B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of International Hospital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of International Hospital Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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 matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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

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

e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 31 March 2024 on its financial position in its financial statements - Refer Note 16 to the 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 were no amounts which were 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 it's knowledge and belief, as disclosed in the Note 22(iii) to the 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 persons or entities, 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 it's knowledge and belief, as disclosed in the Note 22(iv) to the financial statements, no funds have been received by the Company from any persons or entities, 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 Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software 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 software:

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 1 April 2023 to 22 May 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 1 April 2023 to 15 August 2023), in the absence of supporting evidence on account of deactivation post 15 August 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 software, 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 Company has not paid any remuneration to its directors during the year. 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

Rajesh Arora

Partner

Place: Gurugram

Membership No.: 076124

Date: 18 May 2024

ICAI UDIN:24076124BKHBLN6673

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 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 at least once over a period of two years. In accordance with this programme, all 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. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rupees in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Land in Faridabad	6,151.08	Escorts Hospital and Research Centre Limited	No	Since 2014	The title deeds are in the name of Escorts Hospital and Research Centre Limited, erstwhile Company that was merged with the Company subsequent to a scheme of merger sanctioned by the High Court of Punjab and Haryana, which came into effect on January 17, 2014.
Land in Mulund, Mumbai	30,190.00	Kanishka Healthcare Limited	No	Since 2014	The title deeds are in the name of Kanishka Healthcare

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

Description of property	Gross carrying value (Rupees in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
					Limited, erstwhile Company that was merged with the Company subsequent to a scheme of merger sanctioned by the High Court of Punjab and Haryana, which came into effect on January 17, 2014.

In case of immovable property situated at Anandpur- Kolkata location, the title deed is under dispute. The Company has been legally advised that it has the title deed in its name for the aforesaid immovable property and that it will be able to defend any counter claims against it.

(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 security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(b) of the Order are not applicable to the Company.

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

(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 receipts have been regular except for the following payment of interest:

Name of the entity	Amount (Rupees in lacs)	Due Date	Extent of delay	Remarks, if any
Hospitalia Eastern Pvt Ltd	10.98	31-Mar-24	48 days	

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 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 records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("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 its sales of goods and 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 1 July 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 and Professional Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of 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 31 March 2024 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

(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. in lacs)	Amount Paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and interest thereon	4,387.94	711.03	AY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax and interest thereon	4,680.71	-	AY 2014-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax and interest thereon	2,201.69	2,201.69	AY 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax and interest thereon	1,704.29	1,704.29	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax and interest thereon	4,355.63	3,940.76	AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax and interest thereon	18,735.23	3,955.15	AY 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax and interest thereon	1,791.83	-	AY 2020-21	Commissioner of Income Tax (Appeals)
Haryana Value Added Tax Act, 2003	Value Added Tax	312.56	-	FY 2007-08	Hon'ble Supreme Court
Haryana Value Added Tax Act, 2003	Value Added Tax	412.59	-	FY 2008-09	Hon'ble Supreme Court
Haryana Value Added Tax Act, 2003	Value Added Tax	259.11	-	FY 2009-10	Hon'ble Supreme Court

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

Name of the statute	Nature of the dues	Amount (Rs. in lacs)	Amount Paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Haryana Value Added Tax Act, 2003	Value Added Tax	496.35	-	FY 2010-11	Hon'ble Supreme Court
Finance Act, 1994	Service Tax	1,097.59	82.32	FY 2012-13 to June 2017	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service Tax	119.00	-	01 July 2010 to 30 April 2011	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
The Karnataka Tax on Luxuries Act, 1979	Luxury Tax	16.56	-	FY 2015-2016	Assistant Commissioner of commercial taxes
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident fund and allied dues	94.97	-	FY 2014-15 to 2018-19	Employees Provident fund Appellate Tribunal, Delhi-CGIT, Rouse Avenue, Delhi
The India Stamp Act, 1899	Stamp duty and penalty thereon	51.87	-	FY 2011-12	Chief Controlling Revenue authority, Board of Revenue, Allahabad

(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 has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions or any other lender, except those mentioned below:

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date (Rupees in lacs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Non-Convertible Debentures	Fortis Healthcare Limited	14,356.74	Interest	128 to 1,959 days	
Optionally Convertible Debentures	Escorts Heart and Super Speciality Hospital Limited	6,340.30	Interest	48 to 1,502 days	
Compulsory Convertible Debentures	Fortis Healthcare Limited	173.57	Interest	1,877 to 1,881 days	These CCDs were converted into equity shares on 29 March, 2019

Also refer note 9 of the financial statements.

The Company did not have any loans or borrowings from financial institutions or Government during the year.

(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) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the 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 subsidiaries, associates or joint ventures 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 subsidiaries, joint ventures or associate companies (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.

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

(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 for the current year.

(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 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.

(d) According to the information and explanations provided to us, there is no core investment company within the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, clause 3(xvi)(d) of the Order is not applicable. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

(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) 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, other information accompanying the financial statements, 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.

Annexure A to the Independent Auditor's Report on the Financial Statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. 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

Rajesh Arora

Partner

Membership No.: 076124

ICAI UDIN:24076124BKHBLN6673

Place: Gurugram

Date: 18 May 2024

Annexure B to the Independent Auditor's Report on the financial statements of **International Hospital Limited** for the **year** ended **31 March 2024**

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the 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 International Hospital Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 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 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.

Annexure B to the Independent Auditor's Report on the financial statements of **International Hospital Limited** for the **year** ended **31 March 2024** (Continued)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Rajesh Arora

Partner

Membership No.: 076124

ICAI UDIN:24076124BKHBLN6673

Place: Gurugram

Date: 18 May 2024

INTERNATIONAL HOSPITAL LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Notes	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	5(i)(a)	99,632.87	93,547.37
(b) Capital work-in-progress	5(i)(b)	12,215.99	9,723.12
(c) Right-of-use assets	7(a)	7,267.94	7,492.25
(d) Goodwill	5(ii)	122.50	122.50
(e) Other intangible assets	5(iii)(a)	4.27	4.13
(f) Intangible assets under development	5(iii)(b)	-	1.14
(g) Financial assets			
(i) Investments	5(iv)	98,447.71	36,316.20
(ii) Other investments	5(v)	12.30	7.20
(iii) Loans	5(vii)	120.00	120.00
(iv) Other financial assets	5(viii)	46,289.47	682.14
(h) Non-current tax assets (net)	5(x)	15,819.11	14,290.77
(i) Other non-current assets	5(xi)	1,449.11	1,384.83
Total non-current assets (A)		**281,381.27**	**163,691.65**
B. Current assets			
(a) Inventories	5(xii)	282.25	288.51
(b) Financial assets			
(i) Investments	5(iv)	-	58,251.95
(ii) Trade receivables	5(vi)	25,177.17	35,096.20
(iii) Cash and cash equivalents	5(xiii)(a)	21.86	22.62
(iv) Bank balances other than (iii) above	5(xiii)(b)	6,875.84	706.13
(v) Other financial assets	5(viii)	27.58	45,174.10
(c) Other current assets	5(xi)	188.90	135.18
Total current assets (B)		**32,573.60**	**139,674.69**
Total assets (A+B)		**313,954.87**	**303,366.34**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	5(xiv)	33,963.13	33,963.13
(b) Other equity		95,491.56	82,366.47
Total equity (A)		**129,454.69**	**116,329.60**
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xvi)	57,662.91	50,767.69
(ii) Lease liabilities	7(a)	78.86	194.41
(iii) Other financial liabilities	5(xvii)	26,761.38	22,479.59
(b) Provisions	5(xviii)	424.75	376.04
(c) Deferred tax liabilities (net)	5(ix)	9,272.29	7,465.10
(d) Other non-current liabilities	5(xxi)	32.02	49.23
Total non-current liabilities (B)		**94,232.21**	**81,332.06**
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xix)	61,486.94	60,795.18
(ii) Trade payables	5(xx)		
Total outstanding dues of micro enterprises and small enterprises; and		265.72	242.87
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,247.65	2,678.97
(iii) Lease liabilities	7(a)	117.56	129.70
(iv) Other financial liabilities	5(xvii)	24,911.94	40,602.21
(b) Provisions	5(xviii)	30.10	44.92
(c) Other current liabilities	5(xxi)	1,208.06	1,210.83
Total current liabilities (C)		**90,267.97**	**105,704.68**
Total liabilities (B+C)		**184,500.18**	**187,036.74**
Total equity and liabilities (A+B+C)		**313,954.87**	**303,366.34**

See accompanying notes forming part of the financial statements 1-23

In terms of our report attached

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

Rajesh Arora
Partner
Membership Number: 076124

Place : Gurugram
Date : May 18, 2024

For and on behalf of the Board of Directors
International Hospital Limited

Manu Kapila
Director
DIN: 03403696

Anil Vinayak
Director
DIN: 02407380

Rajesh Kumar
Company Secretary
Membership No.: 58455

Ravi Bhatia
Chief Financial Officer

Place : Gurugram
Date : May 18, 2024

International Hospital Limited

INTERNATIONAL HOSPITAL LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

		Notes	Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
I	Revenue from operations	5(xxii)	43;136.56	39,467.57
II	Other income	5(xxiii)	9,175.88	8,563.38
III	**Total income (I+II)**		**52,312.44**	**48,030.95**
IV	**Expenses**			
	i) Purchase of medical consumable and drugs		3,162.74	2,679.39
	ii) Changes in inventories of medical consumable and drugs	5(xxiv)	6.26	(20.56)
	iii) Employee benefits expense	5(xxv)	2,660.54	2,465.96
	iv) Finance costs	5(xxvi)	12,896.03	12,483.94
	v) Depreciation and amortisation expense	5(xxvii)	3,436.85	3,231.76
	vi) Other expenses	5(xxviii)	12,467.73	12,475.61
	Total expenses (IV)		**34,630.15**	**33,316.10**
V	**Profit before tax (III-IV)**		**17,682.29**	**14,714.85**
VI	**Tax expense**	5(xxix)		
	i) Current tax		2,752.43	-
	ii) Deferred tax charge		1,806.58	3,542.42
	Total tax expense (VI)		**4,559.01**	**3,542.42**
VII	**Profit for the year (V-VI)**		**13,123.28**	**11,172.43**
	Other comprehensive income			
	i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities		2.42	(31.96)
	(b) Income tax relating to items that will not be reclassified to profit or loss		(0.61)	8.04
VIII	**Total other comprehensive income /(loss) for the year (net of tax)**		**1.81**	**(23.92)**
IX	**Total comprehensive income for the year (VII+VIII)**		**13,125.09**	**11,148.51**
	Earnings per equity share of Rupees 100 each :			
	i) Basic (in ₹)	5(xxx)	38.64	32.90
	ii) Diluted (in ₹)	5(xxx)	38.64	32.90

See accompanying notes forming part of the financial statements 1-23

In terms of our report attached

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

Rajesh Arora
Partner
Membership Number: 076124

Place : Gurugram
Date : May 18, 2024

For and on behalf of the Board of Directors
International Hospital Limited

Manu Kapila
Director
DIN: 03403696

Anil Vinayak
Director
DIN: 02407380

Rajesh Kumar
Company Secretary
Membership No.: 58455

Ravi Bhatia
Chief Financial Officer

Place : Gurugram
Date : May 18, 2024

International Hospital Limited

INTERNATIONAL HOSPITAL LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

	Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
Cash flows from operating activities		
Profit before tax	17,682.29	14,714.85
Adjustments for:		
Finance costs	12,813.19	12,432.83
Interest income	(8,871.16)	(8,560.28)
Profit on sale of property, plant and equipment (net)	(304.72)	(3.10)
Allowance for doubtful trade receivables	1.65	29.41
Advance income tax (TDS write off)	-	137.45
Allowance for doubtful advances	11.47	292.97
Liabilities no longer required written back	(88.93)	(171.91)
Depreciation and amortisation expense	3,436.86	3,231.76
	24,680.65	**22,103.98**
Working capital adjustments		
Decrease/ (Increase) in trade and other receivables	9,917.38	(1,084.53)
Decrease/ (Increase) in inventories	6.26	(20.56)
Increase in other assets	(145.19)	(79.40)
Increase in financial assets	(852.75)	(46.47)
(Decrease)/ Increase in trade payables	(319.54)	902.48
Decrease in financial liabilities	151.27	(91.73)
Increase in provisions	7.87	38.78
Decrease in other liabilities	(19.98)	(32.19)
Cash generated from operating activities	**33,425.97**	**21,690.36**
Income taxes (paid)/ refunded (net)	(4,280.77)	(4,222.61)
Net cash generated by operating activities	**29,145.20**	**17,467.75**
Cash flows used in investing activities		
Proceeds from disposal of property, plant and equipment	319.55	26.66
Purchase of property, plant and equipment and intangible asset	(11,908.51)	(5,274.76)
Repayment/ (Investment) in bank deposits (net)	(6,160.93)	(671.27)
Investment in equity shares of other companies	(5.10)	-
Interest received	5,363.29	633.56
Net cash used in investing activities	**(12,391.70)**	**(5,285.81)**
Cash flows used in financing activities (Refer note 5(xv))		
Proceeds from non-current borrowings	11,869.95	2,515.00
Repayment of non-current borrowings	(4,336.91)	(2,192.15)
Principal repayment of lease liabilities	(127.69)	(95.01)
Interest paid (including interest on lease liabilities amounting to Rs. 25.82 lacs (previous year: Rs. 30.53 lacs))	(24,213.55)	(12,491.04)
Net cash used in financing activities	**(16,808.20)**	**(12,263.20)**
Net decrease in cash and cash equivalents	**(54.70)**	**(81.26)**
Cash and cash equivalents at the beginning of the year	15.87	97.13
Cash and cash equivalents at the end of the year (refer note 5(xiii)(a))	**(38.83)**	**15.87**
Bank overdrafts (refer note 5(xix))	60.69	6.75
Cash and cash equivalents as per statement of cash flows	**21.86**	**22.62**

Notes:

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

(b) The Company has paid ₹ 100.73 lacs for the year ended 31 March 2024 and ₹ Nil for the year ended 31 March 2023 towards Corporate Social Responsibility (CSR) expenditure.

See accompanying notes forming part of the financial statements 1-23

In terms of our report attached

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

Rajesh Arora
Partner
Membership Number: 076124

Place : Gurugram
Date : May 18, 2024

For and on behalf of the Board of Directors
International Hospital Limited

Manu Kapila
Director
DIN: 03403696

Anil Vinayak
Director
DIN: 02407380

Rajesh Kumar
Company Secretary
Membership No.: 58455

Ravi Bhatia
Chief Financial Officer

Place : Gurugram
Date : May 18, 2024

International Hospital Limited

INTERNATIONAL HOSPITAL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

	Equity	Other equity				(Amount in ₹ lacs)
		Reserves and Surplus				
Particular	Equity share capital	Securities premium*	Capital redemption reserve	Retained earnings	Total other equity	Total
Balance at April 1, 2022	33,963.13	78,532.80	46.00	(7,360.84)	71,217.96	105,181.09
Profit for the year	-	-	-	11,172.43	11,172.43	11,172.43
Other comprehensive loss for the year (net of income tax)	-	-	-	(23.92)	(23.92)	(23.92)
Total comprehensive income for the year	-	-	-	**11,148.51**	**11,148.51**	**11,148.51**
Balance at March 31, 2023	**33,963.13**	**78,532.80**	**46.00**	**3,787.67**	**82,366.47**	**116,329.60**
Profit for the year	-	-	-	13,123.28	13,123.28	13,123.28
Other comprehensive income for the year (net of income tax)	-	-	-	1.81	1.81	1.81
Total comprehensive income for the year	-	-	-	**13,125.09**	**13,125.09**	**13,125.09**
Balance at March 31, 2024	**33,963.13**	**78,532.80**	**46.00**	**16,912.76**	**95,491.56**	**129,454.69**

* The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

See accompanying notes forming part of the financial statements 1-23

In terms of our report attached

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

Rajesh Arora
Partner
Membership Number: 076124

Place : Gurugram
Date : May 18, 2024

For and on behalf of the Board of Directors
International Hospital Limited

Manu Kapila
Director
DIN: 03403696

Anil Vinayak
Director
DIN: 02407380

Rajesh Kumar
Company Secretary
Membership No.: 58455

Ravi Bhatia
Chief Financial Officer

International Hospital Limited

Place : Gurugram
Date : May 18, 2024

1. Corporate Information

International Hospital Limited ("the Company") (CIN: U74999HR1994PLC048225) was incorporated in India in the year 1994 and is a subsidiary of Fortis Healthcare Limited (FHL). The Company is engaged in the business of providing clinical establishment services including certain out-patient department (OPD) and radio diagnostic services at Amritsar, Faridabad, Noida, Anandpur (Kolkata), Bannerghatta Road (Bengaluru), Mulund (Mumbai) and Kalyan (Mumbai) and running hospital operations in Rajajinagar (Bengaluru). The ultimate holding company is IHH Healthcare Berhad. The Company has entered into Hospital and Medical Services Agreements (HMSA) with Fortis Hospitals Limited (FHsL) and shall provide FHsL on an exclusive principal-to-principal basis, hospital services including clinical establishment services, OPD services and radio diagnostic services and shall receive service fee in respect thereof.

The registered office of the Company is located at Fortis Memorial Research Institute, Sector-44, Gurugram-122002, Haryana, India and the corporate office of the Company is located at Tower A, 3rd Floor, Unitech Business Park, Block – F, South City 1, Sector – 41, Gurugram, 122001, Haryana, India.

2. Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) *Statement of compliance*

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

The financial statements have been authorised for issue by the Company's Board of Directors on May 18, 2024.

(ii) *Functional and presentation currency*

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

(iii) *Basis of measurement*

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

(iv) Consolidated financial statements

The Company has opted for exemption from preparation of consolidated financial statements under Rule 6 of the Companies (Accounts) Rules, 2014, as amended, and accordingly prepared only standalone financial statements.

(b) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(c) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial

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International Hospital Limited

assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(d) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

The cost of an item of property, plant and equipment shall be 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.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment loss. The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

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.

(ii) Intangible assets

a) *Recognition and measurement*

- For measurement of goodwill that arises from business combination, refer note 2(e). Subsequent measurement is at cost less any accumulated impairment losses.

- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:

  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of profit and loss as incurred.

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International Hospital Limited ★

- Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. After initial recognition, other intangible assets, including those required by the Company in a business combination and have finite lives are measured at cost less accumulated amortization and any accumulated impairment loss.

b) *Subsequent expenditure*
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

c) *Amortisation*
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss. Goodwill is not amortised.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of property, plant and equipment as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the certain classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management. The details of useful life are as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	10-60 years	60 years
Plant & Machinery	15-20 years	15 years
Medical Equipment	8-16 years	13 years
Computers	3-6 years	3 years
Furniture and fixtures	4-16 years	10 years
Office equipment	4-5 years	5 years
Leasehold improvement	4-8 years	8 years

Freehold land is not depreciated.

Depreciation on leasehold assets is provided over the lease term or expected useful life of the asset, whichever is lower.

Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. Estimated useful lives of the other intangible assets are as follows:

Category of assets	Management estimate of useful life
Computer software	3-6 years

B S R & Co. LLP GURUGRAM Chartered Accountants

International Hospital Limited

Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognized 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.

(e) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. 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 (i.e. corporate assets) are companied together into cash-generating units (CGUs). Each CGU represents the smallest company 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 recognized 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 company 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 recognized 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 amortization, if no impairment loss had been recognized.

(f) Financial instrument

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

Initial recognition and measurement

Trade receivables and debt securities issued 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.

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GURUGRAM
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International Hospital Limited

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

Debt instrument at FVOCI

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

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

Debt instrument at FVPL

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

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

Financial guarantee contracts

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A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company designates such insurance contracts as contingent liabilities.

Equity investments

Equity investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in such entities, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

All other equity investments which are in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments in scope of Ind AS 109, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

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

Impairment of financial assets

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

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Derecognition of financial assets

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

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

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

Write-off of financial assets

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL 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 FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Offsetting

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

(g) Cash and cash equivalents

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

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

(h) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the

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obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(i) Provisions

A provision is recognized 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 economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a borrowing cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract 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. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with thatcontract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

(j) Government grant

The Company recognise government grant that compensate the Company for expenses in profit or loss on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. The grant is recognised when it becomes receivable and adjusted against relevant expenses in the statement of profit and loss.

(k) Revenue recognition

Revenue primarily consists income from Hospital and Medical Service which is recognised as and when services are rendered. As per Hospital and Medical Services Agreement (HMSA), total operating income is bifurcated into base fees (which is fixed) and variable fees (which is fixed percentage of actual revenue earned by the hospital operating companies).

Revenue in patient hospital services and Management fees from hospitals is recognised over the period of time, as and when services are performed. Revenue from outpatient hospital services is recognised at a point in time when patient has actually received the service. Revenue from sale of products is recognised at the point in time upon transfer of control of products to customers at the time of delivery of goods to the customers.

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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered and goods sold ifs net of

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variable consideration on account of various discounts and schemes offered by the Company as part of the contract including claims. 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 sales tax, excise duty, value added tax 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 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 is recognised as other current liability when there are billings in excess of revenues.

Other operating revenue comprises revenue from rental income which is recognised in accordance with terms of agreements entered into with the respective lessees.

(l) Employee benefits

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly. Short term employee benefits are measured on an undiscounted basis.

Post-employment benefits

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of account based on actuarial valuation by an independent actuary.

b) Provident fund

The Company makes contribution to the Regional Provident Fund Commissioner in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952 for its employees.

The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

Other long-term employee benefits:

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

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Actuarial valuation

The liability in respect of all defined benefit plans and other long-term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long-term benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are recognized immediately in the Statement of Changes in Equity with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(m) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense on lease liability. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. General and specific borrowing costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. . Interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current taxes

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

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Deferred taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is also recognized 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
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related investments in fellow subsidiaries, associates and, 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.

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

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

(o) Leases

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 for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

(i) As a lessee

The Company accounts for assets taken under lease arrangement in the following manner:

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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 incentive 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. The estimated useful lives of right-of-use are determined on the same basis as those of property 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 and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

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 Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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.

Short-term leases and leases of low-value assets

The Company has elected not to recognised right-of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

(ii) As a lessor

The Company accounts for assets given under lease arrangement in the following manner:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Rental income on operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(p) Foreign currency translation

(i) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally

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recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(q) Statement of Cash flow

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 segregate. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(r) Inventories

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost. 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 realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

(s) Operating segment

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. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

The Company is primarily engaged in the business of healthcare services which is the only reportable segment

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

(u) Exceptional items

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On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly, disclosed in the sfinancial statements.

3. Critical estimates and judgements

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

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

Judgments

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

a) Leasing arrangement (classification) – Note 7

b) PPE/ investment property- accounting for Hospital and Medical Service Agreements ("HMSA")

Clinical establishment is defined as a fully centrally air-conditioned institution established and specifically customised and duly fitted with all fixtures, fittings, medical equipment and infrastructure required for running and operating a hospital, offering:

- doctors and services for diagnosis and treatment for illness, disease, injury, deformity and/or abnormality;
- diagnosis of diseases through radiological and other diagnostic or investigative services with the aid of laboratory or other medical equipment; and
- beds for in-patient treatment.

The Company has entered into Hospital and Medical Services Agreements ("HMSA") with Fortis Hospitals Limited wherein the Company is required to provide and maintain the Company's clinical establishment along with other services like out-patient diagnostic and radio diagnostic. The Company needs to exercise judgement to analyse whether the arrangement involves providing the right to use the Company's clinical establishment and whether the OPD and radio diagnostic services in the arrangement are significant to the overall arrangement.

The Company has analysed the substance of the contract and have determined that fulfilment of service arrangement is based on the use of specified assets and conveys right to use the Company's clinical establishments. However, substantial risk and rewards of the Company's clinical establishments are retained by the Company even though rights to use are given to hospital operating companies. The Company has assessed that the out-patient diagnostic and radio diagnostic services in the arrangement are significant to the entire arrangement. Consequently, the Company's clinical establishments have been classified as part of property, plant and equipment.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Leasing arrangement (accounting) – Note 7
- Financial instruments - Note 11
- Fair value measurement – Note 12
- Assessment of useful life and residual value of property, plant and equipment and intangible asset – Note 2(d)(iii))
- Recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilized – Note 5(xxix) and 5(ix)
- Measurement of ECL allowance for trade receivables and other assets – Note 2(f)

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- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 10
- Estimated impairment of financial assets and non-financial assets – Note 5(ii), 5(iv), 5 (v), 5 (vii), 5(viii)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 16

4. a) Changes in material accounting policies

Material accounting policy information
The Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.
The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

b) Recent pronouncements

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 applicable to the Company.

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5(i)(a) Property, plant and equipment

(Amount in ₹ lacs)

Particulars	Freehold land	Buildings	Leasehold improvements	Plant & machinery	Medical equipment	Furniture & fittings	Computers	Office equipment	Vehicles	Total
Gross carrying amount										
As at April 01, 2022	**52,708.86**	**43,945.99**	**317.07**	**4,915.99**	**7,962.45**	**308.55**	**57.27**	**104.80**	**21.72**	**110,342.70**
Additions	-	802.36	6.73	735.26	2,881.24	30.35	41.44	25.27	-	4,522.65
Disposals	-	-	(0.35)	(147.80)	(344.07)	(0.85)	-	(0.99)	-	(494.06)
As at March 31, 2023	**52,708.86**	**44,748.35**	**323.45**	**5,503.45**	**10,499.62**	**338.05**	**98.71**	**129.08**	**21.72**	**114,371.29**
Additions	79.00	2,599.29	47.31	684.28	5,825.59	204.23	93.37	51.68	17.98	9,602.73
Disposals	(290.86)	(0.22)	-	(97.95)	(1,160.17)	(57.41)	(13.15)	(3.64)	-	(1,623.40)
As at March 31, 2024	**52,497.00**	**47,347.42**	**370.76**	**6,089.78**	**15,165.04**	**484.87**	**178.93**	**177.12**	**39.70**	**122,350.62**
Accumulated depreciation										
As at April 01, 2022	-	**12,109.24**	**284.31**	**2,071.56**	**3,513.21**	**176.46**	**34.64**	**68.91**	**10.95**	**18,269.28**
Charge for the year	-	1,772.56	20.58	311.94	851.03	31.07	19.33	16.46	2.18	3,025.15
Disposals	-	-	(0.35)	(125.86)	(342.45)	(0.85)	-	(0.99)	-	(470.51)
As at March 31, 2023	-	**13,881.80**	**304.54**	**2,257.64**	**4,021.79**	**206.68**	**53.97**	**84.38**	**13.13**	**20,823.92**
Charge for the year	-	1,803.21	18.44	364.69	917.93	44.43	38.24	21.28	3.32	3,211.54
Disposals	-	(0.18)	-	(93.30)	(1,155.19)	(52.25)	(13.15)	(3.64)	-	(1,317.71)
As at March 31, 2024	-	**15,684.83**	**322.98**	**2,529.03**	**3,784.53**	**198.86**	**79.06**	**102.02**	**16.45**	**22,717.75**
Carrying value										
As at March 31, 2023	**52,708.86**	**30,866.55**	**18.91**	**3,245.81**	**6,477.83**	**131.37**	**44.74**	**44.70**	**8.59**	**93,547.37**
As at March 31, 2024	**52,497.00**	**31,662.59**	**47.78**	**3,560.75**	**11,380.51**	**286.01**	**99.87**	**75.10**	**23.25**	**99,632.87**

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Notes:

(a) Refer note 9(a) for details in respect of assets pledged with banks against the loans taken by the Company.

(b) The Company has not revalued it's property, plant and equipment during the current and previous year.

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

(d) Details of Title deeds of Immovable Property not held in the name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Amount in ₹ lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land in Faridabad	6,151.08	Escorts Hospital and Research Center Limited	Not applicable	Since 2014	The title deeds are in the name of Escorts Hospital and Research Centre Limited, erstwhile Company that was merged with the Company subsequent to a scheme of merger sanctioned by the High Court of Punjab and Haryana, which came into effect on January 17, 2014.
Property, plant and equipment	Land in Mulund, Mumbai	30,190.00	Kanishka Healthcare Limited	Not applicable	Since 2014	The title deeds are in the name of Kanishka Healthcare Limited, erstwhile Company that was merged with the Company subsequent to a scheme of merger sanctioned by the High Court of Punjab and Haryana, which came into effect on January 17, 2014.

1. In case of immovable property situated at Anandpur- Kolkata location, the title deed is under dispute. The Company has been legally advised that it has the title deed in its name for the aforesaid immovable property and that it will be able to defend any counter claims against it.

2. In case of immovable property situated at SAS Nagar - Punjab having gross carrying value of Rs. 7,691.59 lacs the title deed has been transferrred in the name of Company during the current year.

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5(i)(b) Capital work-in-progress

(Amount in ₹ lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Opening Balance	9,723.12	10,474.50
Additions *	12,095.60	3,771.27
Transfer to property, plant and equipment	(9,602.73)	(4,522.65)
Closing balance	**12,215.99**	**9,723.12**

* The Company accounts for all capitalization of property, plant and equipment through capital work in progress and therefore the movement in capital work in progress is the difference between closing and opening balance of capital work in progress as adjusted for additions to property, plant and equipment.

Aging schedule:

As at March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,917.62	308.62	19.88	6,969.86	12,215.99
Projects temporarily suspended	-	-	-	-	-
Total	**4,917.62**	**308.62**	**19.88**	**6,969.86**	**12,215.99**

Details of Projects whose completion is overdue or has exceeded its cost compared to its original plan

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Amritsar hospital project	-	122.06	-	-	122.06
Bannerghatta Road hospital project	6,847.80	-	-	-	6,847.80

As at March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,338.66	804.14	866.60	6,713.72	9,723.12
Projects temporarily suspended	-	-	-	-	-
Total	**1,338.66**	**804.14**	**866.60**	**6,713.72**	**9,723.12**

Details of Projects whose completion is overdue or has exceeded its cost compared to its original plan

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Amritsar hospital project	-	-	122.06	-	122.06
Bannerghatta Road hospital project	6,847.80	-	-	-	6,847.80
Mulund hospital project	2,309.93	-	-	-	2,309.93
Noida hospital project	245.93	-	-	-	245.93

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5(ii) Goodwill

(Amount in ₹ lacs)

Particulars	Goodwill on acquisition
Gross carrying amount	
As at April 01, 2022	**122.50**
Additions	-
Deletions	-
As at March 31, 2023	**122.50**
Additions	-
Deletions	-
As at March 31, 2024	**122.50**
Impairment	
As at April 01, 2022	-
Impairment during the year	-
As at March 31, 2023	-
Impairment during the year	-
As at March 31, 2024	-
Carrying Value	
As at March 31, 2023	**122.50**
As at March 31, 2024	**122.50**

Note :

At cash generating unit (CGUs) level, the goodwill is tested for impairment annually at the year-end or more frequently if there are indications that goodwill might be impaired. Goodwill amounting to ₹ 4.98 lakhs and ₹ 117.52 lakhs is allocated to Bannerghatta road and Kalyan clinical establishment respectively.

The Company made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management. Cash flow projections were developed covering a seven-year period as at March 31, 2024 and March 31, 2023 which reflects a more appropriate indication/trend of future track of business of the Company. Cash flows beyond the seven-year period were extrapolated using estimate rates stated below.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

Key assumptions used for value in use calculations are as follows:	As at March 31, 2024	As at March 31, 2023
Compound average net sales growth rate for seven-year period (p.a.)	6%-7%	6%-7%
Growth rate used for extrapolation of cash flow projections beyond five-year period (refer note below)	4% p.a.	4% p.a.
Discount rate (p.a.) (Post tax rate)	14.12% p.a.	14.12% p.a.
Discount rate (p.a.) (Pre tax rate)	18.87% p.a.	18.87% p.a.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

Discount rates - Management estimates discount rates using post-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports.

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5(iii)(a) Other intangible assets

(Amount in ₹ lacs)

Particulars	Computer Software	Total
Gross carrying amount		
As at April 01, 2022	36.73	36.73
Additions	-	-
As at March 31, 2023	36.73	36.73
Additions	1.14	1.14
As at March 31, 2024	37.87	37.87
Accumulated amortisation		
As at April 01, 2022	30.74	30.74
Charge for the year	1.86	1.86
As at March 31, 2023	32.60	32.60
Charge for the year	1.00	1.00
As at March 31, 2024	33.60	33.60
Carrying value		
As at March 31, 2023	4.13	4.13
As at March 31, 2024	4.27	4.27

(a) The Company has not revalued it's intangible assets during the current and previous year.

5(iii)(b) Intangible assets under development

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1.14	-
Additions *	-	1.14
Transfer to intangible assets	(1.14)	-
Closing balance	-	1.14

* The Company accounts for all capitalisation of intangible assets through intangible assets under development and therefore the movement in intangible assets under development is the difference between closing and opening balance of intangible assets under development as adjusted for additions to intangible assets.

Aging schedule:

As at March 31, 2023

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.14	-	-	-	1.14
Projects temporarily suspended	-	-	-	-	-
Total	1.14	-	-	-	1.14

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INTERNATIONAL HOSPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

	Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(iv)	**Investments**		
	Non-Current		
	Unquoted investment		
(a)	**Investment in redeemable preference shares at amortised cost**		
	i) Fortis Health Management Limited (Associate/ fellow subsidiary) 29,000 (29,000 as at March 31, 2023) Preference shares of ₹ 10,000 each (including premium of ₹ 9,990 per share)	11,526.63	10,342.38
	62,803 (62,803 as at March 31, 2023) Preference shares of ₹ 12,000 each (including premium of ₹ 11,990 per share)	26,213.31	23,518.00
	Total investment in preference shares	37,739.94	33,860.38
(b)	**Investment in equity instruments measured at cost**		
	i) Fortis Health Management Limited (Associate/ fellow subsidiary) 1,200,000 (1,200,000 as at March 31, 2023) equity shares of ₹10 each	1,156.88	1,156.88
	ii) Escorts Heart and Super Speciality Hospital Limited (Associate/ fellow subsidiary) 12,990,000 (12,990,000 as at March 31, 2023) equity shares of ₹ 10 each [(Of the above, 6 shares (6 shares as at March 31, 2023) are held by nominee share holders)]	1,298.94	1,298.94
	Investment in equity shares	2,455.82	2,455.82
(c)	**Investment in debentures at amortised cost #**		
	i) Fortis Health Management Limited (Associate/ fellow subsidiary) 5,419,500 (5,419,500 as at March 31, 2023) unsecured 9% optionally convertible debentures of ₹ 1,000 each	54,195.00	-
	ii) Hospitalia Eastern Private Limited (Fellow subsidiary) 780,000 (780,000 as at March 31, 2023) unsecured 9% optionally convertible debentures of ₹ 1,000 each	7,800.00	-
		61,995.00	-
	Less: Impairment in value of Investment	(3,743.05)	-
	Investment in debentures	58,251.95	-
	Total non-current investments (A)	98,447.71	36,316.20
	Current		
	Unquoted investment		
(a)	**Investment in debentures at amortised cost**		
	i) Fortis Health Management Limited (Associate/ fellow subsidiary) 5,419,500 (5,419,500 as at March 31, 2023) unsecured 9% optionally convertible debentures of ₹ 1,000 each	-	54,195.00
	ii) Hospitalia Eastern Private Limited (Fellow subsidiary) 780,000 (780,000 as at March 31, 2023) unsecured 9% optionally convertible debentures of ₹ 1,000 each	-	7,800.00
		-	61,995.00
	Less: Impairment in value of Investment	-	(3,743.05)
	Total current investments (B)	-	58,251.95
	Aggregate carrying value of unquoted investments (A+B)	98,447.71	94,568.15
	Aggregate gross value of unquoted investments	102,190.76	98,311.20
	Aggregate amount of impairment in value of investments	3,743.05	3,743.05

Considering the financial position of Fortis Health Management Limited and Hospitalia Eastern Private Limited, the Company's investment in Optionally Convertible Debentures including interest accrued is not expected to be realised within next 12 months. Accordingly, these have been classified as non-current.

	Particulars	As at March 31, 2024	As at March 31, 2023
5(v)	**Other investments**		
	Non-current		
	Unquoted investment		
	Investments in equity instruments - at amortised cost		
	i) Renew Wind Energy AP Private Limited 74,500 (72,000 as at March 31, 2023) equity shares of ₹ 10 each*	12.30	7.20
	Aggregate carrying value of unquoted investments	12.30	7.20
	Aggregate gross value of unquoted investments	12.30	7.20
	Aggregate amount of impairment in value of investments	-	-

*The Company has entered into an energy purchase agreement with Renew Wind Energy AP Private Limited (the "issuer"). As per terms of the agreement, the Company needs to keep the money invested in the equity shares of issuer till the period electricity would be purchased from the issuer. The shares would be redeemed at the time of termination of the contract upon mutual consent by the parties. The Company can't sell these shares in active market. Given these facts, the Company has accounted these instruments at cost.

	Particulars	As at March 31, 2024	As at March 31, 2023
5(vi)	**Trade receivables**		
	Current		
	(unsecured, unless stated otherwise)		
	(a) Considered good		
	From Others		
	-Billed	451.09	244.36
	-Unbilled	44.34	286.83
	From Related Parties	24,774.59	34,741.75
	Less: Loss allowance	(92.85)	(176.74)
		25,177.17	35,096.20

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Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

(a) Trade receivables- Income from hospital and medical services & income from rent:

As per terms of Hospital and Medical Services Agreements ('HMSA'), the average credit period allowed is 05-11 days. For the outlet vendors with whom rental arrangements have been entered into by the Company, average credit period is upto 30 days.

Trade receivables are unsecured and are majorly derived from revenue earned from providing clinical establishment and other ancillary services. The risk of non-payment from the customer is considered low, as majority of the total balances are due from related parties for which the default risk is considered low.

The Company uses its judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period. The provision matrix used to compute the expected credit loss allowance for trade receivables (other than due from related party) are as follows:

Ageing bucket	Expected credit allowance% March 31, 2024	March 31, 2023
0 - 6 months	-	-
More than 6 months	100%	100%

The hospital operating company (related party) has confirmed that it has the ability and intention to settle the outstanding dues payable to the Company in due course. Hence, the Company believes that no adjustment is required to be carried out in its financial statements as at and for the year ended March 31, 2023 with respect to the outstanding receivables, other than those already made.

(b) Trade receivables- IPD and OPD income ('Rajajinagar hospital operations)

The average credit period agreed with the third party administrator is 30 days, corporates is 60 days and with public sector undertakings/ government companies is 90 days. Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection. The Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the payments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Payor	Expected credit allowance %	
Ageing	March 31, 2024	March 31, 2023
0 - 1 year	0% - 13%	2% - 15%
1 - 2 year	8% - 27%	10% - 35%
2 - 3 year	23% - 53%	20% - 77%
More than 3 years	100%	100%

The movement in Expected Credit Loss during the year is as follows :

Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
Balance at the beginning of the year	176.74	220.20
Creation of the allowance for expected credit loss (refer note 5(xxviii))	1.65	29.41
Utilisation of the allowance for expected credit loss (written off)	(85.54)	(72.87)
Balance at the end of the year	92.85	176.74

The Company does not have any significant concentration of exposures to specific category of customer.

The Company does not required collateral in respect of trade receivables. The company does not have trade receivables for which no loss allowance is recognised because of collateral.

(c) Ageing schedule of trade receivables

As at March 31, 2024

	Particulars	Not due	Outstanding for following periods 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	4,924.21	8,314.54	6,019.69	4,580.83	1,247.90	138.51	25,225.68
(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	-	-	-	-	-	-	-
		4,924.21	8,314.54	6,019.69	4,580.83	1,247.90	138.51	25,225.68
	Less: Allowance for doubtful trade receivables - Billed							(92.85)
								25,132.83
	Trade receivables - unbilled							44.34
								25,177.17

As at March 31, 2023

	Particulars	Not due	Outstanding for following periods 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	9,143.32	18,009.50	4,636.66	3,056.74	29.76	110.12	34,986.11
(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	-	-	-	-	-	-	-
		9,143.32	18,009.50	4,636.66	3,056.74	29.76	110.12	34,986.11
	Less: Allowance for doubtful trade receivables - Billed							(176.74)
								34,809.37
	Trade receivables - unbilled							286.83
								35,096.20

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Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(vii) Loans		
Non-current - at amortised cost		
Considered good		
(a) Loans to related party (refer note 18(i))#	120.00	120.00
	120.00	120.00

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

Particulars	As at March 31, 2024	As at March 31, 2023
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	120.00	120.00
Loans considered doubtful - Unsecured	-	-
Total Loans	**120.00**	**120.00**

Considering the financial position of Hospitalia Eastern Private Limited, the loan given by the Company is not expected to be realised within next 12 months. Accordingly, this have been classified as non-current.

Particulars	As at March 31, 2024	As at March 31, 2023
5(viii) Other financial assets (unsecured)		
Non current		
Considered good		
(a) Deposits with banks*	1.75	1.75
(b) Security deposits	758.86	680.39
(c) Interest accrued and due on optionally convertible debentures and inter company loans #	45,528.86	-
	46,289.47	682.14
Credit impaired		
(a) Interest accrued and due on optionally convertible debentures	5,103.11	
	5,103.11	-
Less: Loss allowance	(5,103.11)	
	-	-
	46,289.47	682.14

*Fixed deposits are pledged with statutory authorities and are restricted from being exchanged for more than 12 months from the balance sheet date.

Considering the financial position of Fortis Health Management Limited and Hospitalia Eastern Private Limited, the Company's investment in Optionally Convertible Debentures including interest accrued is not expected to be realised within next 12 months. Accordingly, these have been classified as non-current.

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Considered good		
(a) Interest accrued and due on optionally convertible debentures and inter company loans	-	45,162.24
(b) Interest accrued but not due on bank deposits	6.22	1.15
(c) Amount recoverable from related parties for reimbursement of expenses	-	0.38
(d) Deposits with banks less than 12 months	-	8.78
(e) Others	4.61	1.55
(f) Government grant receivable	16.75	-
	27.58	**45,174.10**
Credit impaired		
(a) Recoverable from other than related parties	15.11	23.93
(b) Interest accrued and due on optionally convertible debentures	5,103.11	5,103.11
	5,118.22	**5,127.04**
Less: Loss allowance	(5,118.22)	(5,127.04)
	27.58	45,174.10

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Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(ix) Deferred tax balances		
Deferred tax assets	213.51	1,014.24
Deferred tax liabilities	(9,485.80)	(8,479.34)
	(9,272.29)	(7,465.10)

The following is the analysis of the movement in deferred tax assets/(liabilities) presented in financial statements:

2023-24 (Amount in ₹ lacs)

	As at April 1, 2023	(Charge)/ Credit to Profit or loss	(Charge)/ Credit to Other comprehensive income	As at March 31, 2024
Deferred tax liabilities				
(a) Property, plant and equipment	(3,856.52)	(461.31)	-	(4,317.83)
(b) Preference shares	(3,767.16)	(692.13)	-	(4,459.29)
(c) Non convertible debentures	(781.30)	116.72	-	(664.58)
(d) Right-of-use assets	(74.37)	30.26	-	(44.11)
	(8,479.34)	(1,006.46)	-	(9,485.80)
Deferred tax assets				
(a) Allowance for expected credit loss	44.48	(15.94)	-	28.54
(b) Defined benefit obligation	105.88	9.21	(0.61)	114.48
(c) Carry forward business losses and unabsorbed depreciation	782.31	(782.31)	-	-
(d) Lease liability	81.57	(32.14)	-	49.43
(e) Disallowance under section 43B(h)	-	21.06		21.06
	1,014.24	(800.12)	(0.61)	213.51
Deferred tax liabilities (net)	(7,465.10)	(1,806.58)	(0.61)	(9,272.29)

2022-23 (Amount in ₹ lacs)

	As at April 01, 2022	(Charge)/ credit to profit or loss	Charge/ (credit) to other comprehensive income	As at March 31, 2023
Deferred tax liabilities				
(a) Property, plant and equipment	(3,760.82)	(95.70)	-	(3,856.52)
(b) Preference shares	(3,117.78)	(649.38)	-	(3,767.16)
(c) Non convertible debentures	(826.18)	44.89	-	(781.29)
(d) Right-of-use assets	(65.59)	(8.79)	-	(74.37)
	(7,770.37)	(708.97)	-	(8,479.34)
Deferred tax assets				
(a) Allowance for expected credit loss	55.42	(10.94)	-	44.48
(b) Defined benefit obligation	88.14	9.70	8.04	105.88
(c) Carry forward business losses and unabsorbed depreciation	3,623.56	(2,841.25)	-	782.31
(d) Lease liability	72.53	9.04	-	81.57
	3,839.65	(2,833.45)	8.04	1,014.24
Deferred tax liabilities (net)	(3,930.72)	(3,542.42)	8.04	(7,465.10)

5(x) Non-current tax assets (net)		
Advance income tax (net of provision for taxation)	15,819.11	14,290.77
	15,819.11	14,290.77

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Particulars		As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(xi)	**Other assets (unsecured)**		
	Non-current		
	Considered good		
	(a) Capital advances	446.79	473.98
	(b) Technology renewal fund	848.24	688.50
	(c) Deposit paid under protest- Service tax matters	114.72	114.72
	(d) Prepaid expenses	39.36	107.63
		1,449.11	**1,384.83**
	Considered doubtful		
	(a) Capital advances	9.53	9.53
	Less: Loss allowance	(9.53)	(9.53)
		-	-
		1,449.11	**1,384.83**
	Current		
	Considered good		
	(a) Balances with government authorities - Goods and service tax recoverable and provident fund	1.97	1.97
	(b) Advance to vendors	17.55	47.60
	(c) Unamortized finance charges	-	28.32
	(d) Prepaid expenses	169.38	57.29
		188.90	**135.18**
5(xii)	**Inventories**		
	Valued at lower of cost and net realisable value		
	Medical consumables, drugs and others	282.25	288.51
		282.25	**288.51**

5(xiii)(a) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

	As at March 31, 2024	As at March 31, 2023
(a) Balances with banks		
-in current accounts	13.95	15.02
(b) Cash on hand	7.91	7.60
Cash and cash equivalents as per balance sheet	**21.86**	**22.62**
Bank overdrafts (refer note 5(xix))	(60.69)	(6.75)
Cash and cash equivalents as per statement of cash flows	**(38.83)**	**15.87**

5(xiii)(b) Bank balances other than above

	As at March 31, 2024	As at March 31, 2023
Balances with banks		
-Deposits with original maturity of more than 3 months but less than 12 months*	6,875.84	66.13
-Deposits with bank held in escrow account as commitment for purchase of land	-	640.00
	6,875.84	**706.13**

*Includes deposits held with goverment authority amounting to INR 39.36 Lacs (previous year: Rs. 38.16 lacs)

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Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(xiv) Share capital		
Authorised share capital:		
33,970,000 (33,970,000 as at March 31, 2023) equity shares of ₹100 each	33,970.00	33,970.00
10,000,000 (10,000,000 as at March 31, 2023) preference shares of ₹10 each	1,000.00	1,000.00
Total authorised share capital	**34,970.00**	**34,970.00**
Issued, subscribed and fully paid up shares		
Equity Share Capital		
33,963,130 (33,963,130 as at March 31, 2023) equity shares of ₹100 each	33,963.13	33,963.13
Total issued, subscribed and fully paid up share capital	**33,963.13**	**33,963.13**

Notes :

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

Equity Shares

Particulars	March 31, 2024		March 31, 2023	
	Number	Amount in ₹ lacs	Number	Amount in ₹ lacs
At the beginning of the year	33,963,130	33,963.13	33,963,130	33,963.13
Issued during the year	-	-	-	-
Outstanding at the end of the year	**33,963,130**	**33,963.13**	**33,963,130**	**33,963.13**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rupees 100 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Equity shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	Amount in ₹ lacs	No. of Shares held	Amount in ₹ lacs
Fortis Healthcare Limited	26,627,304	26,627.30	26,627,304	26,627.30
Fortis Health Management Limited, fellow subsidiary*	7,335,826	7,335.83	7,335,826	7,335.83

*including 6 equity shares held by it's nominees.

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

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 Healthcare Limited	26,627,304	78.40%	26,627,304	78.40%
Fortis Health Management Limited, fellow subsidiary*	7,335,826	21.60%	7,335,826	21.60%

*including 6 equity shares held by it's nominees.

As per records of the Company, including its register of share holders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Details of shares held by promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Fortis Healthcare Limited	26,627,304	-	26,627,304	78.40%	-
Fortis Health Management Limited, fellow subsidiary*	7,335,826	-	7,335,826	21.60%	-

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Fortis Healthcare Limited	26,627,304	-	26,627,304	78.40%	-
Fortis Health Management Limited, fellow subsidiary*	7,335,826	-	7,335,826	21.60%	-

*including 6 equity shares held by it's nominees.

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Note 5(xv) Changes in liabilities arising from financing activities

Particulars	Non-current borrowings (including current maturities)	Current borrowings (net)	Interest accrued	Lease liability
As at April 01, 2022	**50,698.27**	**60,535.00**	**61,413.85**	**288.17**
Proceeds from long-borrowings	2,515.00	-	-	-
Repayment of long-term borrowings	(2,192.15)	-	-	-
Finance costs	-	-	12,402.30	30.53
Finance costs paid	-	-	(12,460.51)	(30.53)
Payment of lease liabilities	-	-	-	(95.02)
Addition of lease contract	-	-	-	130.95
As at March 31, 2023	**51,021.12**	**60,535.00**	**61,355.64**	**324.10**
Proceeds from long-term borrowings	11,869.95	-	-	-
Repayment of long-term borrowings	(4,336.91)	-	-	-
Finance costs	-	-	12,758.94	25.82
Finance costs paid	-	-	(24,187.73)	(25.82)
Payment of lease liabilities	-	-	-	(127.69)
As at March 31, 2024	**58,554.16**	**60,535.00**	**49,926.85**	**196.41**

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Particulars		As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(xvi)	**Non-current borrowings**		
	Carried at amortised cost		
	Secured		
	(a) Term loans		
	- from banks [refer note 9(a)(i) to (iv)]	10,946.14	4,050.92
		10,946.14	**4,050.92**
	Unsecured		
	(a) Non-convertible debentures (refer note- 9(b)(v))	46,716.77	46,716.77
		46,716.77	**46,716.77**
		57,662.91	**50,767.69**
5(xvii)	**Other financial liabilities**		
	Non-Current		
	Unsecured		
	(a) Interest accrued but not due on non-convertible debentures (refer note 9(b)(v))	26,660.83	22,286.68
	(b) Technology renewal fund	100.55	192.91
		26,761.38	**22,479.59**
	Current		
	Unsecured		
	(a) Security deposits	98.45	98.03
	(b) Interest accrued but not due on term loans from banks	0.29	5.46
	(c) Interest accrued and due on non-convertible debentures (refer note- 9(b)(i), 9(b)(ii), 9(b)(iii) and 9(b)(iv))	14,356.74	9,051.25
	(d) Interest accrued but not due on non-convertible debentures (refer note- 9(b)(i), 9(b)(ii), 9(b)(iii) and 9(b)(iv))	2,395.13	2,395.13
	(e) Interest accrued and due on optionally convertible debentures (refer note- 9(b)(vi))	6,340.30	15,643.55
	(f) Interest accrued and due on compulsorily convertible debentures (refer note 9(b)(vii)	173.56	11,973.56
	(g) Capital creditors*	1,445.55	1,314.59
	(h) Technology renewal fund payable to related party	63.00	60.58
	(i) Employees payables	33.39	54.53
	(j) Other payable	5.53	5.53
		24,911.94	**40,602.21**

*This also includes amount payable to micro and small enterprises amounting to ₹ 275.56 lacs as at March 31, 2024 (₹ 69.79 lacs As at March 31, 2023)

5(xviii)	**Provisions**		
	Non-Current		
	Provision for employee benefits		
	(a) Provision for gratuity (refer note 10)	335.91	300.51
	(b) Provision for compensated absences	88.84	75.53
		424.75	**376.04**
	Current		
	Provision for employee benefits		
	(a) Provision for gratuity (refer note 10)	18.88	33.49
	(b) Provision for compensated absences	11.22	11.16
	(c) Other provisions	-	0.27
		30.10	**44.92**

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Particulars	As at March 31, 2024 (Amount in ₹ lacs)	As at March 31, 2023 (Amount in ₹ lacs)
5(xix) Current borrowings		
Carried at amortised cost		
Secured		
(a) Current maturities of non-current term loan [refer note 9(a)(i) to (iv)]	891.25	253.43
(b) Bank overdraft [refer note 9(a)(v) & (vi)]	60.69	6.75
	951.94	**260.18**
Unsecured		
(a) Non-convertible debentures (refer note- 9(b)(i), 9(b)(ii), 9(b)(iii) and 9(b)(iv))	42,760.00	42,760.00
(b) Optionally convertible debentures (refer note - 9(b)(vi))	17,775.00	17,775.00
	60,535.00	**60,535.00**
	61,486.94	**60,795.18**
5(xx) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 13)	265.72	242.87
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,247.65	2,678.97
	2,513.37	**2,921.84**
Of the above trade payables amounts due to related parties are as below:		
Trade Payables due to related parties (Refer note 6)	**18.64**	**14.25**

Particulars	Unbilled	Outstanding for March 31 2024 from due date of payment					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	218.86	45.12	1.74	0.01	-	265.73
(ii) Others	796.83	757.55	631.66	59.98	1.62	-	2,247.64
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-
	796.83	**976.41**	**676.78**	**61.72**	**1.63**	-	**2,513.37**

Particulars	Unbilled	Outstanding for March 31 2023 from due date of payment					
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	216.31	25.05	1.16	-	0.35	242.87
(ii) Others	1,593.95	549.60	532.02	3.40	-	-	2,678.97
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-
	1,593.95	**765.91**	**557.07**	**4.56**	-	**0.35**	**2,921.84**

Particulars	As at March 31, 2024	As at March 31, 2023
5(xxi) Other liabilities		
Non-current		
(a) Deferred revenue against free of cost assets	32.02	49.23
	32.02	**49.23**
Current		
(a) Contract liability - advance from patients	14.40	1.98
(b) Statutory dues payable	1,192.39	1,207.58
(c) Other advances	1.27	1.27
	1,208.06	**1,210.83**

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Particulars		Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
5(xxii)	**Revenue from operations**		
I.	**Revenue from contracts with customers**		
(a)	**Sale of services**		
	Healthcare services		
	i) Operating income - in patient department	3,687.27	3,146.71
	ii) Operating income - out patient department	426.91	380.36
	iii) Income from hospital and medical services	35,035.08	32,724.68
	Less: Trade discounts	(224.17)	(131.38)
		38,925.09	**36,120.37**
(b)	**Sale of products - Trading**		
	i) Out patient pharmacy	3,911.48	2,956.89
	Less: Trade discounts	(41.72)	(31.92)
		3,869.76	**2,924.97**
	I. Total revenue from contracts with customers (A+B)	**42,794.85**	**39,045.34**
	Timing of revenue recognition		
	Goods transferred at a point in time	3,869.76	2,924.97
	Service transferred at a point in time	419.18	373.65
	Services transferred over time	38,505.91	35,746.72
	Total revenue from contracts with customers	**42,794.85**	**39,045.34**
	Contract balances		
	Contract assets (unbilled revenue)	44.34	286.83
	Contract liabilities (advance from patients)	14.40	1.98

The revenue recognised during the current year is the balancing number for transaction with customers after opening and closing balances of receivables and liabilities.

	II. Other operating revenues		
	i) Income from rent [refer note 7(b)(i)]	228.22	224.81
	ii) Liabilities no longer required written back	88.93	171.91
	iii) Miscellaneous income	24.56	25.51
	II. Total other operating revenues	**341.71**	**422.23**
	Total revenue from operations (I+II)	**43,136.56**	**39,467.57**
5(xxiii)	**Other income**		
(a)	Interest income on		
	i) Bank deposits	26.49	18.61
	ii) Optionally convertible debentures	4,948.85	4,947.76
	iii) Preference shares	3,879.56	3,535.72
	iv) Loan to related party	0.95	0.95
	v) Others	15.31	57.24
		8,871.16	**8,560.28**
(b)	**Other non-operating income**		
	i) Profit on sale of property, plant and equipment (net)	304.72	3.10
		304.72	**3.10**
	Total other income (a+b)	**9,175.88**	**8,563.38**

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Particulars		Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
5(xxiv)	**Changes in inventories of medical consumable and drugs**		
	(a) Inventory at the beginning of the year	288.51	267.95
	(b) Inventory at the end of the year	282.25	288.51
	Changes in inventories [(a)-(b)]	**6.26**	**(20.56)**
5(xxv)	**Employee benefits expense**		
	(a) Salaries, wages and bonus	2,406.37	2,195.57
	(b) Gratuity expense (refer note 10)	42.83	37.30
	(c) Compensated absences	18.61	29.52
	(d) Contribution to provident and other funds	125.13	131.81
	(e) Staff welfare expenses	67.60	71.76
		2,660.54	**2,465.96**
5(xxvi)	**Finance costs**		
	(a) Interest expense on		
	i) term loans	401.47	346.87
	ii) on defined benefit plan	28.43	22.89
	iii) optionally convertible debentures	1,599.75	1,599.75
	iv) non-convertible debentures	10,706.00	10,420.64
	v) lease liabilities [refer note 7(a)]	25.82	30.53
	vi) cash credit	51.72	12.15
	(b) Other borrowing costs	82.84	51.11
		12,896.03	**12,483.94**
5(xxvii)	**Depreciation and amortisation expense**		
	(a) Depreciation of property, plant and equipment [refer note 5(i)(a)]	3,211.54	3,025.14
	(b) Depreciation of right-of-use assets [refer note 7(a)]	224.31	204.76
	(c) Amortisation of intangible assets [refer note 5(iii)(a)]	1.00	1.86
		3,436.85	**3,231.76**

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Particulars	Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
5(xxviii) Other expenses		
(a) Contractual manpower	1,470.62	1,346.62
(b) Power and fuel	375.73	338.91
(c) Housekeeping expenses including consumables	2,213.54	1,958.95
(d) Patient food and beverages	56.88	32.95
(e) Pathology laboratory expenses	133.95	135.00
(f) Radiology expenses	210.28	169.66
(g) Cost of medical services	17.92	20.91
(h) Professional and consultation fees to doctors	5,253.85	4,758.03
(i) Repairs and maintenance		
- Buildings	35.78	16.65
- Plant and machinery	896.96	747.14
- Others	46.40	49.12
(j) Rent [refer note 7(a)]	112.44	71.90
(k) Legal and professional fee (refer note below)	419.34	539.81
(l) Travel and conveyance	51.68	39.60
(m) Rates and taxes	886.70	1,615.85
(n) Recruitment and trainings	0.87	0.31
(o) Printing and stationary	24.03	20.58
(p) Communication expenses	12.70	14.15
(q) Directors' sitting fees	0.71	0.59
(r) Insurance	81.75	108.11
(s) Marketing and business promotion	23.93	25.42
(t) Allowance for doubtful receivables	1.65	29.41
(u) Advance income tax (TDS write off)	-	137.45
(v) Allowance for doubtful advances	11.47	292.97
(w) Miscellaneous expenses	27.82	5.54
(x) Corporate Social Responsibility expenses	100.73	-
	12,467.73	**12,475.64**

Notes:

(i) **Auditors' remuneration comprises (inclusive of indirect tax)**		
(a) Fees as auditors	103.25	103.25
(b) Out of pocket expenses	10.33	5.16
	113.58	**108.41**

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Particulars		Year ended March 31, 2024 (Amount in ₹ lacs)	Year ended March 31, 2023 (Amount in ₹ lacs)
5(xxix)	**Income-tax**		
	Current tax		
	Current income tax charge for the year	2,752.43	-
	Deferred tax		
	Deferred tax charge for the year	1,806.58	3,542.42
		4,559.01	**3,542.42**
	Recognised in Other Comprehensive Income		
	Deferred tax Charge		
	Tax related to items that will not be subsequently reclassified to Statement of Profit and Loss	(0.61)	8.04
	Income tax charged to Other Comprehensive income	**(0.61)**	**8.04**
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax from continuing operations	17,682.29	14,714.85
	Enacted income tax rate in India	25.17%	25.17%
	Income tax calculated	4,450.28	3,703.43
	Effect of items not deductible in determining taxable profit	(147.09)	126.22
	(Credit)/Charge in respect of previous years	313.81	(245.03)
	Effect of tax on income charged at lower rate	(55.62)	(52.18)
	Others	(2.37)	9.98
	Income tax expense recognised in Statement of Profit and Loss	**4,559.01**	**3,542.42**
5(xxx)	**Earnings per share (EPS)**		
	Profit as per Statement of Profit and Loss (Amount in ₹ lacs)	13,123.28	11,172.43
	Weighted average number of equity shares outstanding	33,963,130	33,963,130
	Basic EPS (in ₹)	38.64	32.90
	Diluted EPS (in ₹)*	38.64	32.90

***Diluted earnings per share**

The calculation of diluted earnings per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders (diluted)	13,123.28	11,172.43
Weighted average number of equity shares (diluted)		
Weighted average number of equity shares (basic)	33,963,130	33,963,130
Effect of exercise of share options*	-	-
Weighted average number of equity shares (diluted) for the year	**33,963,130**	**33,963,130**
Diluted earnings per share in rupees	**38.64**	**32.90**

*The Company has issued optionally convertible debentures to Escorts Heart and Super Speciality Hospital Limited (lender). These debentures are convertible at the option of lender at any time on or prior to the maturity date as specified in the agreement in to such number of shares and at such price per share as the parties may mutually agree. Since, the number of shares are not fixed in the agreement, the impact of these potential equity shares has not been considered while computing diluted earnings per share.

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6. Related Party disclosures

A. Names of related parties and related party relationship

Ultimate holding company	IHH Healthcare Berhad
Intermediate Holding company	Integrated Healthcare Holdings Limited
	Parkway Pantai Limited
	Northern TK Venture Pte Ltd
Holding company	Fortis Healthcare Limited ('FHL')
Associates*/ fellow subsidiaries (parties with whom transactions have taken place)	Fortis Health Management Limited ('FHML')
	Escorts Heart and Super Speciality Hospital Limited ('EHSSHL')
Fellow subsidiaries (parties with whom transactions have taken place)	Hospitalia Eastern Private Limited ('HEPL')
	Agilus Diagnostics Limited (Formerly known as SRL Limited)
	Fortis Hospitals Limited ('FHsL')
	Escorts Heart Institute and Research Centre Limited ('EHIRCL')
	Hiranandani Healthcare Private Limited ('HHPL')
	Fortis Healthcare International Limited ('FHIL')
	Fortis Malar Hospital Limited ('FMHL')
	Fortis Hospotel Limited ('FHTL')
Enterprises owned or significantly controlled / influenced by subsidiary of holding/ultimate holding company/ enterprise having significant influence over ultimate holding company (with whom transactions have been taken place)	Acibadem Teknoloji A.S.
Key management personnel ('KMP') / Director	Mr. Manu Kapila, Director
	Ms. Shailaja Chandra - Independent Director
	Mr. Akshay Oleti, Whole Time Director
	Mr. Anil Vinayak, Director
	Mr. Ravi Bhatia, Chief Financial Officer
	Ms. Trapti, Company Secretary (upto September 23, 2023)
	Mr. Rajesh Kumar, Company Secretary (w.e.f. March 18, 2024)

* Since the Company has more than 20% voting power of the investee companies, these have been classified as associate in accordance with the provisions of Ind AS 28.

B. Transactions taken place during the year are as follows:

(Amount in ₹ lacs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Income from hospital and medical services		
Fortis Hospitals Limited	35,017.87	32,724.68
Interest income		
On inter corporate loan to related parties		
Hospitalia Eastern Private Limited	0.95	0.95
On optionally convertible debentures		
Hospitalia Eastern Private Limited	71.30	70.21
Fortis Health Management Limited	4,877.55	4,877.55
On preference shares		
Fortis Health Management Limited	3,879.56	3,535.72

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Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Intangible assets acquired		
Acibadem Teknoloji A.S.	2.24	-
Finance costs		
On optionally convertible debentures		
Escorts Heart and Super Speciality Hospital Limited	1,599.75	1,599.75
On non-convertible debentures		
Fortis Healthcare Limited	5,897.60	5,897.60
Fortis Hospotel Limited	4,808.40	4,523.04
Expenses incurred on behalf of the Company by		
Fortis Hospitals Limited	3.19	1.89
Fortis Health Management Limited	-	17.02
Expenses incurred on behalf of		
Fortis Hospitals Limited	2,570.35	2,665.15
Fortis Health Management Limited	14.06	-
Transfer of employee benefit liability to Company from		
Fortis Hospitals Limited	2.38	0.27
Fortis Hospotel Limited	0.06	-
Transfer of employee benefit liability by Company to		
Fortis Hospitals Limited	-	2.12
Fortis Hospotel Limited	-	0.32
Escorts Heart Institute & Research Centre Limited	-	1.67
Fortis C-Doc Healthcare Limited	0.21	-
Collection by Company on behalf of		
Fortis Hospitals Limited	28.43	-
Collection by related party on behalf of the Company		
Fortis Hospitals Limited	77.55	36.83
Fortis Health Management Limited	-	1.23
Professional charges to doctors		
Fortis Hospotel Limited	28.97	25.66
Hospital service taken for employees from		
Fortis Hospitals Limited	21.56	-
Fortis Healthcare Limited	1.62	-
Hospital service given to group employees of		
Fortis Hospitals Limited	2.20	-

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International Hospital Limited

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Managerial remuneration		
Ms. Trapti		
Short term employee benefits	10.42	18.48
Post employment benefits	0.49	1.05
Directors sitting fee		
Ms. Shailaja Chandra	0.71	0.59
Pathology laboratory expense		
Agilus Diagnostics Limited	133.95	135.00
Fortis Health Management Limited	-	0.03
Fortis Hospitals Limited	-	0.03
Transfer of medical consumables and drugs from		
Fortis Hospitals Limited	119.61	107.99
Fortis Health Management Limited	-	0.08
Financial guarantee issued withdrawn		
Escorts Heart Institute and Research Centre Limited	-	11,155.00
Fortis Hospitals Limited	-	50,847.00
Fortis Healthcare Limited	20,000.00	48,679.82
Hospitalia Eastern Private Limited	-	3,300.00
Hiranandani Healthcare Private Limited	-	2,450.00
Fortis Hospotel Limited	-	12,917.00
Financial guarantee received withdrawn		
Fortis Hospitals Limited	-	14,025.00
Escorts Heart Institute and Research Centre Limited	-	14,025.00
Escorts Heart and Super Speciality Hospital Limited	-	14,025.00
Hospitalia Eastern Private Limited	-	10,525.00
Fortis Healthcare Limited	14,025.00	-
Fortis Hospotel Limited	-	14,025.00

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International Hospital Limited

C. Balance outstanding at the year end

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Investment in equity shares		
Fortis Health Management Limited	1,156.88	1,156.88
Escorts Heart and Super Speciality Hospital Limited	1,298.94	1,298.94
Investment in preference shares		
Fortis Health Management Limited	37,739.94	33,860.38
Investment in optionally convertible debentures		
Fortis Health Management Limited	54,195.00	-
Investment in optionally convertible debentures (Gross of provision)		
Hospitalia Eastern Private Limited	7,800.00	-
Provision against investment in optionally convertible debentures		
Hospitalia Eastern Private Limited	3,743.05	-
Current		
Investment in optionally convertible debentures		
Fortis Health Management Limited	-	54,195.00
Investment in optionally convertible debentures (Gross of provision)		
Hospitalia Eastern Private Limited	-	7,800.00
Provision against investment in optionally convertible debentures		
Hospitalia Eastern Private Limited	-	3,743.05
Other financial assets		
Non Current		
Interest accrued and due on optionally convertible debentures (Gross of provision)		
Fortis Health Management Limited	45,453.36	-
Hospitalia Eastern Private Limited	5,103.11	-
Provision against interest accrued and due on optionally convertible debentures		
Hospitalia Eastern Private Limited	5,103.11	-
Interest accrued and due on loans		
Hospitalia Eastern Private Limited	72.39	-
Current		
Interest accrued and due on optionally convertible debentures (Gross of provision)		
Fortis Health Management Limited	-	45,088.56
Hospitalia Eastern Private Limited	-	5,103.11

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INTERNATIONAL HOSPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Provision against interest accrued and due on optionally convertible debentures		
Hospitalia Eastern Private Limited	-	5,103.11
Interest accrued and due on loans		
Hospitalia Eastern Private Limited	-	72.39
Trade receivables		
Fortis Hospitals Limited	24,774.59	34,741.75
Loans		
Non-current		
Inter corporate loan		
Hospitalia Eastern Private Limited	120.00	120.00
Current		
Inter corporate loan		
Escorts Heart Institute and Research Centre Limited	-	9.75
Provision for doubtful loan		
Escorts Heart Institute and Research Centre Limited	-	9.75
Other assets		
Non-current		
Technology renewal fund		
Fortis Hospitals Limited	848.24	688.50
Non-current borrowings		
Non-convertible debentures		
Fortis Hospotel Limited	46,716.77	46,716.77
Current borrowings		
Optionally convertible debentures		
Escorts Heart and Super Speciality Hospital Limited	17,775.00	17,775.00
Non-convertible debentures		
Fortis Healthcare Limited	42,760.00	42,760.00
Other financial liabilities		
Non-Current		
Technology renewal fund		
Fortis Hospitals Limited	100.55	192.91
Other financial liabilities		
Interest accrued- Non-current		
Non-convertible debentures		
Fortis Hospotel Limited	26,660.83	22,286.68

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International Hospital Limited

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued- Current		
Compulsorily convertible debentures		
Fortis Healthcare Limited	173.56	11,973.56
Optionally convertible debentures		
Escorts Heart and Super Speciality Hospital Limited	6,340.30	15,643.55
Non-convertible debentures		
Fortis Healthcare Limited	16,751.87	11,446.39
Technology renewal fund		
Fortis Hospitals Limited	63.00	60.58
Trade and other payables		
Agilus Diagnostics Limited	10.23	10.25
Fortis Healthcare Limited	-	1.28
Fortis Hospotel Limited	6.87	1.68
Fortis Health Management Limited	-	1.04
Financial guarantee issued on behalf of		
Fortis Healthcare Limited	-	20,000.00
Financial guarantee received		
Fortis Healthcare Limited	-	14,025.00

D. As per the HMSA arrangement with the hospital operating companies, the Company receives service fee consideration from the Hospital operating companies, as an when due. As per terms of the HMSA, in the event of any delay in payment of the Service Fee, an interest at a rate of State Bank of India base rate plus 2% per annum (on a compounded monthly basis) shall be payable by hospital operating companies to the Company. The Company and hospital operating companies have agreed that no interest would be charged/demanded for the delay in the payments on amounts under HMSA for the financial year 2022-23 and 2023-24. Consequently, the Company has not recognised interest on the delayed payment of the service fees/technology renewal fund during the year ended March 31, 2023 and March 31, 2024.

E. All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within credit period from the reporting date. None of the balances are secured.

7. Leases

(a) As a lessee

Information about leases for which the Company is a lessee is presented below:

(Amount in ₹ lacs)

Right-of-use assets	Leasehold Land	Building	Total
Gross carrying amount			
As at April 01, 2022	**7,655.95**	**494.19**	**8,150.14**
Addition for the year	-	130.95	130.95
As at March 31, 2023	**7,655.95**	**625.14**	**8,281.09**
Addition for the year	-	-	-
Deletion for the year	-	(139.61)	(139.61)
As at March 31, 2024	**7,655.95**	**485.53**	**8,141.48**

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(Amount in ₹ lacs)

Right-of-use assets	Leasehold Land	Building	Total
Accumulated amortization			
As at April 01, 2022	**305.41**	**278.67**	**584.08**
Charge for the year	101.64	103.12	204.76
As at March 31,2023	**407.05**	**381.79**	**788.84**
Charge for the year	101.72	122.59	**224.31**
Deletion for the year	-	(139.61)	(139.61)
As at March 31,2024	**508.77**	**364.77**	**873.54**
Carrying value			
As at March 31, 2023	**7,248.90**	**243.45**	**7,492.25**
As at March 31, 2024	**7,147.18**	**120.76**	**7,267.94**

Lease Liabilities	Year ended March 31, 2024	Year ended March 31, 2023
Maturity analysis - contractual undiscounted cash flows		
Less than one years	129.51	167.20
One to five years	84.01	289.79
More than five years	-	-
Total undiscounted lease liabilities	**213.52**	**456.99**

Lease Liabilities included in the Balance Sheet	As at March 31, 2024	As at March 31, 2023
Current	117.56	129.70
Non-current	78.86	194.41

Amounts recognised in Statement of Profit and Loss	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liabilities	25.82	30.53
Expenses relating to short-term leases and leases of low-value assets not included in the measurement of lease liabilities	112.44	71.89

Amounts recognised in Statement of Cash Flows	Year ended March 31, 2024	Year ended March 31 2023
Cash outflow for leases	127.69	95.01
Interest on lease liabilities (included in finance costs paid)	25.82	30.53
Total cash outflow for leases	**153.51**	**125.54**

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(b) As a lessor

(i) Assets given on operating lease

The Company has sub- leased some portion of hospital premises carrying value of which included in leasehold land (refer note above) & freehold land/buildings (refer note above). In all the cases, the agreements are further renewable at the option of the Company. The total lease payment received/receivable in respect of the above leases recognised in statement of profit and loss for the year are ₹ 228.22 lacs (March 31, 2023: ₹ 224.81 lacs).

(ii) Revenue from HMSA

The Company has entered into a Hospital and Medical Services Agreement (HMSA) with Hospital operating company wherein the Company is required to provide and maintain the Company's Clinical Establishments along with other services like out-patient diagnostics and radio diagnostic etc. The term of the individual HMSA is 15 years and the Company is entitled to receive composite service fee i.e. base and variable fee. The base fee is fixed and the variable fee is based on a percentage of hospital operating companies' net operating revenue, in accordance with the HMSA.

Future minimum base fee receivable at the end of the reporting period is as follows:

(Amount in ₹ lacs)

Particulars	**Year ended March 31 2024**	**Year ended March 31 2023**
Minimum service fee		
Less than one year	20,053.04	19,468.97
One to five years	48,903.43	68,956.47
More than five years	-	-
Total	**68,956.47**	**88,425.44**

8. Commitments

(Amount in ₹ lacs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- PPE (Net of capital advances of ₹446.79 lacs (₹473.98 lacs as at March 31, 2023))	14,427.93	12,704.27
- Intangible Asset	2.63	-
Total	**14,430.56**	**12,704.27**

The Company has other commitments, for purchase orders which are issued after considering requirements as per operating cycle. The Company does not have any long-term commitments or material non-cancellable contractual commitments/contracts, for which there were any material foreseeable losses.

9. Borrowings

(a) Secured borrowings

(Amount in ₹ lacs)

Particulars	**Note**	**March 31, 2024**	**March 31, 2024**	**March 31, 2023**	**March 31, 2023**
		Non-Current	**Current**	**Non-Current**	**Current**
Term Loan from HSBC Bank	(i)	-	-	3,603.04	-
Term Loan from DBS Bank	(ii)	-	-	447.88	253.43
Term Loan from Axis Bank	(iii)	10,936.41	888.00	-	-
Term Loan from ICICI Bank	(iv)	9.73	3.25	-	-
Overdraft from HSBC Bank	(v)	-	45.13	-	6.75
Overdraft from Axis Bank	(vi)	-	15.56	-	-
Total		**10,946.14**	**951.94**	**4,050.92**	**260.18**

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International Hospital Limited

(i) Term loan from The Hongkong and Shanghai Banking Corporation Limited (HSBC)

Tranche 1

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount (₹ in lacs)	-	1,373.04
Rate of interest (p.a.)	HSBC 3/12M month MCLR or any other rate as may be mutually agreed upon	HSBC 3/12M month MCLR or any other rate as may be mutually agreed upon
Accrued interest (₹ in lacs)	-	0.29

Term loan facility from HSBC was secured by first pari passu charge on the movable fixed assets and current assets of the Company except machineries and vehicles specifically financed by other banks/financial institutions and exclusive charge cumulatively on certain immovable fixed assets of Escorts Heart and Super Speciality Hospital Limited (immovable property situated in Mohali), International Hospital Limited (immovable property situated in Faridabad and Noida), Hospitalia Eastern Private Limited (immovable property situated in Ludhiana) and Fortis Hospotel Limited (immovable property situated in Gurugram) with minimum assets cover of 1.33x and the corporate guarantee received from Fortis Healthcare Limited. The facility was repayable in equal quarterly instalments starting from November 2020 till August 2026. This credit facility has been refinanced from Axis Bank during the current year.

Tranche 2

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount (₹ in lacs)	-	2,230.00
Rate of interest (p.a.)	HSBC 3/12M month MCLR or any other rate as may be mutually agreed upon	HSBC 3/12M month MCLR or any other rate as may be mutually agreed upon
Accrued interest (₹ in lacs)	-	0.47

Term loan facility from HSBC was secured by first pari passu charge on the movable fixed assets and current assets of the Company except machineries and vehicles specifically financed by other banks/financial institutions and exclusive charge cumulatively on certain immovable fixed assets of Escorts Heart and Super Speciality Hospital Limited (immovable property situated in Mohali), International Hospital Limited (immovable property situated in Faridabad and Noida), Hospitalia Eastern Private Limited (immovable property situated in Ludhiana) and Fortis Hospotel Limited (immovable property situated in Gurugram) with minimum assets cover of 1.33x and the corporate guarantee received from Fortis Healthcare Limited. The facility was repayable in equal quarterly instalments starting from September 2024 till June 2029. This credit facility has been refinanced from Axis Bank during the current year.

(ii) Term loan from DBS Bank India Limited (DBS)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount (₹ in lacs)	-	701.31
Rate of interest (p.a.)	DBS Bank 3/12 M month MCLR + margin of 1% or any other rate as may be mutually agreed upon	DBS Bank 3/12 M month MCLR + margin of 1% or any other rate as may be mutually agreed upon
Accrued interest (₹ in lacs)	-	4.70

Term loan facility from DBS was secured by first pari passu charge over current assets and moveable fixed assets of the Company along with exclusive charge over immovable fixed assets of Escorts Heart and Super Specialty Hospital Limited located at Jaipur, Rajasthan with minimum assets cover of 1.33x and the corporate guarantee received from Fortis Healthcare Limited. The facility was repayable in quarterly instalments starting from December 2021 till September 2025. This credit facility has been prepaid during the current year.

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International Hospital Limited

(iii) Term loan from Axis Bank Limited

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount (₹ in lacs)	11,824.41	-
Rate of interest (p.a.)	Repo Rate plus 190 bps	-
Accrued interest (₹ in lacs)	-	-

Term loan facility from Axis Bank is secured by:

a) First pari passu charge over current assets and moveable fixed assets of the Company excluding the vehicles and medical equipment exclusively financed by other lenders.

b) Exclusive charge over immovable fixed assets of International Hospitals Limited (immovable property situated in Bannerghata Road) with a security cover of minimum 1.25x.

Balance outstanding against the term loan as on March 31, 2024, is ₹ 11,824.41 lacs of which ₹ 3,605 lacs is repayable in structured installment starting from May 2024 till June 2029 and ₹ 8,219.41 lacs is repayable in equal quarterly installments starting from August 2025 till June 2030.

(iv) During the current year, the Company has financed vehicle loans from ICICI bank which is secured against hypothecation of the vehicle financed and carries interest rate from 8.95%. The loans are repayable in equated monthly installments over four years. As on March 31, 2024, the outstanding balance of vehicle loan is ₹ 12.98 lacs.

(v) The overdraft facility from HSBC is secured by first pari passu charge over movable fixed assets of the Company both present and future, except the machinery and vehicles specifically financed by other banks or financial institutions and first pari-passu charge on current assets of the Company both present and future with rate of interest being HSBC overnight MCLR/1 month MCLR or any other rate as may be agreed. Till the previous year, the facility was further guaranteed by corporate guarantee issued by Fortis Healthcare Limited which has been withdrawn during the current year.

As on March 31, 2024, the outstanding balance of overdraft is ₹ 45.13 lacs (as at March 31,2023 ₹ 6.75 lacs).

(vi) The overdraft facility from Axis Bank is secured by first pari passu charge over current assets and moveable fixed assets of the Company, excluding vehicles and medical equipment exclusively financed by other lenders with rate of interest being Axis Bank 1M MCLR + 0.20% p.a. or any other rate as may be mutually agreed with bank.

As on March 31, 2024, the outstanding balance of overdraft is ₹ 15.56 lacs (as at March 31, 2023 ₹ Nil).

(b) Unsecured borrowings

(Amount in ₹ lacs)

Particulars	Note	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
		Non-Current	Current	Non-Current	Current
NCD issued to FHL	(i)	-	12,050.00	-	12,050.00
NCD issued to FHL	(ii)	-	12,960.00	-	12,960.00
NCD issued to FHL	(iii)	-	750.00	-	750.00
NCD issued to FHL	(iv)	-	17,000.00	-	17,000.00
NCD issued to FHTL	(v)	46,716.77	-	46,716.77	-
OCD issued to EHSSHL	(vi)	-	17,775.00	-	17,775.00
CCD issued to FHL	(vii)	-	-	-	-
Total		**46,716.77**	**60,535.00**	**46,716.77**	**60,535.00**

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(i) **Non-Convertible Debentures (NCDs)**

A. The Company had issued NCDs to RHT Health Trust Services Pte. Limited on October 14, 2015. On January 15, 2019 RHT Health Trust Services Pte. Limited sold these NCDs to Fortis Healthcare Limited. The details are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Number of NCDs	1,205,000	1,205,000
Principal amount outstanding (₹ in lacs)	12,050.00	12,050.00
Accrued interest (₹ in lacs)	7,797.26	6,246.43
Payment made against accrued interest (₹ in lacs)	-	-
Rate of interest (p.a.)	14.30%	14.30%
Terms of redemption	The maturity date of NCDs is October 13, 2033.	

As per the terms of the original agreement dated October 14, 2015, the debentures were not secured with any of the assets of the Company. On July 12, 2017, the debenture agreement was amended wherein the following charge was created against the debentures issued:

a) first and exclusive charge over the Company's investment in equity shares of Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited;
b) pledging of bank accounts maintained in Noida, Faridabad, Kolkata, Mulund, Kalyan, Amritsar, BG Road and Corporate office;

c) first ranking and pari pasu charge by the Company on all the freehold rights of the Company over the immovable property, moveable fixed and current assets at Faridabad and Noida clinical establishment;
d) financial guarantee by Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited; and

Effective December 23, 2019 Axis Trustee Services Limited has satisfied the above said charge based on the no objection certificate dated September 4, 2019 from Fortis Healthcare Limited. Accordingly, these NCDs are disclosed as unsecured.

B. The principal amount of NCD is repayable on October 13, 2033 and the interest on NCDs is payable on the half yearly basis i.e. April and October of every year.

As per the terms of the amended agreement dated July 12, 2017, consequent to the default in payment of interest, the outstanding principal and interest is repayable on demand. During the year ended March 31, 2019, the Company had defaulted in payment of interest and the Company continues with the default.

The Board of Directors of Fortis Healthcare Limited had during the earlier year confirmed through an extension letter that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. However, the Company does not have an unconditional right to defer the payment in case demanded by Fortis Healthcare Limited and accordingly these have been classified as current.

(ii) **Non-Convertible Debentures (NCDs)**

A. The Company had issued NCDs to RHT Health Trust Services Pte. Limited on October 14, 2016. On January 15, 2019 RHT Health Trust Services Pte. Limited sold these NCDs to Fortis Healthcare Limited. The details are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Number of NCDs	1,296,000	1,296,000
Principal amount outstanding (₹ lacs)	12,960.00	12,960.00
Accrued interest (₹ lacs)	2,788.98	1,132.70
Payment made against accrued interest (₹ in lacs)	0	5883.33
Rate of interest (p.a.)	14.20%	14.20%
Terms of redemption	The maturity date of NCDs is October 13, 2034.	

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As per the terms of the original agreement dated October 14, 2016, the debentures were not secured with any of the assets of the Company. On July 12, 2017, the debenture agreement was amended wherein the following charge was created against the debentures issued:

a) first and exclusive charge over the Company's Investment in equity shares of Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited;
b) pledging of bank accounts maintained in Noida, Faridabad, Kolkata, Mulund, Kalyan, Amritsar, BG Road and Corporate office;
c) first ranking and pari pasu mortgage by the Company on all the freehold rights of the Company over the immovable property, moveable fixed and current assets at Faridabad and Noida clinical establishment;
d) financial guarantee by Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited; and

Effective December 23, 2019 Axis Trustee Services Limited has satisfied the above said charge based on the no objection certificate dated September 4, 2019 from Fortis Healthcare Limited. Accordingly, these NCDs are disclosed as unsecured.

B. The principal amount of NCD is repayable on October 13, 2034 and the interest on NCDs is payable on the half yearly basis i.e. April and October of every year.

As per the terms of the amended agreement dated July 12, 2017, consequent to the default in payment of interest, the outstanding principal and interest is repayable on demand. During the year ended March 31, 2019, the Company had defaulted in payment of interest and the Company continues with the default.

The Board of Directors of Fortis Healthcare Limited had during the earlier year confirmed through an extension letter that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. However, the Company does not have an unconditional right to defer the payment in case demanded by Fortis Healthcare Limited and accordingly these have been classified as current.

(iii) **Non-Convertible Debentures (NCDs)**

A. The Company had issued NCDs to RHT Health Trust Services Pte. Limited on January 12, 2017. On January 15, 2019 RHT Health Trust Services Pte. Limited sold these NCDs to Fortis Healthcare Limited. The details are as follows:

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Number of NCDs	75,000	75,000
Principal amount outstanding (₹ in lacs)	750.00	750.00
Accrued interest (₹ in lacs)	464.75	375.99
Payment made against accrued interest (₹ in lacs)	-	-
Rate of interest (p.a.)	13.15%	13.15%
Terms of redemption	The maturity date of NCDs is January 11, 2035.	

As per the terms of the original agreement dated January 12, 2017, the debentures were not secured with any of the assets of the Company. On July 12, 2017, the debentures agreement was amended wherein the following charge was created against the debentures issued:

a) first and exclusive charge over the Company's investment in equity shares of Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited;
b) pledging of bank accounts maintained in Noida, Faridabad, Kolkata, Mulund, Kalyan, Amritsar, BG Road and Corporate office;
c) first ranking and pari pasu charge by the Company on all the freehold rights of the Company over the immovable property, moveable fixed and current assets at Faridabad and Noida clinical establishment;
d) financial guarantee by Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited; and

Effective December 23, 2019 Axis Trustee Services Limited has satisfied the above said charge based on the no objection certificate dated September 4, 2019 from Fortis Healthcare Limited. Accordingly, these NCDs are disclosed as unsecured.

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B. The principal amount of NCD is repayable on January 11, 2035 and the interest on NCDs is payable on the half yearly basis i.e. Jan and July of every year.

As per the terms of the amended agreement dated July 12, 2017, consequent to the default in payment of interest, the outstanding principal and interest is repayable on demand. During the year ended March 31, 2019, the Company had defaulted in payment of interest and the Company continues with the default.

The Board of Directors of Fortis Healthcare Limited had during the earlier year confirmed through an extension letter that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. However, the Company does not have an unconditional right to defer the payment in case demanded by Fortis Healthcare Limited and accordingly these have been classified as current.

(iv) **Non-Convertible Debentures (NCDs)**

A. The Company had issued NCDs to RHT Health Trust Services Pte. Limited on October 24, 2017. On January 15, 2019 RHT Health Trust Services Pte. Limited sold these NCDs to Fortis Healthcare Limited. The details are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Number of NCDs	1,700,000	1,700,000
Principal amount outstanding (₹ in lacs)	17,000	17,000
Accrued interest (₹ in lacs)	5,700.88	3,691.27
Payment made against accrued interest (₹ in lacs)	0	5156.67
Rate of interest (p.a.)	13.15%	13.15%
Terms of redemption	The maturity date of NCDs is October 23, 2035.	

W.e.f October 24, 2017, the above mentioned NCDs were secured by:

a) first and exclusive charge over the Company's investment in equity shares of Fortis Health Management Limited and Escorts Heart and Super Speciality Hospital Limited;
b) pledging of bank accounts maintained in Noida, Faridabad, Kolkata, Mulund, Kalyan, Amritsar, BG Road and Corporate office;
c) first ranking and pari pasu charge by the Company on all the freehold rights of the Company over the immovable property, moveable fixed and current assets at Kalyan, BG Road and Amritsar clinical establishment;
d) financial guarantee by Fortis Health Management Limited, Hospitalia Eastern Private Limited and Escorts Heart and Super Speciality Hospital Limited; and

Effective December 23, 2019 Axis Trustee Services Limited has satisfied the above said charge based on the no objection certificate dated September 4, 2019 from Fortis Healthcare Limited. Accordingly, these NCDs are disclosed as unsecured.

B. The principal amount of NCD is repayable on October 23, 2035 and the interest on NCDs is payable on the half yearly basis i.e. Oct and April of every year.
As per the terms of the agreement, consequent to the default in payment of interest, the outstanding principal and interest is repayable on demand. During the year ended March 31, 2019, the Company had defaulted in payment of interest and the Company continues with the default.

The Board of Directors of Fortis Healthcare Limited had during the earlier year confirmed through an extension letter that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. However, the Company does not have an unconditional right to defer the payment in case demanded by Fortis Healthcare Limited and accordingly these have been classified as current.

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(v) Non-convertible debentures (NCDs) issued to Fortis Hospotel Limited (FHTL)

The Company had issued NCDs' to Fortis Hospotel Limited on October 14, 2016. The details are as follows:

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Number of NCDs	4,671,677	4,671,677
Principal amount outstanding (₹ lacs)	46,716.77	46,716.77
Accrued interest (₹ lacs)	26,660.63	22,286.68
Rate of interest* (p.a.)	9.30%	9.30%
Redemption date	October 14, 2026	October 14, 2026

*These NCDs carry floating rate of interest based on the performance of the Company as below:

Sr. No.	**Level of EBIT**	**Rate of Interest**
1	Less than 3,000 Crore	9.30% p.a.
2	3,000 Crore to 3,250 Crore	18% p.a., provided additional 8.7% p.a. from closing date to the beginning of the year for which EBIT is more than 3,000 Crore
3	3,250 Crore to 3,500 Crore	20% p.a., provided additional 2% p.a. from closing date to the beginning of the year for which EBIT is more than 3,250 Crore
4	more than 3,500 Crore	22% p.a., provided additional 2% p.a. from closing date to the beginning of the year for which EBIT is more than 3,500 Crore

The interest accrued on the above NCDs is payable at the time of maturity or at early repayment date, as mutually agreed between the parties.

(vi) Optionally convertible debentures (OCDs) issued to Escorts Heart and Super Speciality Hospital Limited (EHSSHL)

A. The Company issued OCDs to Escorts Heart and Super Speciality Hospital Limited on September 17, 2012. The details are as follows:

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Number of OCDs	1,777,500	1,777,500
Principal amount outstanding (₹ in lacs)	17,775.00	17,775.00
Accrued interest (₹ in lacs)	6,340.30	15,643.55
Payment made against accrued interest (₹ in lacs	10,895.00	0.00
Rate of interest (p.a.)	9.00%	9.00%
Redemption	The maturity date of OCDs is September 16, 2030 or earlier by giving a six-month notice	

These OCDs carry floating rate of interest based on the performance of the Company as below:

Sr. No.	**Level of EBIT**	**Rate of Interest**
1	Less than 3,000 Crore	9% p.a.
2	3,000 Crore to 3,250 Crore	18% p.a., provided additional 8.7% p.a. from closing date to the beginning of the year for which EBIT is more than 3,000 Crore
3	3,250 Crore to 3,500 Crore	20% p.a., provided additional 2% p.a. from closing date to the beginning of the year for which EBIT is more than 3,250 Crore
4	more than 3,500 Crore	22% p.a., provided additional 2% p.a. from closing date to the beginning of the year for which EBIT is more than 3,500 Crore

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B. In case of these OCDs, only the lender has the option to convert the outstanding amount into the equity shares of the Company. Also, both the parties have option to early redeem the debentures by giving six months' notice. The interest on OCDs is payable on monthly basis or can be deferred upto a period of five years on a mutually agreed basis which has already been expired.

During the year ended March 31, 2019, the Company had defaulted in payment of interest.

The Board of Directors of Escorts Heart and Super Speciality Hospital Limited had confirmed through an extension letter that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. However, the Company does not have an unconditional right to defer the payment in case demanded by Escorts Heart and Super Speciality Hospital Limited and accordingly these have been classified as current.

(vii) Compulsorily convertible debentures (CCDs)

The Company in earlier years issued CCDs to Fortis Global Healthcare Infrastructure Pte. Limited (FGHIPL) in three tranches. The same were transferred to Fortis Healthcare Limited (FHL) on January 15, 2019. The details of these CCDs are as follows:

Sr. No.	Number of CCDs	Aggregate consideration of CCDs (₹ in lacs)	Interest rate (p.a.) payable quarterly	No. of equity shares to be issued upon conversion
1	6,508,000	65,080	17.00%	14,526,785
2	330,000	3,300	16.75%	292,862
3	3,771,000	37,710	17.50%	3,689,824

During the year ended March 31, 2019, the Company had defaulted in payment of interest as per the terms of the agreement. As per the agreement, consequent to the default in payment of interest, the outstanding interest is repayable on demand. On March 29, 2019, the Board of Directors of the Company passed a resolution to convert these CCDs into equity shares. However, interest accrued till the date of conversion has not been paid by the Company. During the current year, the Company has paid interest accrued of ₹ 11,800 lacs. The outstanding amount of such interest as included in other current financial liabilities amounts to Rs. 173.56 Lakhs (as on March 31, 2023: Rs 11,973.56 Lakhs).

10. Employee benefit plans

(a) Defined contribution plan

Under the defined contribution plans, the Company makes provident fund (PF) and employee state insurance (ESI) contributions for qualifying employees. The Company is required to contribute a specified percentage of the payroll costs to fund the benefits based on rates specified in the rules of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 respectively. During the year, the Company has recognised the following amounts in the statement of profit and loss under the defined contribution plans:

(Amount in ₹ lacs)

Particulars	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Contribution to provident fund	120.15	123.48
Contribution to employee state insurance	4.98	8.33
Total expense	**125.13**	**131.81**

(b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan, where each 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. Vesting occurs upon completion of 5 years of service. The Gratuity plan is unfunded.

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The following table summarizes the components of net benefit expenses recognised in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

(Amount in ₹ lacs)

Particulars	**As at**	**As at**
	March 31, 2024	**March 31, 2023**
i. Movement in Net Liability		
Present value of obligation at the beginning of the year	334.00	279.73
Current service cost	42.83	37.30
Interest cost	22.63	18.49
Actuarial (gain) /loss recognised in other comprehensive income	(2.42)	31.96
Acquisition cost {transfers in/(out)}	1.54	(2.80)
Benefits paid	(43.79)	(30.68)
Present value of obligations at the end of the year	**354.79**	**334.00**
Present value of unfunded obligation		
Amounts in the Balance Sheet		
(a) Liabilities	354.79	334.00
(b) Assets	-	-
(c) Net liability/(asset) recognised in the balance sheet	**354.79**	**334.00**
- Current Liability	18.88	33.49
- Non-Current Liability	335.91	300.51

(Amount in ₹ lacs)

ii. Expense recognised in Statement of Profit and Loss is as follows:	**Year ended**	**Year ended**
	March 31, 2024	**March 31, 2023**
Amount recognised in employee benefit expense		
Current Service cost	42.83	37.30
Total	**42.83**	**37.30**
Amount recognised in finance costs		
Interest cost	22.63	18.49
Total	**22.63**	**18.49**
Total amount charged to Statement to Profit and Loss	**65.46**	**55.79**

iii. Expense recognised in Statement of Other comprehensive income is as follows:	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Net actuarial loss / (gain) due to experience adjustment	(2.42)	31.96
Net actuarial loss / (gain) due to assumptions changes	-	-

The principal assumptions used in determining gratuity and compensated absences obligation for the Company's plan is shown below:

Principal actuarial assumptions for gratuity and compensated absences	**As at March 31, 2024**	**As at March 31, 2023**
Discounting rate (p.a.)	7.00%	7.25%
Expected salary increase rate (p.a.)	7.50% - 8.00%	7.50% - 8.00%
Withdrawal rate		
Age up to 30 years	18%	18%
Age from 31 to 44 years	6%	6%
Age above 44 years	2%	2%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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Notes:

a) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

(Amount in ₹ lacs)

	Year ended March 31, 2024		Year ended March 31, 2023	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Change in discount rate by 0.50%	(15.82)	17.05	(14.51)	15.66
Change in salary escalation rate by 1%	34.84	(30.62)	32.08	(28.14)
Change in withdrawal rate by 5%	(10.63)	11.29	(7.57)	7.98

Expected benefit payments for the future years

(Amount in ₹ lacs)

Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2027	Year ended March 31, 2028	Year ended March 31, 2029	Year ended March 31, 2030 to year ended March 31, 2034
19.53	27.09	26.76	33.25	60.90	273.83

As at March 31, 2024 the weighted average duration of defined benefit obligation was 9 years (March 31, 2023: 9 years)

11. Financial Instruments

i) Capital Management

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

The capital structure of the Company consists of net debt (borrowings as detailed in notes 5(xvi), 5(xvii), 5(xix) and 7(a)) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements other than for covenants under various loan arrangements of the Company.

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

Amongst other things, the Company's objective for capital management is to ensure that it maintains stable capital management by monitoring the financial covenants attached to the interest bearing loans and borrowings. The gearing ratio at March 31, 2024 is as follows:

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

(Amount in ₹ lacs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Debt*	169,273.12	173,242.62
Less: Cash and cash equivalents [Refer note 5(xiii)(a)]	(21.86)	(22.62)
Net debt	169,251.26	173,220.00
Total equity	129,454.69	116,329.60
Net debt to equity ratio	**130.74%**	**148.90%**

*Debt is defined as long-term and short-term borrowings (including interest accrued on borrowings, lease liabilities and excluding, financial guarantee contracts and contingent consideration).

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(ii) Financial risk management objectives

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

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

Market Risk

The Company's activities expose it primarily to the financial risk of changes in interest rates

a) Interest rate risk management

The Company is exposed to interest rate risk because Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(Amount in ₹ lacs)

If increase by 50 basis point	**Interest impact**	**Interest impact**
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Increase / (decrease) in profit or loss before tax for the year	(59.49)	(21.56)
Increase / (decrease) in other equity	(44.52)	(16.13)

If decrease by 50 basis point	**Interest impact**	**Interest impact**
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Increase / (decrease) in profit or loss before tax for the year	59.49	21.56
Increase / (decrease) in other equity	44.52	16.13

b) Other price risks

The Company investment are primarily in group companies and are held for strategic purposes rather than for trading purposes.

c) Credit risk management

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

Refer note 5(vi) of the financial statements for carrying amount and maximum credit risk exposure for trade receivables.

Expected credit loss on financial assets other than trade receivables:

Company carries other financial assets such as investments in fellow subsidiaries and interest accrued on such investments, security deposits, bank deposits and interest accrued theron, balances with banks, loans to related parties and interest accrued thereon, other receivable etc. Company monitors the credit exposure on these financial assets on a case-to-case basis. Loans to fellow subsidiaries are assessed for credit risk based on the underlying valuation of the entity

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and their ability to repay within the contractual repayment terms. Company creates loss allowance wherever there is an indication that credit risk has increased significantly.

Reconciliation of loss allowance measured at life-time expected credit losses for credit impaired financial assets other than trade receivables

(Amount in ₹ lacs)

Particulars of loss allowance	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	8,902.49	8,911.36
Loss allowance recognized	-	-
Utilisation of the loss allowance (written off)	(21.95)	(8.87)
Balance at the end of the year	**8,880.54**	**8,902.49**

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

As at March 31, 2024

(Rupees in lacs)

Particulars	Sanctioned limit	Undrawn limit
Axis Bank (term loan)	20,000.00	8,145.00
HSBC Bank (overdraft facility)	2,000.00	1,954.88
Axis Bank (overdraft facility)	2,000.00	1,984.44

As at March 31, 2023

(Rupees in lacs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (term loan)	8,025.00	3,870.00
DBS Bank (term loan)	3,000.00	-
HSBC Bank (overdraft facility)	2,000.00	1,993.26

The Company's cash inflows are largely dependent on receipt of receivable balances from fellow subsidiary i.e. Fortis Hospitals Limited. This party have confirmed that their ability and intention to settle the outstanding dues payable to the Company on a timely basis.

Further, the Company proposes to fund its operations in near future primarily from funds committed by holding company i.e. Fortis Healthcare Limited which has confirmed that it will provide continuous unconditional financial and operational support.

Liquidity and interest risk tables

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

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

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(Amount in ₹ lacs)

Particulars	Within 1 year	1-2 years	More than 2 years	Total	Carrying amount
As at March 31, 2024					
Compulsorily convertible debentures* (including accrued interest)	173.56	-	-	173.56	173.56
Optionally convertible debentures* (including accrued interest)	24,115.30	-	-	24,115.30	24,115.30
Non-convertible debentures (non-current) (including accrued interest)	-	-	73,377.60	73,377.60	73,377.60
Non-convertible debentures* (current) (including accrued interest)	59,511.87	-	-	59,511.87	59,511.87
Loan from bank (including accrued interest)	1,857.24	3,090.02	10,225.63	15,172.89	11,898.37
Bank Overdraft	60.69	-	-	60.69	60.69
Finance Lease obligation	129.51	84.01	-	213.52	196.42
Trade payables	2,513.36	-	-	2,513.36	2,513.36
Other financial liabilities – Current	1,645.92	-	-	1,645.92	1,645.92
Other financial liabilities – Non-Current	-	100.55	-	100.55	100.55
Total	**90,007.45**	**3,274.58**	**83,603.23**	**176,885.26**	**173,532.94**

(Amount in ₹ lacs)

Particulars	Within 1 year	1-2 years	More than 2 years	Total	Carrying amount
As at March 31, 2023					
Compulsorily convertible debentures* (including accrued interest)	11,973.56	-	-	11,973.56	11,973.56
Optionally convertible debentures* (including accrued interest)	33,418.55	-	-	33,418.55	33,418.55
Non-convertible debentures (non-current) (including accrued interest)	-	-	69,003.45	69,003.45	69,003.45
Non-convertible debentures* (current) (including accrued interest)	54,206.39	-	-	54,206.39	54,206.39
Loan from bank (including accrued interest)	579.12	1,458.02	3,249.51	5,286.65	4,309.81
Bank Overdraft	6.75	-	-	6.75	6.75
Finance Lease obligation	167.20	94.69	195.10	456.99	324.11
Trade payables	2,921.84	-	-	2,921.84	2,921.84
Other financial liabilities – Current	1,533.26	-	-	1,533.26	1,533.26
Other financial liabilities – Non-Current		192.91	-	192.91	192.91
Total	**104,806.67**	**1,745.62**	**72,448.06**	**179,000.35**	**177,890.62**

*The Board of Directors of the respective lenders have agreed that they will not call for the outstanding interest or/and principal till the time, the Company is in a position to make these payments. Also refer note 9(b)(i) to (iv) and 9(b)(vi).

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12. Fair value measurement

Financial assets measured at amortized cost

31 March 2024 (Amount in ₹ lacs)

Particulars	Note	Carrying value			Fair value
		Fair value through profit and loss (FVTPL)	Amortized cost	Total	
Financial assets					
Investment in optionally convertible debentures (including accrued interest)	(b)	-	103,708.42	103,708.42	103,708.42
Investment in preference shares (including accrued interest)	(b)	-	37,739.94	37,739.94	37,739.94
Investments in equity instruments as at amortised cost	(b)	-	2,468.12	2,468.12	2,468.12
Trade receivables	(a)	-	25,177.17	25,177.17	25,177.17
Cash and cash equivalents	(a)	-	21.86	21.86	21.86
Other bank balances	(a)	-	6,875.84	6,875.84	6,875.84
Intercorporate loan to related parties, current and non-current (including accrued interest)	(a)	-	192.39	192.39	192.39
Security Deposits (Non-current)	(b)	-	758.86	758.86	758.86
Bank deposits (including accrued interest)	(a)	-	7.97	7.97	7.97
Other financial assets (current)	(a)	-	21.36	21.36	21.36
Total		-	**176,971.93**	**176,971.93**	**176,971.93**
Financial Liabilities					
Loan from bank (including accrued interest)	(c)	-	11,898.37	11,898.37	11,898.37
Lease liabilities	(d)	-	196.42	196.42	196.42
Optionally convertible debentures: (including accrued interest)	(c)	-	24,115.30	24,115.30	24,115.30
Non-convertible debentures: current (including accrued interest)	(c)	-	59,511.87	59,511.87	59,511.87
Non-convertible debentures: non-current (including accrued interest)	(e)	-	73,377.60	73,377.60	67,497.16
Interest accrued on liability component of compulsorily convertible debentures	(c)	-	173.56	173.56	173.56
Trade payable	(a)	-	2,513.36	2,513.36	2,513.36
Other financial liabilities (current)	(a)	-	1,645.92	1,645.92	1,645.92
Other financial liabilities (non-current)	(a)	-	100.55	100.55	100.55
Total		-	**173,532.95**	**173,532.95**	**167,652.51**

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31 March 2023 (Amount in ₹ lacs)

Particulars	Note	Carrying value			Fair value
		Fair value through profit and loss (FVTPL)	Amortized cost	Total	
Financial assets					
Investment in optionally convertible debentures (including accrued interest)	(b)	-	103,414.19	103,414.19	103,414.19
Investment in preference shares (including accrued interest)	(b)	-	33,860.38	33,860.38	33,860.38
Investments in equity instruments as at amortised cost	(b)	-	7.20	7.20	7.20
Trade receivables	(a)	-	35,096.20	35,096.20	35,096.20
Cash and cash equivalents	(a)	-	22.62	22.62	22.62
Other bank balances	(a)	-	706.13	706.13	706.13
Intercorporate loan to related parties, current and non-current (including accrued interest)	(a)	-	120.00	120.00	120.00
Security Deposits (Non-current)	(b)	-	680.39	680.39	680.39
Bank deposits (including accrued interest)	(a)	-	2.90	2.90	2.90
Other financial assets (current)	(b)	-	10.71	10.71	10.71
Total		-	**173,920.72**	**173,920.72**	**173,920.72**
Financial Liabilities					
Term loan from bank (including accrued interest)	(c)	-	4,316.56	4,316.56	4,316.56
Lease liabilities	(d)	-	324.11	324.11	324.11
Optionally convertible debentures: (including accrued interest)	(c)	-	33,418.55	33,418.55	33,418.55
Non-convertible debentures: current (including accrued interest)	(c)	-	54,206.39	54,206.39	54,206.39
Non-convertible debentures: non-current (including accrued interest)	(e)	-	69,003.45	69,003.45	62,408.48
Interest accrued on liability component of compulsorily convertible debentures	(c)	-	11,973.56	11,973.56	11,973.56
Trade payable	(a)	-	2,921.84	2,921.84	2,921.84
Other financial liabilities (current)	(a)	-	1,533.26	1,533.26	1,533.26
Other financial liabilities (non-current)	(a)	-	192.91	192.91	192.91
Total		-	**177,890.62**	**177,890.62**	**171,295.65**

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

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short-term maturities of these instruments.

(b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

(c) The Company's borrowings have been primarily contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

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(d) Fair value measurement of lease liabilities is not required.
(e) The fair value of non-convertible debentures (including interest accrued) is calculated based on cash flows discounted using the current borrowing rate. This is classified as Level 3 fair value in the fair value hierarchy due to the use of unobservable inputs.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2024 and March 31, 2023.

The above table excludes investment in equity shares of fellow subsidiaries of ₹ 2,455.82 lacs (Previous year ₹ 2,455.82 lacs) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".
There are no financial instruments measured at fair value through Other Comprehensive Income.

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

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

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises*	541.28	312.66
- Interest due on above	5.38	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	5.38	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

*this also includes amount due to capital creditors amounting ₹ 275.56 lacs (as on March 31, 2023 ₹ 69.79 lacs).

14. Segment reporting

The Company is primarily engaged in the business of healthcare services which is the only reportable segment as per Ind AS 108 "Operating Segments"

Sales by market- Revenue from external customers by location of customers

The following table shows the distribution of the Company's revenues by geographical market:

(Amount in ₹ lacs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
India	43,136.56	39,467.57
Outside India	-	-
Total	**43,136.56**	**39,467.57**

Carrying value of non-current assets- by location of assets

The following table shows the carrying amount of non-current assets other than financial instruments by geographical area in which the assets are located:

(Amount in ₹ lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
India	136,511.79	126,566.10
Outside India	-	-
Total	**136,511.79**	**126,566.10**

Major customer

Fortis Hospitals Limited, a fellow subsidiary contributes more than 10% to the revenue of the Company. The revenue earned during the current year is ₹ 35,035.08 lacs (for the year ended March 31, 2023 ₹ 32,724.68 lacs).

15. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since, during the year the Company has not entered in to any international transaction with the associated enterprises, provisions of Section 92E of Income Tax Act, 1961 are not applicable to the Company. The management is of the opinion that its international transactions entered during the earlier years were at arm's length, thus the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

16. Contingent liabilities

Claims against the Company not acknowledged as debt

(Amount in ₹ lacs)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1.	Income tax		
	- Disallowance of interest on CCDs (Refer note 1 below)	42,936.60	31,123.28
	- Others	1,966.59	1,959.77
2.	Service tax	1,216.59	1,216.59
3.	Luxury tax	16.56	16.56
4.	VAT	1,480.61	1,482.51
5.	Medical negligence and related	99.99	99.99
6.	Others	146.84	794.90
		47,863.78	**36,693.60**

The Company believes that none of the above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements. The cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various stages/forums.

Note 1: As per clause 7 of the sponsor agreement dated September 18, 2012 the Company is indemnified by Fortis Healthcare Limited (Holding Company) for any losses suffered or to be suffered arising from outstanding assessments/ litigations relating to non-allowance of interest on compulsorily convertible debentures or optionally convertible debentures. Based on the management's own assessment, the Company believes that the probability of an unfavorable outcome is remote for the indemnified outstanding assessments/ litigations.

Note 2: On 28 February 2019, a judgment of the Supreme Court of India interpreting certain statutory defined contribution obligations of employees and employers (the "India Defined Contribution Obligation") altered historical understandings of such obligations, extending them to cover additional portions of the employee's income to measure obligations under employees Provident Fund Act, 1952. There are numerous interpretative issues relating to this judgement as to how the liability should be calculated, including the period of assessment, the application with respect to certain current and former employees and whether interest and penalties may be assessed. As such, the Company has been legally advised not to consider that there is any probable obligations for periods prior to date of aforesaid judgment.

Note 3: Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

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Guarantees

Outstanding guarantees furnished to banks on behalf of the holding company Nil (Previous year on behalf of holding company and fellow subsidiaries INR 20,000.00 lacs).

17. Financial guarantee contracts

The Company has given corporate guarantees in respect of the term loans, overdrafts, letter of credits, bank guarantee facilities availed from The Hongkong and Shanghai Banking Corporation Limited ('HSBC') and DBS Bank India Limited ('DBS Bank') for the related parties as tabulated below:

(Amount in ₹ lacs)

Name of related party	Relationship	As at March 31, 2024	As at March 31, 2023
Fortis Healthcare Limited	Holding company	-	20,000.00
Total		-	**20,000.00**

In accordance with the policy of the Company, the Company has designated such guarantees as 'Insurance Contracts'. The Company has classified the financial guarantees as contingent liabilities. Accordingly, there are no liabilities recognised in the Financial Statement under these contracts.

During the current year, the Company has withdrawn corporate guarantees given in respect of loans for the related party.

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18. Disclosure as per Section 186 (4) of Companies Act, 2013

i) The particulars of the loan given by the Company for the purpose of business expansion as required to be disclosed by Section 186 (4) of Companies Act, 2013 are as follows:

(Amount in ₹ lacs)

				Maximum Amount Outstanding		Closing Balance	
Name of the party	**Rate of Interest/ Premium on redemption**	**Redemption/ Termination date**	**Secured/ unsecured**	**31 March 2024**	**31 March 2023**	**31 March 2024**	**31 March 2023**
Hospitalia Eastern Private Limited [Note 1]	9.15 p.a. (March 31, 2023 : 7.95% p.a.)	March 31, 2025	Unsecured	120.00	120.00	120.00	120.00

Note 1: During the year ended March 31, 2019, Hospitalia Eastern Private Limited continued with the default in the payment of amount of principal and interest. As per the amended agreement, consequent to the default, the outstanding receivable on account of principal and interest are receivable on demand. Further, the agreement has been extended to 31 March 2025. Further, the board of director of the Company have agreed that they will not call for the outstanding principal till the time, Hospitalia Eastern Private Limited is in a position to make these payments.

During the year ended March 31, 2022, the Company and Hospitalia Eastern Private Limited had entered into a Memorandum of Understanding ("MOU") dated August 27, 2021 to amend the term of the loan agreement dated March 31, 2017 and as per the amended terms the principal amount of loan is receivable on March 31, 2023 and interest on loan is receivable on yearly basis. As per the amended agreement, Hospitalia Eastern Private Limited has defaulted in payment of interest.

ii) The particulars of the investments in equity shares by the Company for the purpose of business expansion as required to be disclosed by Section 186 (4) of Companies Act, 2013 are as follows:

(Amount in ₹ lacs)

Issuer's name	**Redemption/ Termination date**	**Secured/ Unsecured**	**Principal outstanding amount as at**	
			March 31, 2024	**March 31, 2023**
Escorts Heart and Super Speciality Hospital Limited	NA	Unsecured	1,298.94	1,298.94
Fortis Health Management Limited	NA	Unsecured	1,156.88	1,156.88
Renew Wind Energy AP Private Limited	At the time of termination of agreement	Unsecured	12.30	7.20

iii) The particulars of the investments in redeemable preference shares by the Company for the purpose of business expansion as required to be disclosed by Section 186 (4) of Companies Act, 2013 are as follows:

(Amount in ₹ lacs)

Issuer's name	**Premium on redemption**	**Redemption date**	**Secured/ Unsecured**	**Balance outstanding amount as at**	
				March 31, 2024	**March 31, 2023**
Fortis Health Management Limited	11.50%	July 26, 2026	Unsecured	11,526.63	10,342.38
Fortis Health Management Limited	11.50%	October 19, 2027	Unsecured	26,213.31	23,518.00

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iv) The particulars of the investments in optionally convertible debentures for the purpose of business expansion by the Company as required to be disclosed by Section 186 (4) of Companies Act, 2013 are as follows:

(Amount in ₹ lacs)

Issuer's name	**Premium on redemption**	**Redemption Date**	**Secured/ Unsecured**	**Principal outstanding amount as at**	
				March 31, 2024	**March 31, 2023**
Fortis Health Management Limited [Refer Note 1 below]	9% to 22% depending on Earnings before interest and tax (EBIT) of Company. At present, EBIT is less than ₹ 1,800 lacs, therefore interest rate is 9% p.a.	September 17, 2030 or prior to the maturity date by giving 6 months' notice	Unsecured	54,195.00	54,195.00
Hospitalia Eastern Private Limited [Refer Note 2 below]	9% to 22% depending on Earnings before interest and tax (EBIT) of Company. At present, EBIT is less than ₹ 3,900 lacs, therefore interest rate is 9% p.a.	September 17, 2030 or prior to the maturity date by giving 6 months' notice	Unsecured	7,800.00	7,800.00

Note 1: The redemption date specified above are the dates as per the terms of the agreement. The interest on the optionally convertible debentures is receivable on monthly basis or can be deferred up to a period of 5 years on a mutual agreement basis. The Company has not received the interest amount during the current year and previous year.

Note 2: The redemption date specified above are the dates as per the terms of the agreement. The interest on the optionally convertible debentures is receivable on monthly basis or can be deferred up to a period of 5 years on a mutual agreement basis. The Company has not received the interest amount during the current year and previous year.

V) During the previous year, the Company has issued corporate guarantee in respect of term loan, overdraft, letter of credit, bank guarantee facilities availed from DBS Bank India Limited. In accordance with the policy of the Company, the Company has designated such guarantees as 'Insurance Contracts'. The Company has classified the financial guarantees as contingent liabilities. Accordingly, there are no liabilities recognized in the financial statement under these contracts.

Refer below for details of the guarantee issued in respect of overdraft facilities availed for working capital requirements for the following related party.

(Amount in ₹ lacs)

Name of related party	**Relationship**	**As at March 31, 2024**	**As at March 31, 2023**
Fortis Healthcare Limited	Holding company	-	20,000.00
Total		-	**20,000.00**

19. Corporate social responsibility

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of CSR expenses, as certified by Management, are as follows:

Particulars	**March 31, 2024**	**March 31, 2023**
(i) Amount required to be spent by the Company during the 2023-24 and approved by Board	100.73	-
(ii) Amount of expenditure incurred, (Includes administrative expenses of ₹ Nil (previous year – Nil)),	100.73	-
(iii) Shortfall at the end of the year,	-	-
(iv) Total of previous years shortfall,	-	-
(v) Reason for shortfall,	-	-

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Particulars	March 31, 2024	March 31, 2023
(vi) Nature of CSR activities undertaken by the Company	Donation to Apprenticeship Program of ₹ 90.00 lacs and PM Cares Fund of ₹ 10.73 lacs.	-
(vii) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard,	-	-

20. Interest on delayed payment of service fees

A per the HMSA arrangement with the hospital operating companies, the Company receives service fee consideration from the Hospital operating companies, as an when due. As per terms of the HMSA, in the event of any delay in payment of the Service Fee, an interest at a rate of State Bank of India base rate plus 2% per annum (on a compounded monthly basis) shall be payable by hospital operating companies to the Company. The Company and hospital operating companies have agreed that no interest would be charged/demanded for the delay in the payments on amounts under HMSA for the financial year 2022-23 and 2023-24 on account of the continued business relation. Consequently, the Company has not recognised interest on the delayed payment of the service fees/technology renewal fund during the year ended March 31, 2023 and March 31, 2024.

21. Ratio Analysis and its elements

S. No.	Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Reason for variance
1	Current Ratio (in times)	Total current assets	Total current liabilities	0.36	1.32	-72.69%	Due to change in classification of interest accrued and investment from current to non-current
2	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	1.31	1.49	(0.12)	-
3	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Finance costs + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	1.68	1.85	-9.25%	-
4	Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	10.68%	10.09%	5.86%	-
5	Inventory turnover Ratio (in times)	Cost of goods sold	Average Inventory	11.10	9.56	16.20%	-
6	Trade Receivables Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Average trade receivable	1.43	1.14	25.66%	Due to higher collection from trade receivables during the current year
7	Trade Payables Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	1.16	1.05	11.04%	-
8	Net Capital Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Working capital (i.e. Total current assets less Total current liabilities)	(0.75)	1.16	-164.50%	Due to change in classification of interest accrued and investment from current to non-current.

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S. No.	Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Reason for variance
9	Net Profit Ratio (in %)	Net Profit	Revenue from operations (excluding liabilities no longer required written back)	30.49%	28.43%	7.22%	-
10	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth + Debts + Lease liabilities + Deferred tax liabilities	11.80%	11.52%	2.47%	-
11	Return on Investment (in %)	Income generated from invested funds	Average invested funds	9.19%	9.14%	0.51%	-

22. Other Statutory Information

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

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

(iii) 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

(iv) 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,

(v) 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).

(vi) The Company is not declared wilful defaulter by any bank or financial institution or other lender.

(vii) The Company has not made any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(viii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act.

(ix) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

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23. During the current year the shareholders of Fortis Healthcare Limited (Holding Company) approved to sell, transfer and dispose of all that piece and parcel of vacant land adjacent to Fortis Mohali Hospital as housed in the Company to the holding Company, for a consideration of INR 11,572 lacs. Subsequent to the year ended March 31, 2024 the Board of Directors of the Company also approved the same.

The above transaction is subject to necessary regulatory approvals which are considered substantive. Accordingly, no effect to the same has been given in the financial statements for the year ended March 31 2024.

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

Rajesh Arora
Partner
Membership Number: 076124

Place: Gurugram
Date: May 18, 2024

For and on behalf of Board of Directors of
International Hospital Limited

Manu Kapila
Director
DIN: 03403696

Anil Vinayak
Director
DIN: 02407380

Rajesh Kumar
Company Secretary
Membership No.: 58455

Ravi Bhatia
Chief Financial officer

Place: Gurugram
Date: May 18, 2024

International Hospital Limited