decrease by ₹ 37.55 Lakhs)).

(iii) If the withdrawal rate increases/(decreases) by 5% the defined benefit obligation would decrease by ₹ 0.24 Lakhs (increase by ₹ 0.10 Lakhs) (As at March 31, 2023 ; decrease by ₹ 6.17 Lakhs (increase by ₹ 5.93 Lakhs).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

36. LEASES

36.1 Leases as lessee (Ind AS 116)

The leased assets of the Group include hospital building , nurse hostel building and medical equipments which are taken on lease for providing healthcare services to the patients.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The summary of the movement of right-of-use assets for the year is given below:

	Building	Medical equipments	Total
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2022	4,393.02	6.39	4,399.41
Less: Depreciation charge for the year	(817.48)	(5.48)	(822.96)
Balance as at March 31, 2023	**3,575.54**	**0.91**	**3,576.45**
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2023	3,575.54	0.91	3,576.45
Less: Depreciation charge for the year	(685.86)	(0.91)	(686.77)
Less: Derecognition*	(2,889.68)	-	(2,889.68)
Balance as at March 31, 2024	**-**	**-**	**-**

The following is the movement in lease liabilities during the year:

	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at April 01,	4,639.76	5,341.47
Finance cost accrued during the year	406.20	563.47
Payment of lease liabilities	(1,085.19)	(1,265.18)
Derecognition of lease liabilities*	(3,960.77)	-
Balance as at March 31,	**-**	**4,639.76**

*Consequent to the slump sale transaction (refer note 34), the HMSA with FHML has been deemed to be terminated. Also, the lease agreement for nurse hostel has been terminated. Accordingly, Group has recognised net gain on derecognition of such leases amounting to ₹ 1,071.09 Lakhs (derecognition of right of use assets amounting to ₹ 2,889.68 Lakhs and derecognition of lease liabilities amounting to ₹ 3,960.77 Lakhs) as 'Exceptional item' (refer note 44).

	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current lease liabilities	-	821.62
Non-current lease liabilities	-	3,818.14
	-	**4,639.76**

The following table sets out a maturity analysis of lease payments, showing the discounted lease payments to be paid after the reporting date:

	As at March 31, 2024	As at March 31, 2023
Lease liabilities under Ind AS 116		
Less than one year	-	821.62
One to five years	-	3,818.14
More than five years	-	-
Total lease liabilities as at March 31,	**-**	**4,639.76**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Amount of recognised in consolidated statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on derecognition of leases presented under 'Exceptional items' (refer note 44)	1,071.09	-
Interest expense on lease liabilities	406.20	563.47
Depreciation expense on righ of use assets	686.77	822.96
Expenses relating to short-term leases	33.07	36.84
Expenses relating to leases of low-value assets	-	-

37. FINANCIAL INSTRUMENTS

(I) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through equity.

(II) Categories of financial instruments

(a) Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at cost	-	-
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Security deposits	-	40.33
- Advance to related parties	2.24	10.42
- Trade receivables	-	318.44
- Cash and bank balances	10,822.62	943.72
- Loans	-	6,800.00
- Other financial assets	145.58	195.16

(b) Financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Trade payables	520.29	2,027.32
- Lease liabilities	-	4,639.76
- Other financial liabilities	42.67	23.62

(III) Risk management framework

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The focus of the chief operating decision maker (CODM) is to assess the unpredictability of the financial environment and to mitigate potential adverse effects, if any, on the financial performance of the Group.

The Group does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of patients to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

a. Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several patients that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about patients. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The average credit period is ranging from 30 to 90 days. No overdue interest is charged. However, the Parent Company has transferred its trade receivables balance as part of the slump sale transaction (refer note 34) and does not have any receivables balance outstanding as at March 31, 2024. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The ageing of trade receivables as at the reporting date was:

As at March 31, 2024

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	-	0%	-	No
1-30 days past due	-	0%	-	No
31-60 days past due	-	0%	-	No
61-90 days past due	-	0%	-	No
More than 90 days past due	-	0%	-	No
	-		**-**	

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

As at March 31, 2023

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	193.78	0%	-	No
1-30 days past due	28.07	0%	-	No
31-60 days past due	32.50	0%	-	No
61-90 days past due	20.92	17%	3.48	No
More than 90 days past due	584.88	92%	538.23	Yes*
	860.15		**541.71**	

b. Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)

The Group holds cash and bank balances of ₹ 10,822.62 Lakhs at March 31, 2024 (March 31, 2023: ₹ 943.72 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

c. Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Parent Company for carrying out its operations. The Parent Company does not expect any losses from non-performance by these counter-parties. Further, the Parent Company has transferred its security deposit balance as part of the slump sale transaction (refer note 34) and does not have any amount outstanding as at March 31, 2024.

d. Advance to employees

This balance is primarily constituted by advances given to the employees. The Parent Company does not expect any losses from non-performance by these counter-parties as the amounts are recoverable by salary deductions. Further, the Parent Company has transferred its advance to employees balance as part of the slump sale transaction (refer note 34) and does not have any amount outstanding as at March 31, 2024.

(V) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Particulars	With in 1 Year	1 to 2 Years	More than 2 Years	Total
	(₹)	(₹)	(₹)	(₹)
As at March 31, 2024				
- Trade Payables	520.29	-	-	520.29
- Other financial liabilities	42.67	-	-	42.67
Total	**562.96**	**-**	**-**	**562.96**
As at March 31, 2023				
- Trade Payables	2,027.32	-	-	2,027.32
- Lease liabilities	821.62	1,966.77	1,851.37	4,639.76
- Other financial liabilities	23.62	-	-	23.62
Total	**2,872.56**	**1,966.77**	**1,851.37**	**6,690.70**

(All amounts are in Indian ₹ Lakhs except share data and as stated)

38. FAIR VALUE MEASUREMENT

There are no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the Consolidated financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

39. CURRENT TAX AND DEFERRED TAX

(i) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax:		
Current income tax charge	468.02	1.81
Income tax relating to earlier years	(0.02)	-
Total	**468.00**	**1.81**
Deferred tax		
Origination and reversal of temporary difference	0.49	(0.06)
Reversal of temporary difference	-	845.57
Total	**0.49**	**845.51**
Total tax expense recognised in consolidated statement of profit and loss	**468.49**	**847.32**

(ii) The income tax expense for the year can be reconciled to the accounting loss as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	Tax Amount	Amount	Tax Amount
Profit/ (loss) before tax from operations	5,000.97		(700.79)	
Income tax using the Group's domestic tax rate at 25.17% (March 31, 2023 : 27.82%)		1,258.64		(194.96)
Tax effect of :				
Long-term capital gain on slump sale of business		(172.89)		-
Deferred tax assets not recognised during the year		-		196.90
Changes in estimates relating to previous years		(617.26)		-
Reversal of temporary difference		-		845.57
Others		-		(0.19)
Total tax expense		**468.49**		**847.32**

The Parent Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2024.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(iii) Income tax on other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Remeasurements of defined benefit plans	-	(0.05)
Total	**-**	**(0.05)**

(iv) Following is the analysis of the deferred tax asset / (liabilities) presented in the Balance Sheet

Particulars	Year ended March 31, 2024			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	0.49	(0.49)	-	-
Allowance for credit losses/Others	-	-	-	-
Lease liability	-	-	-	-
Carried forward of business and depreciation losses	-	-	-	-
Property, plant and equipment	-	-	-	-
	0.49	**(0.49)**	**-**	**-**
Net deferred tax asset / (liability)	**0.49**	**(0.49)**	**-**	**-**

Particulars	Year ended March 31, 2023			
	Opening Balance	Recognised in profit and Loss*	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	114.09	(113.55)	(0.05)	0.49
Allowance for credit losses/Others	145.20	(145.20)	-	-
Lease liability	198.61	(198.61)	-	-
Carried forward of business and depreciation losses	380.63	(380.63)	-	-
Property, plant and equipment	7.51	(7.51)	-	-
	846.05	**(845.51)**	**(0.05)**	**0.49**
Net deferred tax asset / (liability)	**846.05**	**(845.51)**	**(0.05)**	**0.49**

(v) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Parent Company can use the benefits therefrom:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross amount*	Unrecognised tax effect	Gross amount*	Unrecognised tax effect
Deductible temporary differences	12.56	3.16	2,516.14	699.99
Tax losses	860.64	216.60	2,028.90	564.44
Total	**873.20**	**219.76**	**4,545.04**	**1,264.43**

Notes forming part of the Consolidated Financial Statements (Contd.)
(All amounts are in Indian ₹ Lakhs except share data and as stated)

Tax losses carried forward

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Expiry date	Amount	Expiry date
Expire	860.64	2028-32	848.68	2028-32
Never expire	-		1,180.22	

*Note - In the previous year, the Parent Company has revised its estimate of future taxable profits and taking conservative approach, has reversed the deferred tax assets recognised in the earlier years for the deductible temporary differences and tax losses amounting to ₹ 845.57 Lakhs.

40. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (loss) after tax - ₹	4,532.48	(1,548.11)
Weighted average number of equity shares outstanding	1,87,41,759	1,87,41,759
Earnings Per Share - in ₹		
- Basic - in ₹	24.18	(8.26)
- Diluted - in ₹	24.18	(8.26)
Face value per share - in ₹	10.00	10.00

41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

As per the requirement of the MSMED Act, 2006, the following disclosure have been provided. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 has been made in the consolidated financial statements based on information received and available with the Group.

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	35.76
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

42. DETAILS OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The particulars of loans given as required to be disclosed by Section 186 (4) of Companies Act 2013 are as below:

Name of the party	Rate of Interest	Due date for Interest	Secured/ unsecured	As at March 31, 2024	As at March 31, 2023
Fortis Healthcare Limited	10.50%	Quarterly	Unsecured	-	2,800.00
Fortis Healthcare Limited	6.50%	Quarterly	Unsecured	-	4,000.00

Particulars	Relation	Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023
Fortis Healthcare Limited*	Intermediate Holding	6,800.00	6,800.00

*There are two inter corporate deposits placed with Fortis Healthcare Limited:

a) ₹ 2,800 Lakhs was given for meeting its working capital/ general corporate requirements. This loan was repayable on or before July 08, 2023 and the Parent Company has an option to recall this loan at any time after six months from drawdown, i.e. any time after February 09, 2021. This loan was repaid on July 10, 2023.

b) ₹ 4,000 Lakhs was given for meeting its working capital / corporate requirement . This loan was repayable on or before 2 years from the date of drawdown i.e., February 22, 2024 and the Parent Company has option to recall this loan post disbursement after giving one month prior written notice to the borrower. This loan was repaid on February 22, 2024.

43. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a Company, meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on CSR activities. The Parent Company does not meet the applicable thresholds both in the year ended March 31, 2024 and March 31, 2023, accordingly, the Parent Company has not spent any such amounts in both these years.

44. EXCEPTIONAL ITEMS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on slump sale transaction (refer note 34)	4,721.54	-
Net gain on derecognition of leases (refer note 36)	1,071.09	-
Total	**5,792.63**	**-**

45. INFORMATION AS REQUIRED BY PART III OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

March 31, 2024

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Parent				
As a % of consolidated	99.76%	104.31%	100.00%	104.31%
Amount as at March 31, 2024	10,920.65	4,727.68	(2.77)	4,724.91

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Subsidiary - Indian				
Malar Stars Medicare Limited				
As a % of consolidated	1.93%	0.11%	0.00%	0.11%
Amount as at March 31, 2024	211.30	4.80	-	4.80
As a % of consolidated	-1.69%	-4.41%	0.00%	-4.42%
Inter-company eliminations	(185.00)	(200.00)	-	(200.00)
Total				
As a % of consolidated	100%	100%	100%	100%
Amount as at March 31, 2024	10,946.95	4,532.48	(2.77)	4,529.71

March 31,2023

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Parent				
As a % of consolidated	96.55%	100.34%	100.29%	100.34%
Amount as at March 31, 2023	6,195.74	(1,553.32)	(47.94)	(1,601.26)
Subsidiary - Indian				
Malar Stars Medicare Limited				
As a % of consolidated	3.53%	-0.34%	-0.29%	-0.34%
Amount as at March 31, 2023	226.50	5.21	0.14	5.35
As a % of consolidated	-0.08%	0.00%	0.00%	0.00%
Inter-company eliminations	(5.00)	-	-	-
Total				
As a % of consolidated	100%	100%	100%	100%
Amount as at March 31, 2023	6,417.24	(1,548.11)	(47.80)	(1,595.91)

46. ADDITIONAL REGULATORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Parent Company had been sanctioned working capital limits in excess of five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets. Accordingly, it filed the quarterly returns or statements of current assets with banks and financial institutions.

(ix) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

47. In light of the acquisition of the controlling stake of FHL by Northern TK Venture Pte Limited ("NTK") a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, a mandatory open offer got triggered for acquisition by NTK of up to 4,894,308 fully paid up equity shares of face value of ₹ 10 each in the Parent Company, representing 26% of the paid-up equity shares of the Parent Company at a price of ₹ 60.10 per share ("Malar Open Offer") in December 2018. However, in view of order dated December 14, 2018 passed by Hon'ble Supreme Court wherein it was specified that status quo with regard to sale of the controlling stake in Fortis Healthcare Limited to IHH Healthcare Berhad, Malaysia be maintained, the Mandatory Open offer was kept in abeyance. The Hon'ble Supreme Court has disposed of the petitions with certain directions to the Hon'ble High Court of Delhi. Malar Open offer continues to be in abeyance an on date. From publicly available information, it is learnt that SEBI had advised NTK to proceed with the Fortis Open Offer and the Malar Open Offer after obtaining an appropriate order from the Hon'ble High Court of Delhi. In view of the same, NTK is obtaining advice from legal counsel.

During the current year, the Parent Company has declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) on April 12, 2024. Pursuant to such declaration of dividend and in terms of Regulation 8(9) of the SEBI (SAST) Regulations, NTK and Persons Acting in Concert (PACs) have decided to adjust the Malar Open offer price from ₹ 60.1 to ₹ 20.1 per share ("Adjusted Malar offer price").

48. SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Director to make decisions about resources to be allocated to the segments and assess their performance.

The Group has been primarily engaged in only one business namely in the health care services. The entity's chief operating decision maker considers the Group as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Group does not have multiple segments and these consolidated financial statements are reflective of the information required by the Ind AS 108 . The Group's operations are entirely domiciled in India and as such all its non-current assets are located in India. Also refer note 34 for the slump sale of business during the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

49. SUBSEQUENT EVENTS

There are no subsequent events other than those disclosed in the consolidated financial statements that have occurred after the reporting period till the date of approval of these consolidated financial statements.

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai