



Delivering Quality Healthcare with Commitment to Meaningful Priorities

Embedding ESG Pillars across
the Healthcare Spectrum



Aster DM Healthcare Limited
Integrated Annual Report 2021 - 2022

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Strong Performance in FY 2021-22

Revenue from operations

₹ **10,253**
Crore

EBITDA

₹ **1,483**
Crore

PAT (Post-NCI)

₹ **526**
Crore



To know more
about us in digital
mode, scan this
QR code in your QR
mobile application.

Introducing our Report

We are glad to publish our first Integrated Annual Report for FY 2021-22 in order to communicate to stakeholders our ability to create value in the short, medium, and long term in a transparent manner. Our Integrated Annual Report gives our stakeholders information on our performance, governance, major risks and opportunities, strategy, and future prospects. This report includes financial and non-financial performance, risk management, and key information relating to our strategy and business model, operating context, stakeholder interests, and governance, among other aspects. We build long-term value for our stakeholders in an ethical manner by incorporating various forms of capital available to us and furthering value-adding activities.

Report Boundary and Scope

The financial metrics and information presented in the Integrated Annual Report pertains to both Indian and overseas operations in all areas except statutory information for which standalone Indian entity figures are disclosed. We aim to concentrate on material issues that could have an impact on our business operations and long-term value creation for our stakeholders.

Reporting Frameworks

Our Integrated Annual Report is guided by the principles and requirements of the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework. The financial and statutory information in this report is in accordance with the requirements of the Companies Act, 2013, Indian Accounting Standards, and the related rules, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards, as amended from time to time.

Reporting Period

The Integrated Annual Report FY 2021-22 covers financial and nonfinancial performance of the Company from April 01, 2021 to March 31, 2022.

Assurance

To ensure the integrity of facts and information, the Board of Directors and Management have reviewed the Integrated Annual Report.

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in

good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Feedback

We welcome feedback on our report to ensure that we continue to disclose information that is pertinent and conducive to stakeholder decision-making. Please refer queries or suggestions to:

Mr. Hemish Purushottam -
cs@asterdmhealthcare.com

Mr. Saurabh Paliwal -
investors@asterdmhealthcare.com



ABOUT ASTER DM HEALTHCARE

With a network that meets all medical treatment, hospitalisation, diagnostic, and pharmaceutical needs, Aster offers outstanding healthcare to millions of people in the MENA[^] and South Asia regions.

We offer a diverse portfolio of specialised brands that serve patients in Primary, Secondary, Tertiary, and Quaternary Care, Healthcare Retailing, Diagnostic Laboratories, Digital Health, and Medical Education. With our patient-centric approach to medical care, we offer one of the largest and most widespread networks of Hospitals and Clinics, with the most premium healthcare facilities that aspire to make a difference. We use a multidisciplinary approach to provide the ideal therapy for each patient, helped by continual innovation and the deployment of cutting-edge technologies.

27*

Hospitals

~ 4.1 Million

Hospital OPD Visits

5,065^{##}

Bed Capacity

₹526 Crore

PAT(Post NCI)

120

Clinics

~ 6.2 Million

Clinic OPD* Visits

25,806

Asterians

371^{**}

Pharmacies

~ 8.0 Million

Pharmacy Visits

₹10,253 Crore

Revenue from Operations

*Count is 29 including Aster Hospital, Sharjah and Aster Mother Hospital, Kerala which have commenced operations in April 22 and May 22 respectively

**131 Pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster and GCC retail pharmacies includes Opticals

[^]Middle East and North Africa

[#]Out-Patient Discharges

^{##}Aster Hospital Sharjah and Aster Mother Hospital Areekode have commenced operations in April 22 and May 22 having 101 and 140 capacity beds, respectively

ASTER VISION 2030 AND VALUES



Our Vision

A Caring Mission with a Global Vision to serve the world with Accessible and Affordable Quality Healthcare.



Our Promise

“We’ll Treat you Well”

We live by this promise that sums up what we do and why we exist. This is our guiding philosophy in our interactions with patients, doctors, employees and society at large.



Our Values

Excellence

“ Surpassing current benchmarks constantly by continually challenging its ability and skills to take the organisation to greater heights ”

-Albert Einstein

Passion

“ Going the extra mile willingly, with a complete sense of belongingness and purpose while adding value to the stakeholders ”

-Steve Jobs

Respect

“ Treating people with utmost dignity, valuing their contributions and fostering a culture that allows each individual to rise to their fullest potential ”

-Mahatma Gandhi

Integrity

“ Doing the right thing without any compromises and embracing a higher standard of conduct ”

-Nelson Mandela

Compassion

“ Going beyond boundaries with empathy and care ”

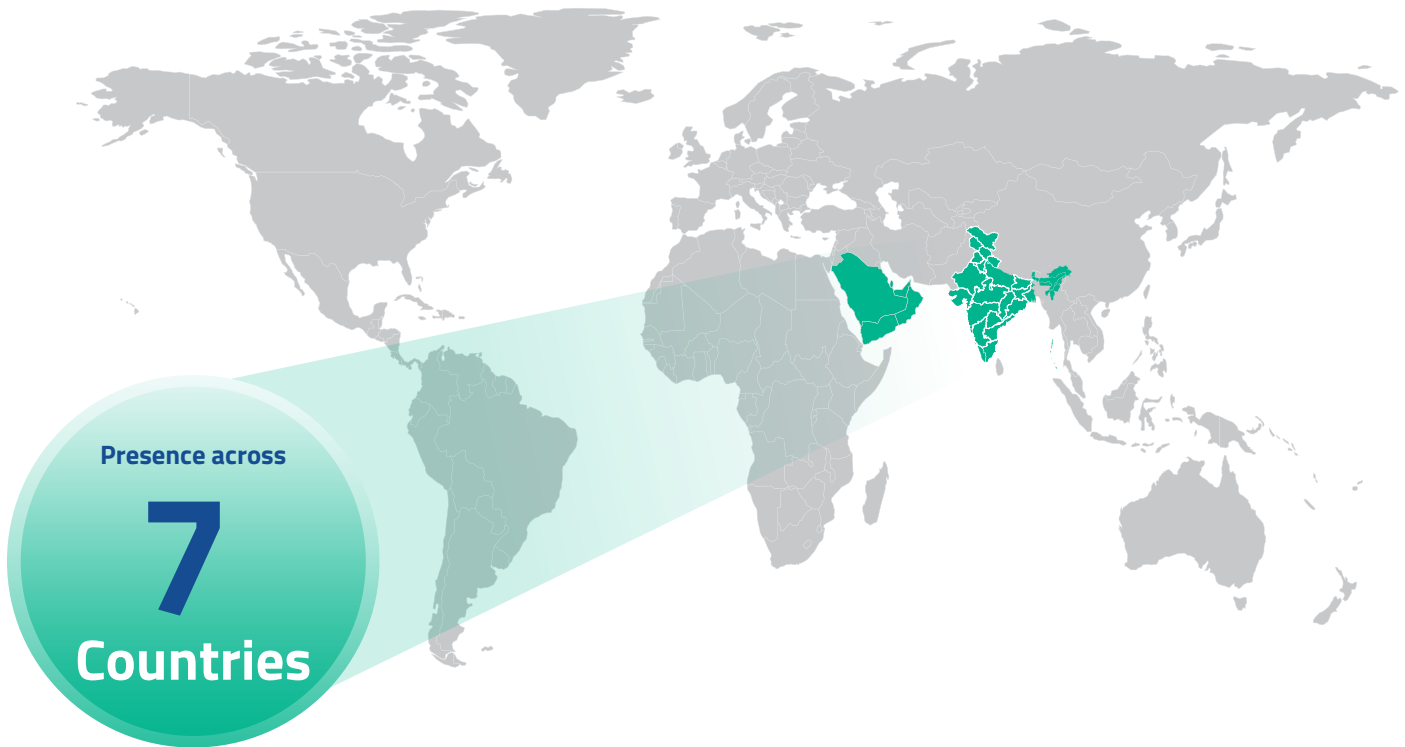
-Mother Teresa

Unity

“ Harnessing the power of synergy and engaging people for exponential performance and results ”

-H.H. Sheikh Zayed Bin Sultan Al Nahyan

ASTER GLOBAL FOOTPRINT



GCC

13*

Hospitals

109

Clinics

240

Pharmacies



Medcare

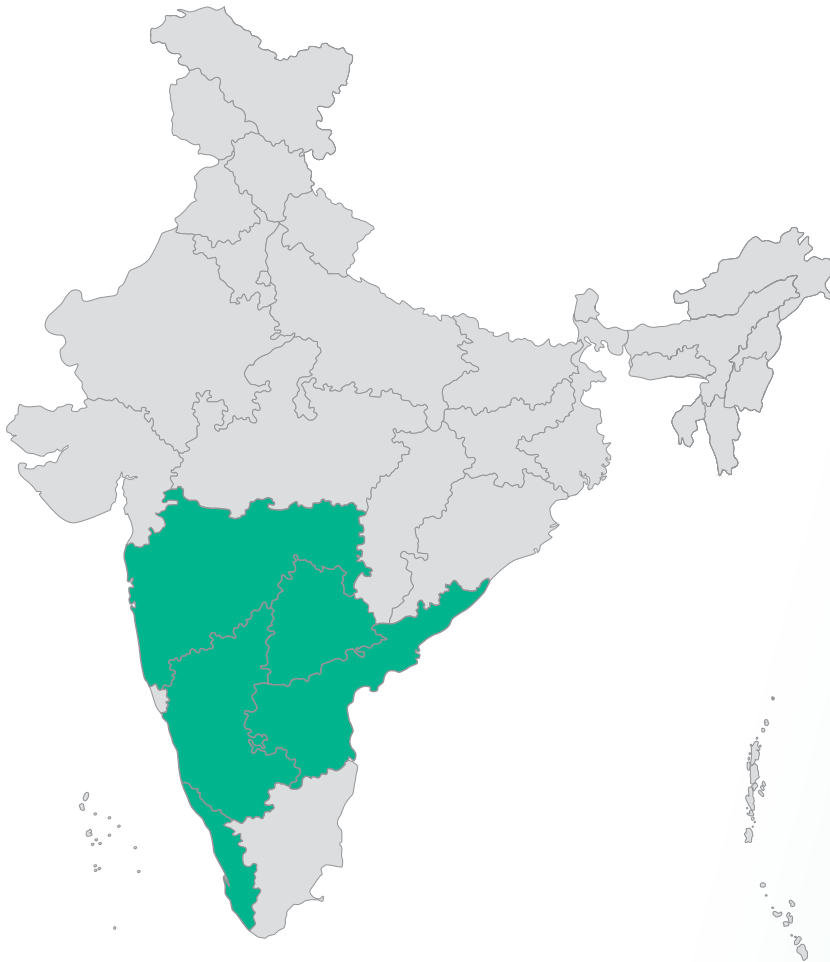
- + Medcare Hospital, Dubai, UAE
- + Medcare Orthopaedics and Spine Hospital, Dubai, UAE
- + Medcare Women & Children Hospital, Dubai, UAE
- + Medcare Sharjah Hospital, Sharjah, UAE



Aster

- + Aster Hospital Mankhool, Dubai, UAE
- + Aster Hospital Qusais, Dubai, UAE
- + Aster Cedars Hospital, Dubai, UAE
- + Aster Hospital Sonapur, UAE
- + Al Raffah Hospital, Muscat, Oman
- + Al Raffah Hospital, Sohar, Oman
- + Al Khair Hospital, Ibri, Oman
- + Aster Hospital, Doha, Qatar
- + Sanad Hospital, Riyadh, KSA

Count is 14 including Aster Hospital, Sharjah which commenced operations in April 22



India

14[#]

Hospitals

11

Clinics

131^{*}

Pharmacies

114^{**}

Labs & PEC

India Hospitals


- + Aster Medcity, Kochi, Kerala
- + Aster MIMS, Kottakkal, Kerala
- + Aster MIMS, Calicut, Kerala
- + Aster MIMS, Kannur, Kerala
- + DM WIMS, Wayanad, Kerala
- + Aster CMI, Bengaluru, Karnataka
- + Aster RV Hospital, Bengaluru, Karnataka
- + Aster Whitefield Women and Children Hospital, Bengaluru, Karnataka
- + Aster Aadhar, Kolhapur, Maharashtra
- + Aster Prime, Hyderabad, Telangana
- + Dr. Ramesh Hospital, Main Centre, Vijayawada, Andhra Pradesh
- + Dr. Ramesh Hospital, Labbipet, Vijayawada, Andhra Pradesh
- + Dr. Ramesh Hospital, Guntur, Andhra Pradesh
- + Dr. Ramesh Sanghamitra Hospital, Ongole, Andhra Pradesh

* Operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster

**2 Reference labs, 12 Satellite labs, 100 Patient experience centers

#Count is 15 including Aster Mother Hospital, Kerala which commenced operations in May 22

CHAIRMAN'S MESSAGE



For the year under review, our revenue was ₹ 10,253 crore, a growth of 19% over the previous year. Revenue from our India operations was at ₹ 2,384 crore, an increase of 44% from ₹ 1,654 crore in FY21.

Dear Shareholder,

It is my pleasure and privilege to address all of you with a sigh of relief as we are getting out of two years of living with the Covid pandemic. As the world recovers from the throes of a devastating pandemic, the significance of quality healthcare is being realized by all. While the pandemic has brought healthcare to the centre stage, it also highlighted the requirement for preparedness against unexpected and unknown challenges in the future.

The last two years have reinforced the significance of a strong and resilient healthcare system like never before. The pandemic created an interdependence between the healthcare sector along with all other sectors and the economy and the importance of this core sector to keep the life and economy buoyant was acutely realized. Countries around the world recognized the immense value of the sector and focused on improving healthcare spends as a priority. Many countries where the healthcare spend as part of GDP is very low, are allocating more funds for strengthening this crucial sector. In India, if the present spend of less than 3% doubles in 5 years, there will be exponential growth in the public and private healthcare sector, which will serve and save millions improving the quality of life of the population.

At Aster DM Healthcare, we have learned the importance of focusing on the 3S's to achieve this - Staff, Supplies and Space. We have put into place default systems to address any future challenges and to offer the best care to our patients even in a crisis. To provide care to the patients we serve, we realized that it is important first to protect our staff who take care of the patients. We have also made arrangements for seamless supply chain as well as to have access to space when required. While doing this, we have been focusing on making our model robust and sustainable which required redesigning

of our strategies and facilities. With the introduction of innovative methods and an emphasis on improving patient outcomes, we are determined to live up to our promise of "We'll treat you well" in normal times and during any unforeseen black swan crises in the future.

Considering the changing dynamics of the healthcare ecosystem, the industry is expected to be powered by technological innovation and greater usage of advanced methods for treatment and patient care. However, the most important limiting factor is the trained manpower, where there is an acute shortage. There is also high attrition, especially among doctors and nurses. Most of the healthcare organizations have an annual attrition of over 35% in nursing which needs to be brought down. At Aster, we consider it our responsibility to come up with the best possible ways to bring this down by ensuring better benefits and career opportunities for the nurses and other staff, to improve our care portfolio and enhance our service standards.

Along these lines, to honour and express our gratitude to the nursing community, we started the Aster Guardians Global Nursing Award, which will be an annual event. The first edition of this award was held on May 12, 2022, in Dubai. Nurse Anna Qabale Duba from Kenya was selected as the winner from among 24,000+ applicants from across the world. She was awarded a

trophy and a prize money of USD 250,000. Nine finalists from different continents were also honoured. We hope that this event will help to enhance awareness about the noble profession of nursing and encourage many youngsters to take up this profession.

The most important components of any healthcare organization are clinical and service excellence. I am proud to say that we have been at the top of this in the geographies we operate in and have been placed at the highest pedestal in both GCC and India. We have all our hospitals across geographies now accredited by reputed bodies like JCI or NABH and we continuously receive many awards in patient safety, clinical excellence, innovation, technology, etc. The Times of India Newspaper ranked one of our hospitals in India, the Aster Medcity at Kochi at Number 5 position in the country. Our hospitals in both, India and Dubai were included in the list of worlds 200 best hospitals by the reputed international magazine, Newsweek. LinkedIn, in its recent survey, adjudged Aster among the top 5 companies to work for in UAE.

Backed by strategic endeavours, we continue to sustain robust financial performances despite the challenges. For the year under review, our revenue was ₹ 10,253 crore, a growth of 19% over the previous year. Revenue from our India operations was at ₹ 2,384 crore, an

increase of 44% from ₹ 1,654 crore in FY21. Revenue from GCC operations was at ₹ 7,870 crore from ₹ 6,954 crore in FY21, an increase of 13%. We also recorded EBITDA of ₹ 1,483 crore, with healthy margins of 14.5% in FY22 as compared to EBITDA of ₹ 1,063 crore, an increase of 40% YoY with margins of 12.3% in FY21. EBITDA for our India operations have increased significantly from ₹ 144 crore in FY21 to ₹ 353 crore, a significant increase of 145%. GCC EBITDA had increased 23% from ₹ 919 crore in FY21 to ₹ 1,130 crore in FY22. We are continuously evaluating avenues for growing and expanding our business and uncovering new opportunities for forging strategic ties in the Gulf Cooperation Council (GCC) countries and in India.

In India, our focus now lies on raising our share of revenues from our existing businesses through better sweating of our assets. This is evident from the growth in revenue and profitability year-on-year. While India contributed 24% of the group EBITDA this year, the strategy is to grow this to an approximately 40% of the overall revenue in the next three years. To achieve the same, we are deploying strategies involving a healthy mix of focused cluster approaches, new revenue streams like low capex operations management of hospitals along with inorganic growth.

During the year, we introduced a new structure in India with 5 clusters namely the Kerala Cluster, Karnataka and Maharashtra Cluster, Andhra and Telangana Cluster, Pharmacy Cluster, and the Aster Labs Cluster. These businesses are driven by independent business heads and have produced significant traction in revenues and profits for us. The strategy is to build larger facilities in tier-I cities while developing affordable healthcare options in smaller towns on an asset-light model.

With regards to hospitals, during the year under review, we started a dedicated 77-bed women and children wing at our Aster MIMS hospital in Kerala which adds to the existing 244-bed capacity

at the facility. This launch is a part of our strategy to provide specialised care for women and children in boutique facilities attached to our main hospitals. In Kolhapur, Maharashtra, we have operationalised 24 additional beds this year as part of Aster Aadhar Hospital's expansion. More recently in May-22, we started operations at 140-bed Aster Mother Hospital in Areekode in Kerala. We are also planning to expand capacity at our other hospitals in Kerala.

In terms of capacity increase, in FY23, Phase 2 expansion consisting of 275 beds at Aster Whitefield Specialty Hospital, is expected to be completed in FY23. In addition to this, we also expect to add between 500-800 beds via an asset light model in tier-2 towns by taking over operations and management (O&M) of existing hospitals.

In Kasargod, Kerala, we have signed the lease agreement to build a 200-bed tertiary care multi-specialty hospital project which is also expected to complete by FY25. Phase 1 of the Aster Capital Hospital at Trivandrum, Kerala which will be a 350-bed facility has been announced

which is expected to be completed by FY26. We also have the 500-bed Aster KLE Hospital in Bengaluru which is expected to be completed by FY26.

Aster Labs has built strong presence in Karnataka & Kerala and has also expanded its presence to Maharashtra, Tamil Nadu, Andhra Pradesh, and Telangana. As of March 31, 2022, there were 2 Reference Labs, 12 Satellite Labs and 100 Patient Experience Centres (PEC). We have an aggressive growth plan and aim to expand our reach to 38 labs and around 400 experience centres by the end of FY 23, which will also involve further expansion into Maharashtra, Delhi, Tamil Nadu, and Karnataka.

In our pursuit to generate new revenue streams, we acquired majority stake in Hindustan Pharma Distributors Private Limited marking our venture into the pharmacy business to optimize our supply chain function of hospitals and franchised retail pharmacies. We have entered into an agreement with Alfaone Retail Pharmacies Private Limited (ARPPPL) to license the 'Aster Pharmacy' brand to run retail stores



Our focus now lies on raising our share of revenues from our existing businesses through better sweating of our assets. This is evident from the growth in revenue and profitability year-on-year. While India contributed 24% of the group EBITDA this year, the strategy is to grow this to an approximately 40% of the overall revenue in the next three years.

and online pharmacy operations. During FY22, ARPPL forayed into Telangana, Karnataka, and Kerala. As on March 31, 2022, we have 131 operational pharmacies serving 2.1 lakh customers in India. We plan to further expand the retail pharmacy footprint to over 300 pharmacies by the end of FY23.

Moving to GCC operations, the revenue from the region stood at ₹ 7,870 crore in FY22 as compared to ₹ 6,954 crore in FY21, registering a growth of 13%. The strong financial performance has come on the back of our robust operational performance. Aster was one of the first private players in UAE to introduce the telemedicine facility which saw tremendous growth. We also leveraged our capabilities to provide advanced care for patients in ICU through Tele ICU services. This reiterates our 35th foundation day promise that 'Care is just an Aster away'.

With regards to GCC hospitals, we had a soft launch of the 101 – bed Aster Hospital in Aster Sharjah in the month of April 2022. We will be commissioning the 145-bed hospital in Muscat, Oman in Q2 FY23. In Qatar, we are also planning to have a 60-bed expansion to our existing facility, which is currently in its design stage.

One of the most important strategic initiatives is the digital transformation of the Company with Bain & Company as consultants which has been going on for over a year. During the year, we did a few limited launches of our Aster Super App as we continued to enhance the feature set. The app is now live in some UAE clinics, but in FY 22-23 we shall cover GCC units and India as well. This will have significant impact on our business growth, providing an omnichannel approach for all our services including Clinics, Hospitals, Pharmacies, Labs, Homecare etc. across all geographies.

At Aster, we believe that our responsibility of ensuring sustained growth goes beyond our operations to ensuring societal growth



We consider environmental leadership as a long-term strategic imperative and are involved very deeply in community connect through the Aster Volunteers program in many geographies including India, the GCC region and Africa, among others.

through spearheading ESG activities. We consider environmental leadership as a long-term strategic imperative and are involved very deeply in community connect through the Aster Volunteers program in many geographies including India, the GCC region and Africa, among others. To substantiate my statement, I am pleased to share that Aster has been ranked 94th among Global 100 sustainable companies by Corporate Knights after rigorous assessment of over 6,000 companies with more than USD 1 billion revenue. It is also noteworthy that Aster is the only company from India and the Middle East to accomplish this remarkable feat, taking a place among global giants like Apple, Intel, Tesla, and Unilever. We also received the Golden Peacock Global CSR Award from the Institute of Directors, India for CSR and Sustainability this year.

To sum up, I am delighted that we continue to build a company that has clinical excellence and patient experience as a core offering while we also continue to work on improving profitability and generate earnings for our shareholders and focusing on sustainability by implementing best practices through ESG to meet UN SDGs.

For all our achievements, I am extremely grateful to our employees, customers, and shareholders who have remained steadfast with us. I remain confident that the new business strategies, especially the digital transformation, will make Aster one among the best in the healthcare sector in the regions we serve.

Sincerely,

Dr. Azad Moopen
MD, FRCP
Founder, Chairman and Managing Director

DEPUTY MD'S MESSAGE



we are actively investing into widening our range of offerings by setting up clinics, which are focused on wellness, where we shall provide a wide range of services, including functional medicine, cosmetics, aesthetics, IV drip therapy.

Dear Shareholder,

Aster DM Healthcare has yet again reinstated its leadership position this year in providing premium healthcare services to its patients. In another year of fighting adversity through collaboration and resilience, our team's resolve to work together in these stressful times helped us in providing the best clinical care to those who entrust us with their health.

The year was marked by strategic delivery and progress. Significant investments in digital solutions enabled us to explore innovative avenues for delivering relevant services to our patients. Our digital foray helped in providing comprehensive patient care.

As a part of our digital transformation journey, we continue to build and expand the use-case of our app - '1Aster' - a unified mode of engagement with our patient base. The app is launched with the endeavour to be the primary omni-channel mode of engagement with patients and allows us to have a unique integrated view of the patient care across all the healthcare touch points. We launched an initial version for a limited target audience in order to gather feedback, enhance the app's feature and improve its user interface. The fully operational version of the app is expected to be available for the public by

late FY23. The app has given us outstanding results with our patient base on the app rising threefold with the customer count doubling in a span of only 3 months of launch. We plan to replicate this omni-channel care model in top core markets of India, post successful launch in the UAE, in a phased approach by Q3-Q4 of the next financial year.

Riding on the digitisation wave, we had set up Aster Global Center (AGC) a year back. Numerous process improvement plans have been implemented thereby making processes agile across all major functions like Finance & Accounts, Procurement, Human Resources, Information Technology, Revenue Cycle Management (RCM) to name a few. We have over 350 people operating from three different locations in India – Bengaluru, Calicut & Gurgaon and AGC is poised to become 600 strong by end of FY 23. Not only has the AGC acted as a Business Continuity Process (BCP) location for all critical processes, but it has also slowly become the “go to” location for all new implementations. Aster Global Center is poised to become the Center of Innovation in the coming years, piloting some of the most critical and important processes and products for Aster.

We are determined to continue to use our digital foray to deliver comprehensive patient care and going forward, we have more launches lined up, one of which is the Data Lake digital initiative. This cross verticals data lake is to leverage native data across our verticals and shall help in unlocking cross-vertical opportunities as well as engagement for our patients and customers. This shall have use cases across marketing, finance, clinical and operations. We are working with some technology partners, and we have started work on this already this year.

In terms of hospital expansion in the GCC, the 101-bed Aster Hospital Sharjah commenced operations during the month of April 2022. We also expect to commission Aster Hospital in Muscat, Oman in Q2 FY23. We are also expanding our present facility in Qatar by 60 beds.

With regards to some of the new business initiatives, we are aware that we need to innovate and explore new business models, which involve sharing risk and rewards that will help make our business more sustainable and more resilient. We are working on few such models with our insurance payors in the GCC. We recently launched a joint product with Insurance Company for the lower income group. While these are still at nascent stage, they would be critical for us to remain relevant

in the coming years.

As part of our increased focus on medical tourism with regards to GCC growth strategy, in the last quarter, we have been able to attract and treat multiple cases from close by countries for gene therapy, especially from Turkey. We have been able to provide vaccination and cure to children suffering from SMA, which is quite a niche and advanced therapy.

To further our growth in the pharmacy business in GCC, we are exploring the franchise model for the pharmacies as well as looking at expansion feasibility in Jordan and Bahrain. With regards to UAE specifically, we are actively investing into widening our range of offerings by setting up clinics, which are focused on wellness, where we shall provide a wide range of services, including functional medicine, cosmetics, aesthetics, IV drip therapy. There is also going to be increased focus on growing other cash-related business like dental and mental health. We are also planning to add 1000 additional doors in UAE for Aster Brands through Modern Trade channels.

As far as India is concerned, we are planning to add around 1,325 beds in the next 2-3 years in Kasargod, Trivandrum and Bengaluru. We are also planning to reach 300 pharmacy stores, 38 labs and 400 patient experience centres by end of FY23.

Our business units are now adapting to the ESG model. The key aspects of our environmental pillar include energy efficiency, water optimization, circularity, and climate action. Through multiple energy efficiency initiatives, we were able to reduce 1,781 MWh of electricity across our hospitals in GCC. We continue to reuse the treated wastewater at multiple hospitals in India thus, recycling 273,217 KL of treated effluent. Across our hospitals in GCC and India, we recycled 85,915 Kgs of waste thus, contributing to the circular economy. Through the reduction of energy and water consumption as well as the integration of renewable energy, we are working towards reducing our carbon footprint. Approximately 750 tCO₂e reduction was achieved during this year and this year we initiated a Solar PV project of 1.4 MWp that is estimated to generate 2,358 MWh of clean energy annually across four hospitals in the UAE. Our people strategy focuses on the welfare of our employees as well as communities. Nurturing a diverse workforce is instrumental to our success, people from 70+ Nationalities work with us, with 57% of women.

The Aster Volunteers, our global CSR program has impacted additional 3 million+ lives in this

financial year. We have impacted 599,170+ beneficiaries through our 22 Aster Volunteer Mobile Medical Services (AVMMS) that are operational in 9 countries. 250 Aster Homes were built for the Kerala Floods victims in India. ₹ 18 crore+ worth of treatment support was provided through Aster DM Foundation and MIMS charitable trust.

Our COVID-19 community support program benefitted 1,959,898 individuals: We distributed 331,440+ food and ration kits, 15,486 PPE kits, 16,697 distress calls were attended to help people get medical and emotional support, and 591,650+ people benefitted through our webinars & online awareness sessions and 176,059 individuals benefitted from our Aster Volunteer Mobile Medical Services (AVMMS) camps in various geographies during the ongoing crisis.

Our ESG strategy is firmly rooted in our ESG policy, and the annual operating plan developed for all verticals of our business. Our values, code of conduct, CSR policy, and multiple procedures such as whistle blower, anti-corruption, and anti-discrimination steered through the CSR committee form the backbone of our ESG governance. Our ESG framework received several accolades from regional and global bodies like Golden Peacock Awards, Arabia CSR Awards, and Corporate Knights.

We take our social responsibility seriously, and our efforts in that line are a testament to our commitment. We take up several initiatives to ensure the well-being of not just our patients but also the communities we serve. To celebrate our 35 years of service and to keep in line with our commitment to support and empower the underprivileged population, Aster Volunteers, our social contribution arm, provides free and subsidised treatments to thousands of patients every year.

The difficulties of the preceding two years have only reinforced our commitment to keep Aster on the path of an inclusive growth. As we forge ahead to deliver valuable service to our patients and the society, we are grateful for the support and trust of our stakeholders. I am thankful to each of our stakeholders for their unwavering belief in our Company and look forward to their continued support and confidence in the years to come.

Regards,

Alisha Moopen
Deputy Managing Director

CFO'S REVIEW

Registering strong performance

Dear Shareholder,

The year under review saw unprecedented upheavals, marked by a collapse in the healthcare system of many countries, including India, during the second wave of the Covid-19 pandemic. In the last two years, the pandemic has altered the business world, the impact of which has been felt the world over. Furthermore, there has been significant volatility in the financial performance of some healthcare providers, both in India and Gulf Cooperation Council (GCC).



Despite overriding challenges, I am happy to inform that Aster DM Healthcare managed to remain resilient and prepared for the long-term. We were also successful in registering healthy growth in revenue and profitability as well as maintaining a robust balance sheet.

Spreading our reach

As the world strives to heal from the impacts of the pandemic, we too are adapting to the changing dynamics of the healthcare ecosystem, working collaboratively to leverage our full potential. Our strategies for expansion are underpinned by long-term visibility. In India, we continue to augment our hospital bed capacity, specifically in clusters where we are at good occupancy levels of 70% and above, while in the GCC region, we plan to consolidate our position in the UAE and further expand in Oman and Qatar. The 101-bed Sharjah UAE hospital had a soft launch in the month of April 2022. We are planning to commission the 145-bed hospital in Muscat, Oman in Q2 FY 23. We are also expanding our present facility in Qatar by 60 beds.

When it comes to India, in terms of capacity increase, at Aster Whitefield Specialty Hospital, Phase 2 expansion consisting of 275 beds is expected to be completed in FY23. We also expect to add between 500-800 beds in FY23 via an asset light model

in tier-2 towns by taking over operations and management (O&M) of existing hospitals.

In Kasargod, Kerala, we have signed the lease agreement to build a 200-bed tertiary care multi-specialty hospital project which is also expected to complete by FY25. In June 2022, we announced the launch of the 550-bed Aster Capital Hospital at Trivandrum, Kerala. Phase 1 of this facility, consisting of 350 beds is expected to be completed by FY26. Further, the 500-bed Aster KLE Hospital in Bengaluru is expected to be completed by FY26.

Delivering increased shareholder value

I am pleased to report that we have delivered a strong overall financial performance in the year under review in a constantly changing environment.

On a consolidated basis, in FY22, our revenue from operations have increased by 19% to ₹ 10,253 crore over the previous financial year. Revenue from India operations has increased to ₹ 2,384 crore, up 44% from ₹ 1,654 crore in FY21. Revenue from our GCC operations is ₹ 7,870 crore, an increase of 13% over FY21. Consolidated EBITDA for the year is ₹ 1,483 crore, an increase of 40% over the previous financial year.

In our operations in India, we witnessed a significant increase in the EBITDA and EBITDA margin. It has increased from ₹ 144 crore in FY22 to ₹ 353 crore in the year under review. EBITDA from our GCC operations stood at ₹ 1,130 crore, registering growth of 23% over last financial year. Our EBITDA margins from India operations improved by 610 bps to 14.8% in FY22 as compared to 8.7% in FY21. We were able to register healthy margins in India owing to maturity of hospitals, case mix and cost efficiencies which come with large format hospitals in metros and tier-1 cities.

Coming to the segmental performance for the year, GCC Hospital revenue stands at



When it comes to India, in terms of capacity increase, at Aster Whitefield Specialty Hospital, Phase 2 expansion consisting of 275 beds is expected to be completed in FY23.

₹ 3,532 crore, registering an increase of 11% over last year. GCC Hospital EBITDA increased by 15% year-over-year to ₹ 608 crore and EBITDA margin increased from 16.7% to 17.2%. GCC Clinic revenue was ₹ 2,440 crore, with an increase of 21% over FY21. In FY22, GCC Clinic EBITDA increased by 49% to ₹ 462 crore and EBITDA margin increased from 15.4% to 18.9%.

GCC pharmacies revenue increased from ₹ 2,037 crore in FY21 to ₹ 2,245 crore in FY22 registering a growth of 10%. EBITDA increased from ₹ 237 crore to ₹ 290 crore a total increase of 23%. EBITDA margin also increased to 12.9% as compared to 11.6% for the same period, last year.

Consolidated net debt stands at ₹ 1806 crore as against ₹ 2,004 crore last year, registering a reduction of ₹ 198 crore. India net debt stands at ₹ 319 crore compared to ₹ 306 crore last year. The GCC net debt has reduced to USD 197 million as on March 31, 2022, from USD 231 million as on March 31, 2021.

Return on Capital Employed (ROCE): We are committed to improving our capital efficiency ratios. With general improvement in the financial and operating parameters

as compared to the previous two years, India business attaining a larger scale and hospitals maturing, we expect the consolidated ROCE to improve from the current 9.7% to mid-teens over the next two years.

Leveraging our experience

Going ahead, I believe the stage is set for us to expand both in India and GCC, facilitating our profitable growth. With increasing consumption of digital technologies, we, at Aster DM Healthcare are in the process of implementing an integrated platform to better serve our customers.

In India, our focus on large-format hospitals in tier-1 cities is expected to deliver superior EBITDA margins. With steady growth in India's insurance sector, we plan to leverage our extensive experience of working in an insurance driven market in the GCC to further expand our foothold in the India market. Further, our focus continues to be on expanding our business through asset-light models in hospitals, diagnostics, pharmacy distribution and home care segments.

Our strong results and operational achievement also demonstrate our team's continued devotion and dedication and I would like to thank each of our members for their commitment and hard work. I would also like to extend my gratitude to our external stakeholders for their support and their unwavering belief in us.

I look forward to your continued support, as we continue our journey together to deliver the best-in-class healthcare services.

Regards,

Sreenath Reddy,
Group Chief Financial Officer

QUARTERLY HIGHLIGHTS

Quarter 1

GCC

- Aster Hospital in Qusais performed a laparoscopic colonoscopy for a rare case of adult intestinal blockage.
- At Medcare Hospital in Al Safa, a 71-year-old patient with a rare COVID 19 side effect was cured.
- The first infants in the UAE to get gene therapy treatment at Medcare Hospital are on the path of recovery.
- A couple was able to better manage their pregnancy after receiving an early diagnosis of a rare foetal condition at Medcare Women and Children Hospital.

India

- At a single centre, Aster Medcity did a research study on "robotic surgery-evaluation of experience with hysterectomies."
- During the pandemic, six children overcame all odds to get life-saving liver transplants at Aster RV Hospital.
- One of the first synchronised, leadless pacemaker surgeries in India was successfully completed at Aster Medcity.
- A 66-year-old cancer patient was given a fighting chance owing to immunotherapy at Aster CMI Hospital.
- At Aster MIMS Kannur, Kerala's first Nanoscope Arthroscopy was performed.

Quarter 2

GCC

- An Ethiopian woman woke up after 8 months in a coma at Aster Hospital in Al Qusais, Dubai, after suffering serious brain damage as a result of hypoxia.
- The first advanced endoscopic treatment for severe acid reflux was launched at Medcare Hospital in Dubai.

India

- The first Covid Lung transplant in Karnataka was performed at Aster CMI Hospital on a 29-year-old anaesthetist and critical care physician from a private hospital that specialised in Covid care.
- Aster RV Hospital in Bengaluru performed the unit's first Bilateral Lung Transplant on a 30-year-old female patient with post TB bronchiectasis, on home BiPAP, PEG feed with BMI of 16.
- Six cases of per oral endoscopic myotomy (POEM) for achalasia cardia were successfully completed at Aster MIMS Hospital in Calicut.
- A Maldivian citizen recovered quickly after undergoing Percutaneous Endoscopic Lumbar Discectomy (PELD) on the disc at Aster MIMS Hospital Kottakkal.

Quarter 3

GCC

- Aster Hospital in Al Qusais, UAE, treated a secondary intrathoracic goitre.
- Aster Hospital, Mankhool successfully treated a complicated case of pancreatic head mass.
- Successful recovery from continuous watery discharge at Aster Hospitals, Mankhool.
- Medcare Hospital Al Safa treated the Familial Mediterranean Fever.

India

- A 40-year-old male with a history of persistent recurring spontaneous hypoglycemia was diagnosed with a rare Non-Insulinoma Pancreatogenous Hypoglycemia Syndrome (NIPHS) at Aster RV Hospital in Bengaluru.
- Doctors at Ramesh Sanghamitra Hospital in Ongole, Andhra Pradesh, saved a young boy's life whose stomach was inflated with a high-pressure air pump.
- Karnataka's first post-Covid double lung transplant was performed at Aster CMI Hospital in Bengaluru.
- A 71-year-old woman with rheumatic heart disease underwent a rare and minimally invasive heart procedure at Aster RV Hospital.

Quarter 4

GCC

- Aster Hospital, Mankhool performed laser lithotripsy for a large CBD stone utilising a Cholangioscope.
- Aster Sanad's expert team of doctors saved a father of three (43-year-old patient) involved in a race accident.
- Uni-compartmental Osteoarthritis of knee treated successfully at Aster Hospital, Mankhool.
- At Aster Hospital in Mankhool, two cases of complete and partial molar pregnancy were successfully treated.
- At Medcare Hospital, Al Safa a 64-year-old man was treated for a rare and complex case of gastric adenocarcinoma.
- Medcare Hospital, Al Safa performed the LINX operation to treat GERD.
- At Medcare Women and Children Hospital, the life of a 24-week-old preterm baby suffering from necrotizing enterocolitis was saved.
- Doctors delivered the first quadruplets at Medcare Women & Children Hospital.

India

- VNOTES (Vaginal Natural Orifice Transluminal Endoscopic Surgery) was conducted for the first time in Kerala at Aster MIMS Kannur.
- Doctors at Aster RV Hospital performed multivisceral resection surgery on a 45-year-old colon cancer patient in an extremely rare case.
- At Aster RV Hospital, a bilateral simultaneous (both ears) cochlear implant surgery was performed by the Department of ENT and Hearing Implantology to give the gift of hearing to a 20-month-old baby.
- Aster Medcity surgeons had undertaken a 16-hour heart operation to save a patient's life after he was turned down for treatment at two private hospitals due to the case's complexity.
- The specialists at Dr. Ramesh Hospital conducted a record-breaking 37 Per Oral Endoscopic Myotomy procedures.
- Doctors at Aster CMI hospital successfully transplanted a mother's kidney to her 10-year-old child.

BUSINESS MODEL

Inputs

Financial Capital

- ₹ 4,483 Crore Equity
- ₹ 1,806 Crore Net Debt

Manufactured Capital

- 27 Hospitals*
- 120 Clinics
- 371 Pharmacies**
- 114 Labs & PEC***

Intellectual Capital

- ₹ 56 Crore Invested in Digital Technology up to March 31, 2022

Human Capital

- 25,806 Employees (includes outsourced)
- 13,800+ Man days Invested in training in FY 21-22
- 11 programs launched for the nurses

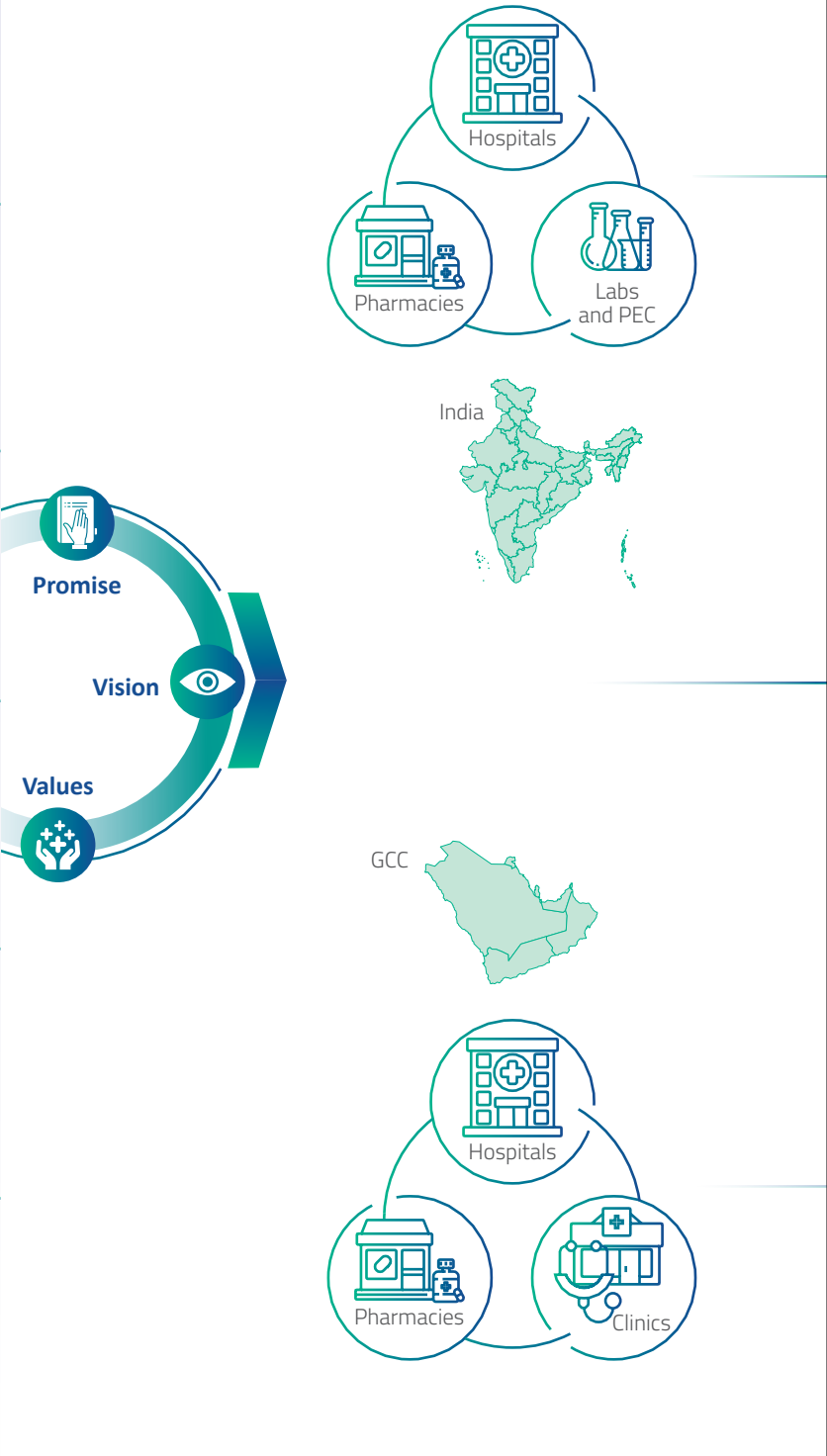
Social and Relationship Capital

- ₹ 6 Crore CSR expenditure#
- 45,000+ Aster volunteers

Natural Capital

- 9.14 (MWh/ ₹ crore) Energy Intensity
- 94 GWH Total Electricity Consumption
- 10,01,019 KL Total Water Consumption

Our Ecosystem



*Count is 29 including Aster Hospital, Sharjah and Aster Mother Hospital, Kerala which have commenced operations in April 22 and May 22 respectively
 **131 Pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster and GCC retail pharmacies includes Optical.
 ***2 Reference Labs, 12 Satellite Labs and 100 Patient Experience Centers
 #Includes expenditure by Aster DM Foundation

Patient Lifecycle Management

Resource Talent Management

Hub and Spoke model

Our Offerings

-  Primary Care
-  Secondary Care
-  Tertiary Care
-  Quaternary Care
-  Healthcare Retailing
-  Diagnostic Laboratories
-  Digital Health
-  Medical Education

▶ Outputs

▶ SDGs Linked



Financial Capital

- ₹ 10,253 Crore Revenue
- ₹ 1,483 Crore EBITDA##
- ₹ 526 Crore PAT (post NCI)



Manufactured Capital

- 4.1 Mn Hospital OPD visits
- 6.2 Mn Clinic OPD visits
- 8.0 Mn Pharmacy visits



Intellectual Capital

- 13 Research Partnerships in a year
- 1,73,877 users through Aster eConsult since inception



Human Capital

- 520 Doctors underwent training sessions
- 7000+ Nurses upskilled
- 62% Successors identified



Social and Relationship Capital

- 3 million+ Individuals positively impacted
- 1,90,000+ BLS Awareness Training
- 5,99,170+ Individuals assisted through Aster Volunteer Mobile Medical Services



Natural Capital

- 3,405 KLD Total sewage treatment plant capacity
- 2,68,983 KL of Water Recycled across Aster Hospitals Potable water saved
- 1.4 MWp of Solar Project Proposed at Aster Hospitals
- Net Zero emissions Goal by 2050



excluding other income and gain/(loss) on fair value of put option

MATERIALITY ASSESSMENT

We endeavour for progress in all areas relevant to our healthcare activities, as it is critical to us that our sustainability practices contribute to the strengthening of our ESG portfolio.

We consider the voices of both our internal and external stakeholders when determining materiality. Our stakeholders' environmental concerns, emphasis on social inclusion and transparent governance have prompted us to evaluate our value drivers using a holistic ESG lens. To identify and report on our material issues, we used the GRI Standards materiality assessment methodology.

Step 1

We undertook the following activities to develop a long list of KPIs

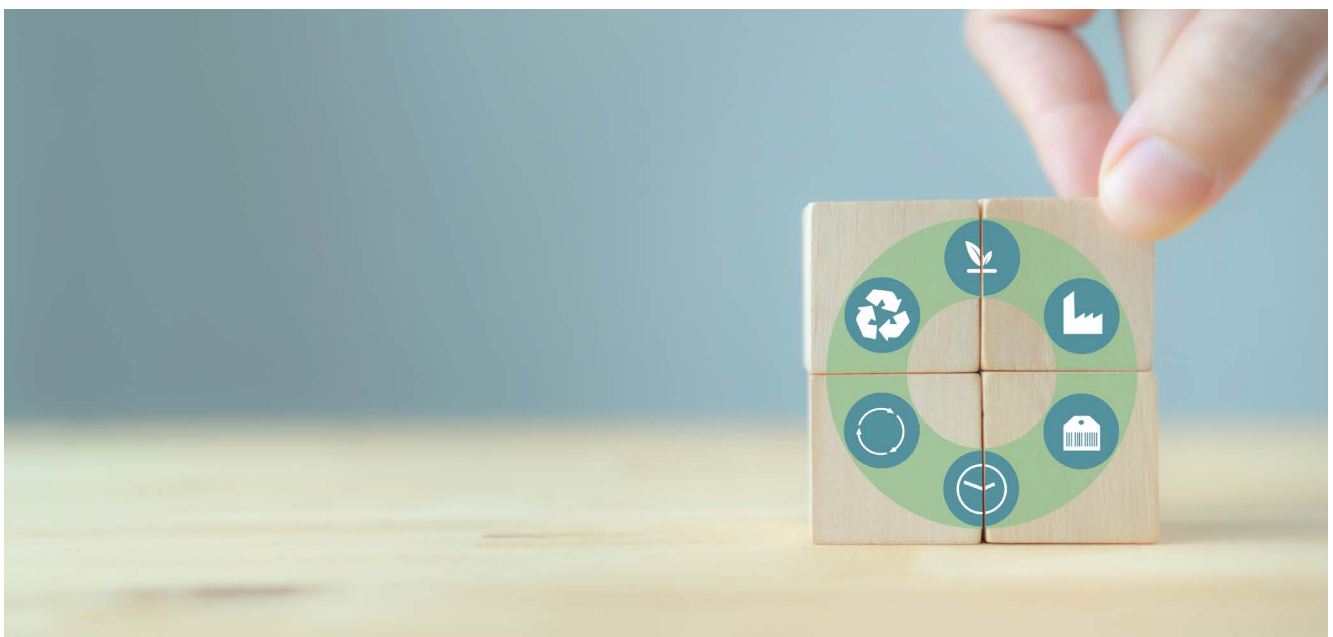
- Stakeholder feedback Peer review.
- Referred to the UNSDGs and standards like GRI, Dow Jones sustainability index.
- Applicable regulations and industry-specific frameworks like JCI.

Step 2

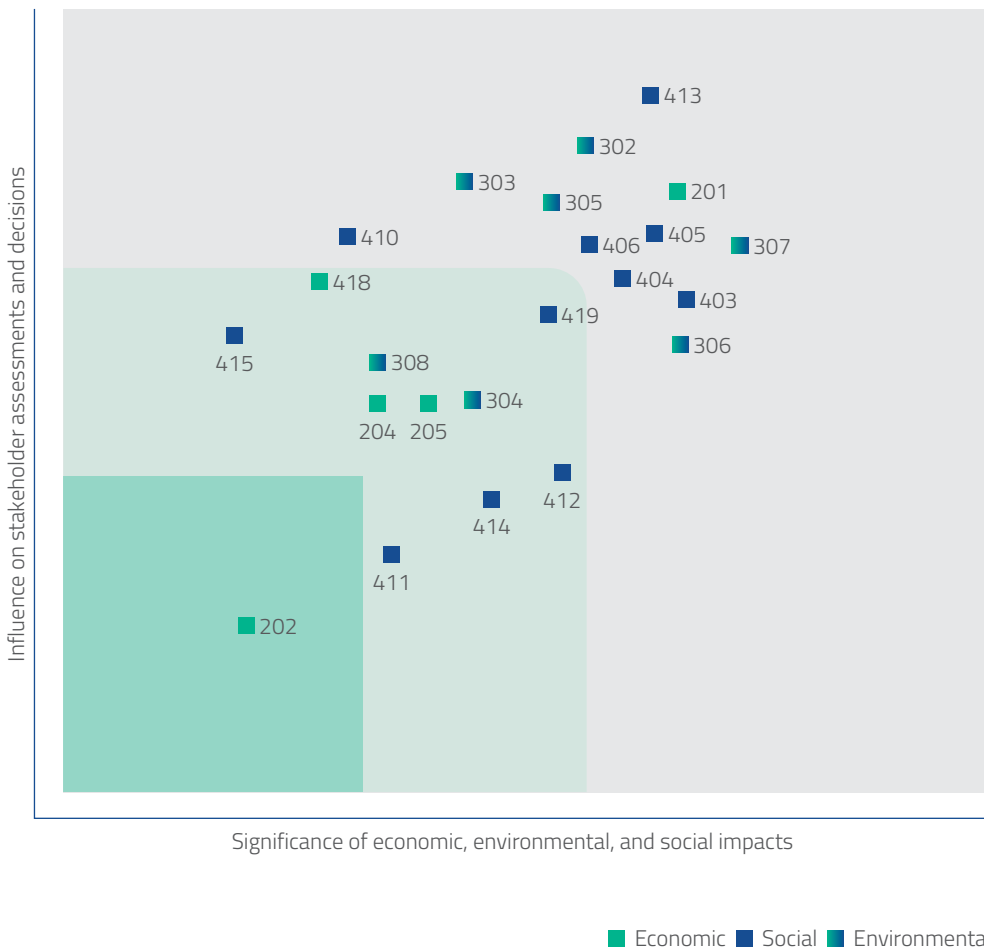
- Prioritising the KPIs in consultation with both internal and external stakeholders.
- Each KPI information is then assessed with our long term goals, strategies and priorities.
- Using this information, a formal materiality matrix is developed, which is then approved by the management.

Step 3

- Reporting the KPIs after assuring the data and information for completeness, relativity and balance.



Our Material Issues



Economic

GRI 201: Economic performance

Social

- GRI 413 :** Local communities
- GRI 405 :** Diversity and equal opportunity
- GRI 404 :** Training and education
- GRI 403 :** Occupational Health and Safety
- GRI 406 :** Non-discrimination

Environmental

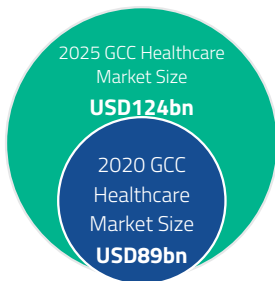
- GRI 302 :** Energy
- GRI 303 :** Water
- GRI 306 :** Effluent and waste
- GRI 305 :** Emissions
- GRI 307 :** Environmental compliance

MACROECONOMIC TRENDS

GCC

- GCC has a large healthcare market potential with significant growth and is expected to reach \$124 billion by CY25 at a CAGR of 7%.

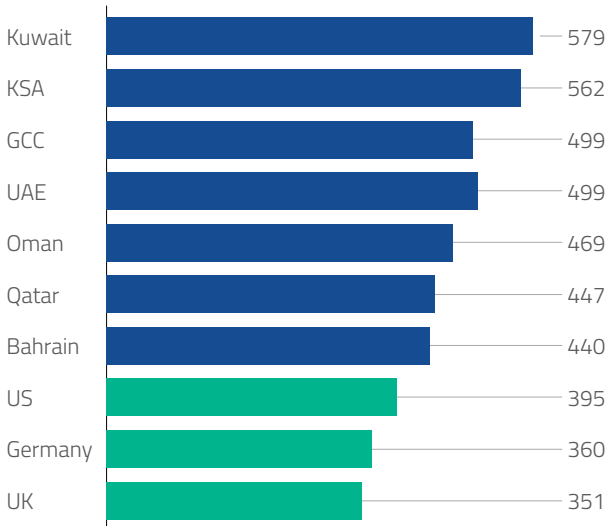
GCC-Large Market Potential with Significant Growth



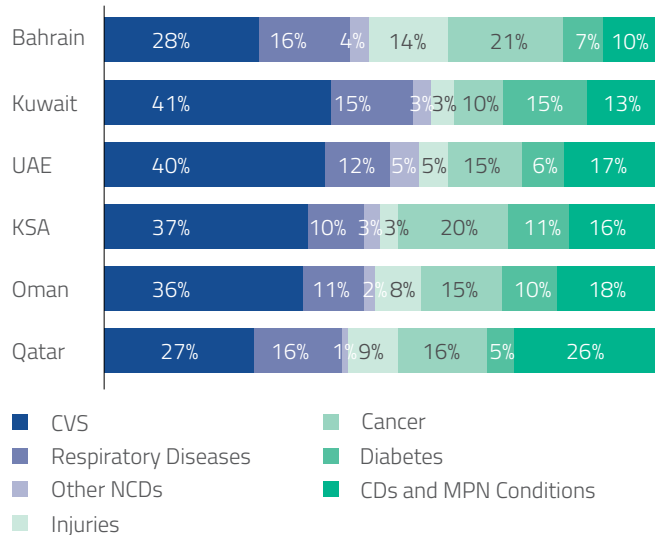
Source: Statista, UAE Ministry of Economy

There is a large proportion of GCC deaths caused by Non Communicable Diseases (NCDs) with 50% deaths in each GCC country due to four major NCDs.

Large Proportion of GCC Deaths caused by NCDs



Proportion of deaths caused by various diseases



Favourable Regulatory Trends in GCC

Mandatory Insurance

- The GCC member states have implemented / are under process of implementing laws to require foreign visitors and residents to have health insurance.
- Mandatory insurance in UAE has led to strong volume growth over the past five years.
- Mandatory insurance is expected in Oman and Qatar in the near future.

Impetus to Medical Tourism from policy reforms

- Dubai and Abu Dhabi are at the forefront amongst the GCC nations in attracting medical tourists owing to relaxed processes, less waiting period and strategic geographic location.

- The Health Authority of Abu Dhabi and Abu Dhabi Tourism & Culture Authority have entered into an agreement to form a medical tourism network to attract and serve patients with a focus on cardiology, ophthalmology and diabetes treatment.

Long-term plans to strengthen healthcare system

- GCC as a region faces a shortage of medical professionals required to serve the increased healthcare demand. Individual efforts by member states and coordinated capacity building efforts along with WHO are ongoing in the region.
- Cooperative international medical relationships in the form of scholarships, premedical and other programs with renowned institutions such as Harvard, Johns Hopkins, New York University etc.

7%
CAGR (2011-22) of GCC population older than 50, the highest among all age groups

3x
Times more mortality rate due to cardiovascular diseases as compared to UK or Australia

2x to 4x
Times more diabetes prevalence ratio (17.3%⁽¹⁾ compared to UK or Australia

1.2x
Times higher overweight prevalence ratio (34.1%)⁽³⁾ compared to UK or Australia

50%
Deaths in each GCC country because of the four major NCDs⁽²⁾

1. Age 20-79 years

2. Cardiovascular diseases, cancer, respiratory diseases and diabetes

3. Obesity rate % as of 2016.

Source: WHJO, IMF, Health Ministries of Bahrain, Oman, Qatar and KSA, FCSA, CSB, MDPS, Health Planning and Assessment Department of Qatar, OECD, IMF, Alpen Capital, The World Factbook

Note: NCDs - Non Communicable Diseases, CD - Communicable Diseases, CVS - Cardiovascular diseases

Policies supportive of private healthcare sector

- Increased Public-Private Partnership (PPP) opportunities in GCC states to be the driving force for smart hospital projects and digital initiatives & innovation in the healthcare sector.
- 100% foreign ownership in healthcare permitted in UAE. Dubai has implemented the regulations and other Emirates are expected to follow.

Diversification of economy away from oil and into other sectors

- GCC states are systematically diversifying their economy through a mix of government spending and policy reforms including various stimulus packages for the private sector, capital market reforms, labour reforms, liberalisation of foreign investment etc.

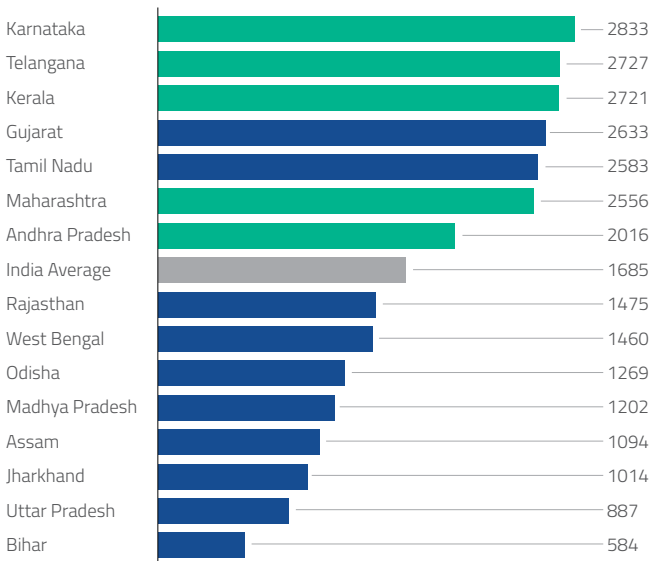
- A key component of these plans is investment in infrastructure and development of 'smart cities' and special economic zones (NEOM in KSA, Masdar in UAE).

India

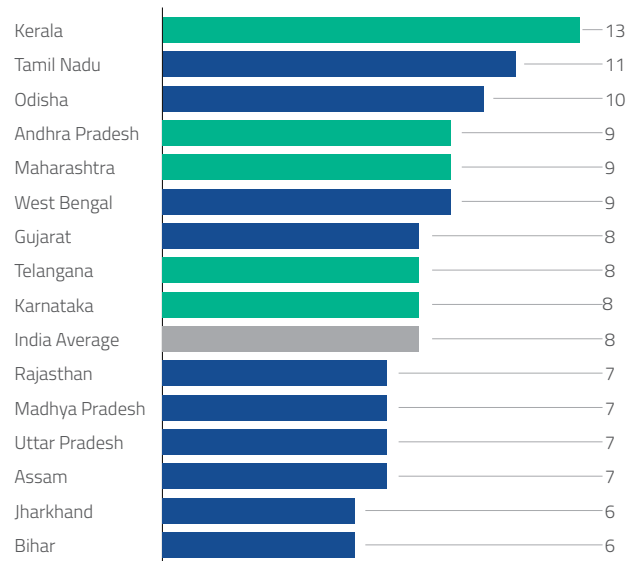
- Aster's core markets in India offer attractive growth prospects as they have among the highest per capita income in India with a much higher proportion of their population being higher than 60 years.
- The key states, especially Kerala, have a high percentage of deaths caused by Non Communicable Diseases. About 65% of the aged population in Kerala is affected by morbidity.
- In comparison to the previous year, the annual budget allocation to the National Health Mission has increased by over 7%.

- The FY22 Budget included ₹ 10,000 crore for the Pradhan Mantri Swasthya Suraksha Yojana and increased funding for health infrastructure to ₹ 978 crore.
- Budgetary support for the Pradhan Mantri Ayushman Bharat Health Infrastructure Mission increased significantly in FY22. It is proposed to transfer ₹ 4,176 crore of the authorised budget to the states in order to support wellness centres, establish integrated public health labs, and build critical care hospital blocks in districts with a population of more than 5 lakh people.

Aster's Key states have among the highest per-capita income in India (\$mn)



With a much higher proportion of their population older than 60 years (%)



Source: Census, MOSPI, ICMR, NSS Survey, Lancet, PHFI
 Note: NCD: Non Communicable Diseases
 1. NSDP data for 2018-19: States with population > 30mn as per Census 2011 data considered
 ■ indicates presence of Aster

STAKEHOLDER ENGAGEMENT

Stakeholders	Key Stakeholder Concerns	Stakeholder Expectations
 <p>Patients</p>	<ul style="list-style-type: none"> • Timely care • Continuity of care • Emergency care • Health care information • Best treatment 	<ul style="list-style-type: none"> • Attend to the needs of the patient in emergency, OPD's and inpatient units • Effective & timely triaging • Transfer summary communications • Prompt interventions in hospital emergencies • World class evidence based treatment
 <p>Employees</p>	<ul style="list-style-type: none"> • Equitable pay structures, performance incentives, and benefit structures • Job stability, skill development, and career development • Gender equality, diversity, and inclusion • Equitable policies, practises and procedures • Employee well-being, safety, and health 	<ul style="list-style-type: none"> • Safety and job security • Employee well-being • Positive and open workplace • Capability building, development and enhancement of skills • Career growth opportunity
 <p>Suppliers, Partners, and Collaborators</p>	<ul style="list-style-type: none"> • Fair contract terms and prompt payment • Continuous communication about our expectations and service levels • Building long-term relationships • Service delivery and quality 	<ul style="list-style-type: none"> • Sharing mutual expectations and needs, particularly in terms of quality, cost, and delivery timeliness • Plans for enhancing capabilities and accelerating growth • Sharing of best practises
 <p>Regulatory and Industry bodies</p>	<ul style="list-style-type: none"> • Compliance with the law and regulations • Support for public health initiatives • Cost-effective public quality of healthcare • Operational impact on social and environmental areas • Local investment and tax revenues 	<ul style="list-style-type: none"> • Timely compliance with law and regulations • Transparent and open operations • Adherence to environmental laws • Timely payment of taxes • Support to various schemes of central and state governments
 <p>Community</p>	<ul style="list-style-type: none"> • Upliftment on a socio-economic level • Impact on the environment in terms of solid waste management, as well as water and effluent management • Ethical business practices • Contribution to community and local healthcare • Assistance to communities in the aftermath of black swan events such as Covid 	<ul style="list-style-type: none"> • Initiatives aimed at improving the lives of disadvantaged people • Environmental management practises that are responsible • Collaboration with communities to support the development of healthcare capabilities and capacities • Ethics and compliance management programmes that are rigorous
 <p>Investors and Shareholder</p>	<ul style="list-style-type: none"> • Business resilience and agility • Responsible growth and profitability • Achieving long-term value by ensuring consistent financial returns 	<ul style="list-style-type: none"> • Create high shareholder value • Communicate performance and future growth plans • Understand concerns and expectations

Stakeholder Engagement mechanisms	Frequency of Engagement	Stakeholder Value Provided
<ul style="list-style-type: none"> Healthcare professionals' explanation Hospital information platforms Assessment templates Patient education (brochures) Document records Critical value reporting documents 	Hourly/Daily/ As often as required	<ul style="list-style-type: none"> Evidenced based pathways and guidelines implemented Compliance and Completeness of discharge summaries Improved patient satisfaction
<ul style="list-style-type: none"> Town Hall meetings and webcasts Intranet portal, Newsletter Cultural events 	Daily/Weekly/Monthly	<ul style="list-style-type: none"> Satisfaction and motivation Fair wages and rewards Improved work-life balance Regular training and skill development Career growth Safe and secure work environment
<ul style="list-style-type: none"> Relationship-building activities such as meets, events and engagements Operational connect with suppliers Contractual terms and commercial agreements Photo opportunities and award functions 	As often as required	<ul style="list-style-type: none"> Ensured operational readiness and delivery Strengthened the critical supplier/client relationship
<ul style="list-style-type: none"> Business meetings Policy advocacy based engagements in industry forums, trade associations, interest groups, sectoral associations and scientific/R&D based thought leadership initiatives Stakeholder consultations 	As often as required	<ul style="list-style-type: none"> Advocacy towards shaping health policies for the future Aligning with the Government to support economic development Continued contribution to the exchequer
<ul style="list-style-type: none"> CSR interventions and volunteering Volunteering initiatives Community events and functions Stakeholder engagement surveys and community advisory panel meetings 	As often as required	<ul style="list-style-type: none"> Improving sanitation conditions and awareness about health and hygiene among community members Contributing to the infrastructural development of communities Cultural development and upliftment
<ul style="list-style-type: none"> Analyst meets and conference calls Annual General Meeting Official communication channels: Advertisements, publications, websites and social media Investor meetings and roadshows 	Quarterly/Annually	<ul style="list-style-type: none"> Sustainable growth and returns High standards of corporate governance and risk management

OUR STRATEGIC DIFFERENTIATORS

Robust and Expansive Healthcare Ecosystem



- **Holistic healthcare solutions** for people, including primary, secondary, tertiary and quaternary care
- **27*** Hospitals equipped with state-of-the-art equipment
- Extensive network of **120** clinics enabling patient-feeder structure
- Strategically located **371**** pharmacies serving patients across geographies

Synergies Across Geographies



- Revenue contribution by GCC and Indian operations stand at **77%** and **23%** respectively
- GCC network leveraged to promote medical value tourism to India
- Sourcing of excellent and experienced medical professionals from India
- Relatively **lower cost of debt** in GCC (3.5% - 4.5%), at consolidated level (5.5%-6.5%)

Asset-Light Business Model



- Combination of leased and owned assets, with concentration of leased assets for an asset light model
- All assets in GCC (except in KSA) are leased while India has a mix of owned, leased and O&M assets
- Established units in GCC exhibit **higher average return** on capital employed

De-Risked Business Model



- Revenue diversification from **multi-geography presence** with targeted and stratified segment operations
- Heterogeneous brands Medicare, Aster and Access creating a mark across multifarious **economic segments**
- GCC operations engirdled by stable currencies pegged to US dollars, creating an inherent **hedge to currency fluctuations**

Sturdy Performance Record



- **Strong track-record** of financial, operational, societal growth trajectory in GCC
- **Brisk scaling-up** of operations across segments and geographies
- India contribution both increasing and improving with additional capacity and maturing of assets

Touchstone of Healthcare Practices



- Upholding the **highest standards of patient care**, echoed in numerous industry recognitions and patient endorsements

Proficient and Experienced Management Team



- Directors/officers with decades of healthcare experience
- Strong second line of management with managerial, healthcare and regulatory experience provides stability

*Count is 29 including Aster Hospital, Sharjah and Aster Mother Hospital, Kerala which have commenced operations in April 22 and May 22 respectively

**Includes 131 pharmacies in India operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster and GCC retail pharmacies includes Opticals

RISK MANAGEMENT

Our Framework

We have a documented and approved Enterprise Risk Management framework. This documents how risks are assessed, managed, monitored and reported. It outlines roles and responsibilities across the three lines of defence within the organisation across the Risk Management cycle.

Periodic reviews and assessments

The framework document is subject to an annual review by the Board of Directors and the Policy Review Committee for approval. Risk assessments are carried out at least once a quarter. However, a variety of risk assessments are carried out based on various business requirements.

We are working on vertical risk registers, which include risks, controls, issues, and actions for our different businesses that include hospitals, clinics, retail, and home care. On a monthly basis, business leads discuss and agree on key risks, which are then presented to the risk committee on a quarterly basis. Furthermore, all risk acceptances are discussed and evaluated for their overall impact on the Company. These are then brought up with the Deputy Managing Director for her consideration.

Bottom-up and Emerging Risk Identification

Bottom-up risk identification processes are carried out on a regular basis to identify 'key risks' to which we are currently exposed or may be exposed in the future. Before being assessed for materiality, the risks identified are categorised according to the risk categories and definitions laid out, such as Operational Risk, Information Security Risks, Compliance Risks, and so on. A process for identifying emerging risks is also in place to identify risks to which we may be exposed but which are not yet quantifiable or completely reflected in bottom-up risk assessments.



Our Risk Identification Process

- 1 Regular monitoring of a range of indicators by the business units and risk team to confirm that all material risks are captured.
- 2 Annual workshops with Subject Matter Experts (SMEs) to supplement regular monitoring above;
- 3 Quarterly Risk and Controls Self-Assessments (RCSA)
- 4 Risk identification processes embedded in key projects

Risk Management Committee (RMC)

All risks have controls and actions identified to mitigate and reduce the risks. Action plans are being tracked and key risks are reported to the RMC along with mitigation controls and actions on a quarterly basis. The action plans are driven to closure to ensure risks and potential impacts are mitigated and/or cause least damage to the organisation.

In addition, key risks are discussed on a monthly basis with business leaders and updated on a quarterly basis for reporting to the RMC. Risk trends and Key Risk indicators are captured in the quarterly reporting to the RMC that help understand

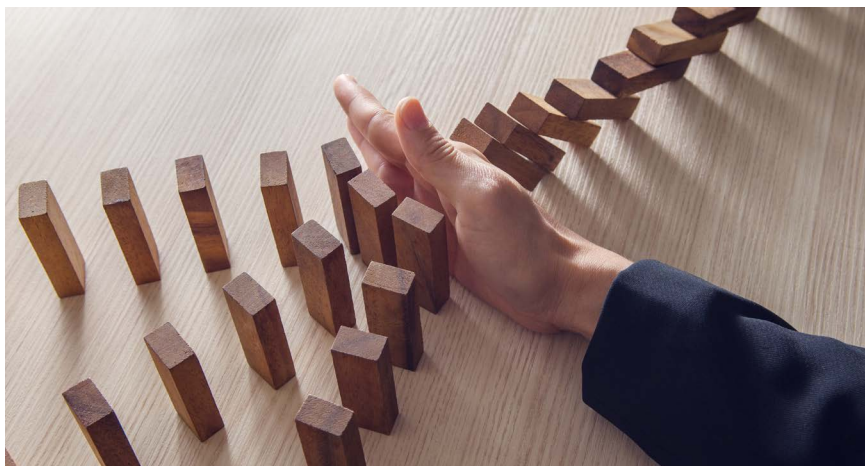
risk movements. The Risk Management process is reviewed by the RMC at least on an annual basis. This involves risk identification, assessment, controls identification, mitigation and continuous monitoring.

Communication of risks




Risk awareness sessions and risk induction are carried out frequently for existing as well as new staff. In addition, Risky times a bi-monthly newsletter covers a topic each month to promote a risk culture within the organisation and provide an opportunity for staff to raise concerns. In addition, there is a dedicated whistleblowing line and communication (posters and emails) frequently to remind staff of the hotline available and to flag risk issues.

Disaster Risk Management

Each facility has a Disaster Recovery Plan (DRP) for addressing facility related disasters such as earthquakes, sandstorms, floods, explosions, power outages etc. Vertical risk assessment registers are aligned with HVA and Risks against all hazards identified shall be identified in the Vertical Risk Assessment Register. Disaster Management Plan and related policy is periodically reviewed and updated for recommendations made by DHA.



Our Emerging Risks

Climate Change Risk 	Technology Risk 	Regulatory Risk 
<p>Direct impact to business operations, loss of customers and revenue and impact to the overall brand and reputation.</p>	<p>The adoption of digital technologies such as AI, Robotics, Visual recognition etc. in the marketplace and in our organisation may require new skills that are either in short supply or require significant reskilling and upskilling of existing employees. Risks of loss of customers/ patients to 'born digital' competitors and shortage of staff and skills is key.</p>	<p>Regulatory changes and scrutiny may heighten, noticeably affecting the way our services will be produced and delivered. Given that Aster operates in a number of geographies, there are numerous regulations that have to be complied with.</p>
<p>Actions in pipeline:</p> <ul style="list-style-type: none"> • Setting up an ESG focused team to monitor Environment, Social and Governance aspects and bring to light issues that need immediate attention. • Working with external partners on ESG best practices in the industry and ESG templates to consolidate information for the annual sustainability information. • Suitable KPIs included in the Annual Operating Performance plan to ensure that climate risks are reduced. 	<p>Actions in pipeline:</p> <ul style="list-style-type: none"> • 1Aster app implementation and roll out for all Aster locations. • Aster Data and Analytics Eco System with an objective to unify data and analytics ecosystem to enable easy access to data across different source systems and BUs. 	<p>Actions in pipeline:</p> <ul style="list-style-type: none"> • Legal regulatory change tracking and management in place with the legal department. • Government relations team.

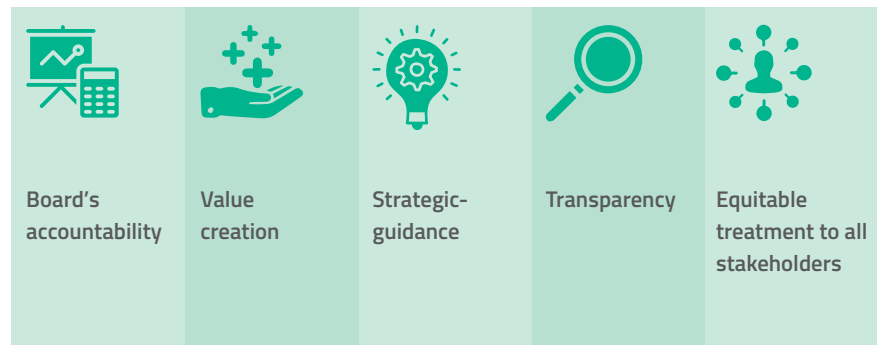
GOVERNANCE

We are not only compliant with the regulatory corporate governance requirements, but we are also committed to robust corporate governance principles and practices, and we are constantly adopting emerging best corporate governance practises being followed worldwide.

Corporate Governance Philosophy

Our philosophy on corporate governance is based on a holistic approach not only towards our own growth but also towards maximisation of benefits to the shareholders, employees, customers, government and also the general public at large. The fundamental principles of our sound corporate governance are transparency and accountability, which ensure that our organisation is managed and monitored in a responsible manner for creating and sharing.

We are committed to good Corporate Governance and adherence to best practices at all times and our philosophy is based on five basic elements:



Code of Conduct

The Company has a number of policies that employees must follow, including the Code of Conduct. Each employee signs the Code of Conduct on an annual basis and is aware of the expected behaviours. The new joinee induction programme also includes a code of conduct training session. The disciplinary policy is in place to ensure that unethical or illegal behaviour is addressed and that appropriate action is taken. There is also a confidential whistleblowing line where employees can report unethical or illegal behaviour.

Insider Trading

We have adopted a Code for prevention of Insider Trading which strengthens our corporate governance philosophy. Through the timely disclosure of various material events through the Exchanges as well as our website, we ensure that we strictly adhere to the values of corporate governance.



Anti-Corruption Policy

Every year, all employees sign up for the Code of Conduct policy, which includes our anti-corruption policy, and commitment to the Aster values. Bribery and corruption are strictly regulated within the organisation, and any incidents are dealt with using the Disciplinary Policy.

Diversity in Board

We understand the value of having a truly diverse board in order to achieve success, and we believe that a diverse board brings a unique set of skills and perspectives to the table. Our Nomination and Remuneration Committee (NRC) considers various criteria and leverage differences in factors such as background, knowledge, skills, abilities, and thought (to exercise sound judgement), professional experience & functional expertise, educational, professional, cultural, and geographical background, personal accomplishments, nationality, gender, race, and ethnicity when evaluating a person for appointment/re-appointment as Director or as Key Management Personnel. The NRC also considers other relevant and applicable factors from time to time in order to achieve a diverse Board.

Ethics Committee

We have an Ethics Committee that serves as an administrative body for issues raised through the Ethics Line or other channels, as well as other issues within the scope. The Committee plans activities to promote ethical governance and raise employee awareness of the Code of Conduct. It also assesses the efficacy of various ethical governance tools, such as Aster Connect for conflict-of-interest declaration, Gift declaration and approval process, and insider trading tracking.



FINANCIAL Capital

To achieve business success, we utilise our financial resources to provide outstanding service and invest in technology, people, and processes. We are able to maintain a healthy balance sheet and a good liquidity position attributable to our prudent capital allocation approach. We leverage these resources to provide value to our stakeholders.



Expansion

Aster Labs:

Aster Labs, our diagnostics vertical, continues to enhance its presence in states Karnataka, Kerala, Andhra, Telangana, Tamil Nadu and Maharashtra. As of March 31, 2022, there were 12 satellite labs and 100 patient experience centres, 1 reference lab and 1 regional reference lab. We have an aggressive growth plan for this vertical and aim to reach 38 Labs and around 400 experience centres by the end of FY 23, which will also involve geographic expansion of our footprint into other states.

Aster Pharmacies:

We had entered into an agreement with Alfaone Retail Pharmacies Private Limited (ARPPL) to licence the 'Aster Pharmacy' brand to run the retail stores and online pharmacy operations. During Q3, ARPPL also forayed into the state of Telangana. As of March 31, 2022, there were 131 pharmacies, 82 in Karnataka, 27 in Kerala and 22 in Telangana. ARPPL plans to reach around 300 pharmacies by the end of FY23.

Cost Optimization

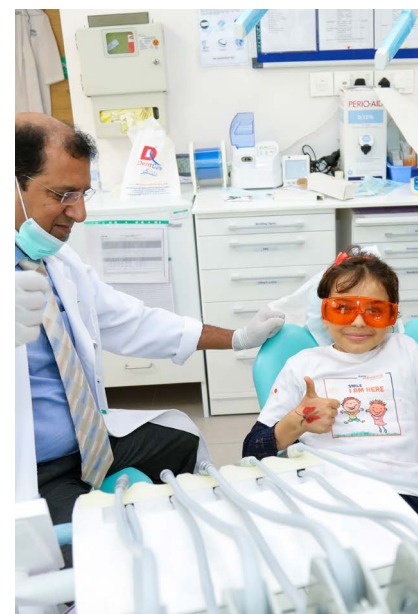
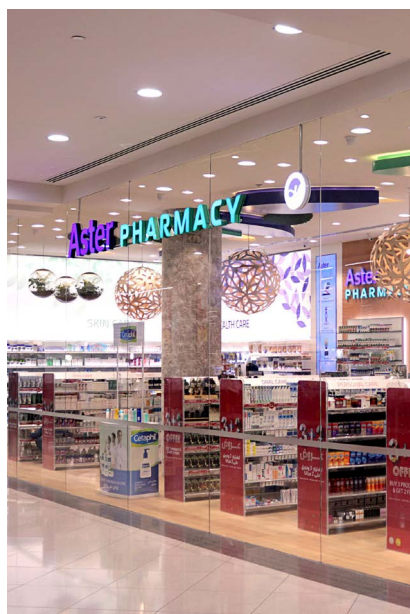
We have undertaken various cost optimisation programs to reduce Material and Human Resource cost such as:

- Consolidation of Hospital labs business with the help of Aster labs to bring down the material cost.
- Human Resource Cost : Recruiting local staff to manage peak loads so that fixed cost can be under control.
- Consolidation of radiology business with the help of Telehealth vertical to reduce the Human Resource Cost.
- Adopting Cluster approach which helps in consolidation and sharing of resources within the Cluster and across the Cluster.

Adopting Asset light Models

Aster Labs:

Aster labs works on hub and spoke model, in which the processing lab is situated in the centre where the samples are processed



and the Patient Collections centres are spread across the geography which feed in the processing labs. Patient Collections centres are majority franchisee owned, hence contribute to the asset light model.

Aster Pharmacy:

Aster pharmacies are leased out premises so the only capex cost is interiors. As a result, pharmacies require very low capex to start as compared to hospitals.

Our future strategy for growth

- Established businesses in the GCC have high ROCE. In India business, as debt levels are low, there is further scope to leverage and grow the business.
- Sweating of existing assets for better returns.
- Digitization of healthcare through virtual care apps, e-pharmacy, teleconsultation, and more.
- Expansions of verticals like diagnostics/ labs and retail pharmacies in India.

Contributing to economic growth of the Nation

Healthcare is a fundamental right of every citizen and Aster is proud to make a small contribution towards it by way of taking care of the healthcare needs of the people and generating employment in the regions where we are present.

Revenue

10,253 CR

7,870 CR

GCC

2,384 CR

India

EBITDA

1,483 CR

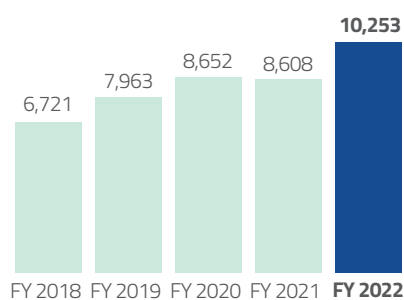
PAT (Post-NCI)

526 CR

Consolidated

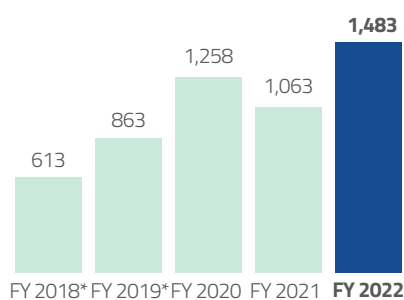
Revenue from Operations

(₹ in crore)

YoY Growth - **19%**

EBITDA

(₹ in crore)

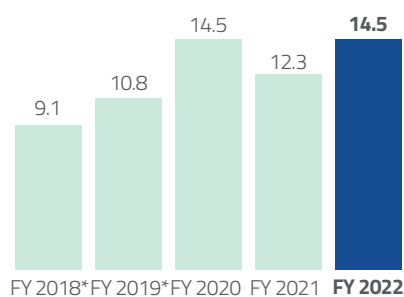
YoY Growth - **40%**

Overall business performance has normalised during the current year. India operations have grown significantly, which is evident from the contribution to overall revenue and EBITDA.

In GCC, there has been improvement in the performance of all verticals i.e., hospitals, clinics and pharmacies. Many of the hospitals are operating in a mature state, revenue from vaccines and RT-PCR tests have aided clinics with better margins and pharmacy vertical has shown improved performance.

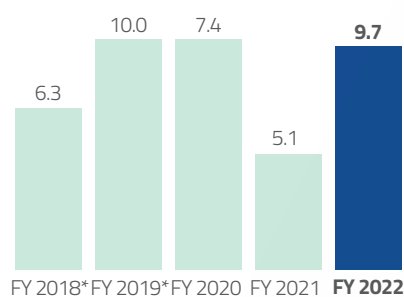
EBITDA Margin

(%)

YoY Growth - **210 bps**

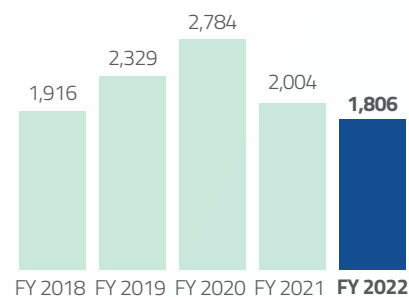
RoCE (pre-tax)

(%)



Net Debt

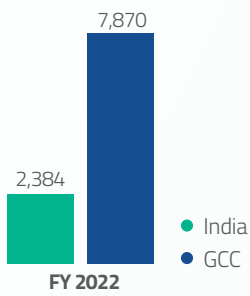
(₹ in crore)



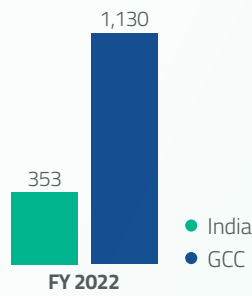
*Pre IndAS 116

Consolidated net debt as at March 31, 2022 stands at ₹ 1,806 crore compared to ₹ 2,004 crore as at March 31, 2021, a reduction of ₹ 198 crore.

Revenue
(₹ in crore)

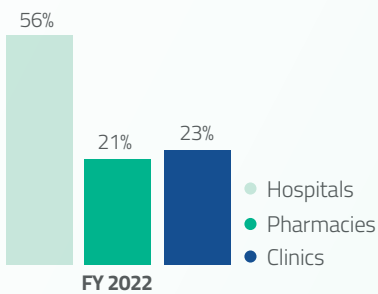


EBITDA
(₹ in crore)

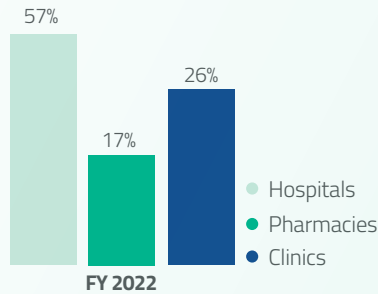


India's contribution to the group revenue has increased from 19% to 23%, primarily owing to normalisation of operations post Covid pandemic and ramping up of operations of Aster MIMS Kannur, Aster RV Hospital and Aster Whitefield Women and Children Hospital. India's contribution to group EBITDA has increased to 24% compared to 15% in the previous year. Revenue from India operations increased from ₹ 1,654 crore to ₹ 2,384 crore, up 44%. EBITDA increased from ₹ 144 crore to ₹ 353 crore, up 145%.

Revenue
(in %)



EBITDA
(in %)



Revenue from India operations increased from ₹ 1,654 crore to ₹ 2,384 crore, up 44%. EBITDA increased from ₹ 144 crore to ₹ 353 crore, up 145%.

Revenue from GCC operations has increased by 13% Y-o-Y from ₹ 6,954 crore to ₹ 7,870 crore. EBITDA for the year has increased from ₹ 919 crore to ₹ 1,130 crore, up 23% Y-o-Y.

GCC hospital revenue is ₹ 3,532 crore, an increase of 11% Y-o-Y. EBITDA increased by 15% Y-o-Y to ₹ 608 crore.

GCC clinic revenue is ₹ 2,440 crore, an increase of 21% Y-o-Y. EBITDA increased by 49% Y-o-Y to ₹ 462 crore.

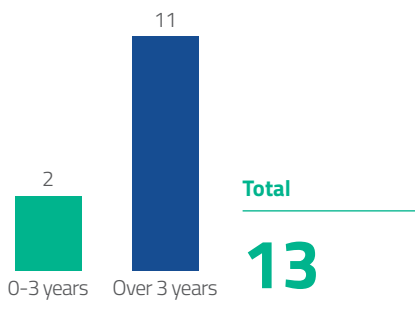
GCC pharmacies revenue increased 10% Y-o-Y, from ₹ 2,037 crore to ₹ 2,245 crore. EBITDA increased from ₹ 237 crore to ₹ 290 crore, an increase of 23%.



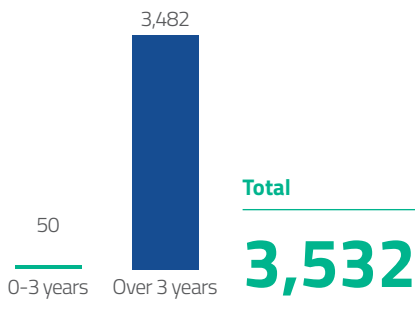
Maturity Wise Hospital Performance*

GCC

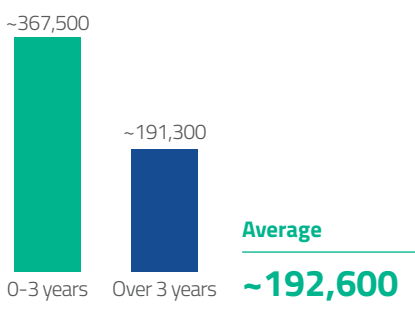
Hospitals



Revenue
(₹ in crore)

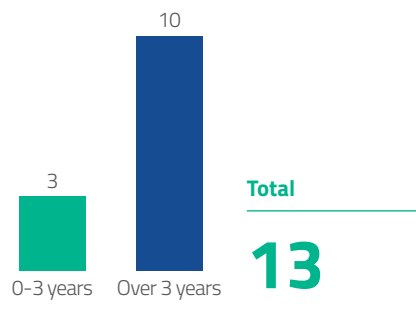


ARPOB
(₹ in crore)

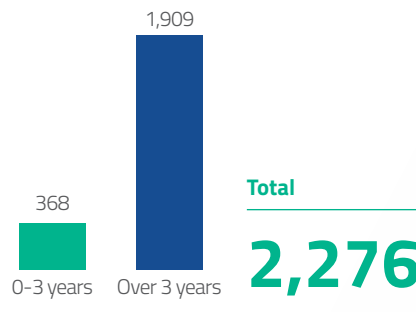


India

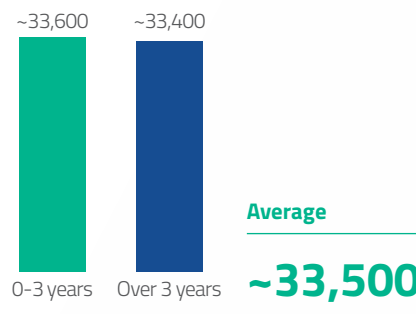
Hospitals



Revenue
(₹ in crore)



ARPOB
(₹ in crore)

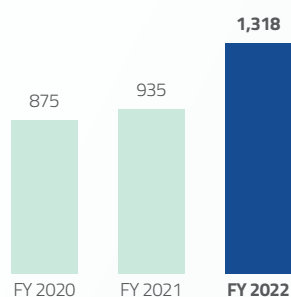


*For India hospitals, Wayand Institute of Medical Sciences (WIMS) details are not included

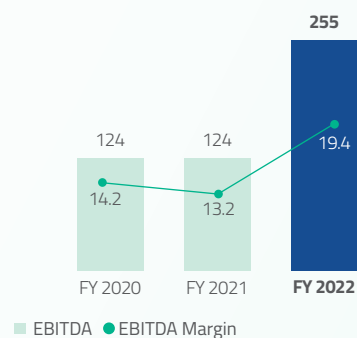
India Cluster-Wise Trends

Kerala Cluster

Revenue (₹ in crore)

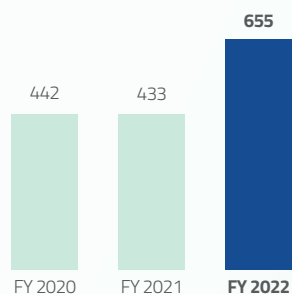


EBITDA (₹ in crore) EBITDA Margin (%)

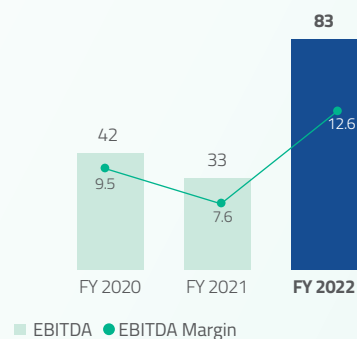


Karnataka and Maharashtra Cluster

Revenue (₹ in crore)

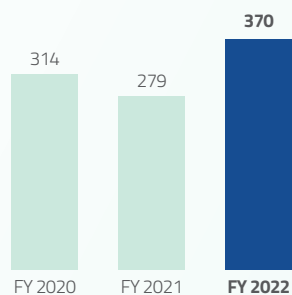


EBITDA (₹ in crore) EBITDA Margin (%)

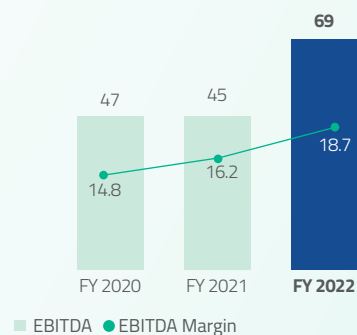


Andhra and Telangana Cluster

Revenue (₹ in crore)



EBITDA (₹ in crore) EBITDA Margin (%)



MANUFACTURED Capital

Our healthcare services encompass primary to quaternary care models which include clinics, hospitals, mobile health, telehealth, and home care services. We prioritise individual experience in the care delivery process through a coordinated set of services that are tailored to the needs, safety, and preferences of the patients and caregivers. We consider an interdisciplinary approach, facility of cutting-edge technology, and digital innovation as our enablers to enhance the lives of the communities served.

GCC Hospitals

13

Hospitals in India

14

Patient Visits

18.6 Mn

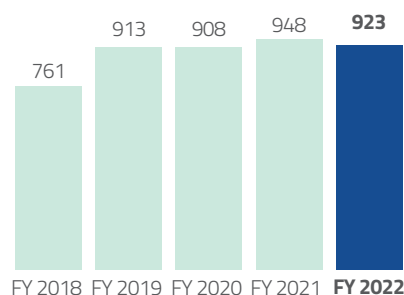
Capacity Beds

5,065

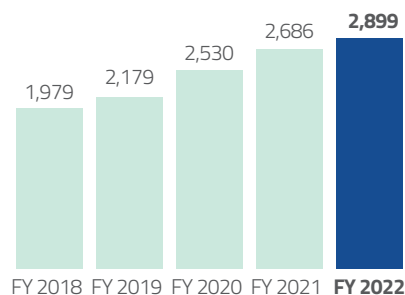


Operational Beds

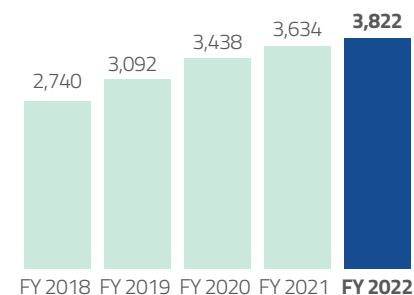
GCC



INDIA



TOTAL



Hospitals in GCC

Aster Hospitals, UAE

Aster Hospitals UAE is Aster DM Healthcare's continuation of its endeavor to create world-class, patient-centric hospitals driven by medical innovations and a culture of excellence. The Hospital aims to make a difference, with its patient-centric approach to medical care.

The state-of-the-art multispecialty hospital in Mankhool is a 136-bedded medical facility, and in Qusais is a 158-bedded facility, where doctors adopt a multidisciplinary approach to provide holistic treatment to patients. In April 2022, Aster DM Healthcare launched its 101-bed multi-specialty Aster Hospital in Sharjah to cater to the needs of the people in the Northern Emirates of the UAE. Equipped with the most advanced state-of-the-art facilities, Aster Hospital offers



multispecialty medical and surgical care all under one roof.

In addition to these facilities, Aster Hospitals has a 20-bed hospital in Jebel Ali and a 34-bed hospital in Sonapur

where it caters to the medical needs of the neighborhood population.

Awards and Accolades

Aster Hospitals UAE awarded the UAE Innovation Award 2020 from the Government

Aster Hospitals UAE won the Healthcare Asia Awards for COVID Management Initiative of the Year and Smart Hospital Initiative of the Year

Cloud Accelerate Summit and Awards 2021 for Aster Hospitals UAE as it became the first healthcare provider to move their data centres at Cloud-Cloud Transformation Champion of the year

Aster Hospital Mankhool in Dubai has achieved Stage 6 of the HIMSS Electronic Medical Record Adoption Model, making it the first private hospital in Dubai to receive the validation

Aster hospital, Mankhool was ranked 5th and Aster Hospital, Qusais was ranked 17th by Newsweek under World's Best Hospitals 2022.

Aster Hospitals UAE won the 'Best Project Implementation' Award at World AI Show and Awards

Aster Hospital and Medical Centres, Qatar

Aster DM Healthcare Qatar came into existence in 2003 and started its operations with the sole mission to deliver world-class, holistic, and affordable healthcare to all the patients around the world. We operate 6 Aster Medical Centres, 5 Pharmacies and a Multi-Specialty Hospital across Qatar.

Aster Hospital Qatar, located in the heart of city at Old Airport Road and widely considered as one of the best private

hospitals in the country, currently operates 61 beds including several state-of-art technologies, equipped with advanced facilities and 24x7 Emergency Services. It offers integrated medical care in a multidisciplinary setting provided by a faculty of highly qualified doctors, nurses, & healthcare professionals. Aster Hospital have treated large number of patients across 22 specialties, such as Cardiology, Neurology, Orthopedics, Obstetrics and Gynecology, Gastroenterology, Urology,

Plastic Surgery, Internal Medicine, Ophthalmology, Pediatrics & Neonatology, Dermatology, Pulmonology, Dental, Radiology, Laboratory Medicine, and other ancillary services.

Aster Medical Centres and Aster Pharmacies are located in residential and business districts including C - Ring Road, Al Hilal, Al Rayyan, Al Khor and Industrial area, providing wide range of medical services and easier access to the patients in their local vicinity.



Aster Al Raffah Hospitals and Clinics, Oman

The Aster brand has been in the Sultanate of Oman since 2009, and in these years, we have established ourselves as a brand to be trusted with when it comes to medical needs. The same sentiments were expressed when Oman was faced with the COVID 19 pandemic, where we provided screening camps in our mobile medical clinic that were widely recognized. Throughout Muscat, in association with MoH, we delivered the highest amount of corporate and individual vaccinations as a part of mass vaccination drive.

As of today, Aster owns and operates three multispecialty hospitals (Muscat, Sohar and Ibbri) totaling 183 beds, 6 clinics and 6 pharmacies. Our next flagship hospital, Aster Royal Hospital in Muscat with 145 beds is in the finishing stage.

Aster DM Healthcare in Oman has a successful track record of healthcare performance for the last 13 years and currently boasts of 1000+ staff with 180+ qualified doctors including VC's and 480+ nursing staff. These Hospitals & Clinics

are offering a comprehensive range of multispecialty services such as General Medicine, General Surgery, ENT, Pediatrics & Neonatology, Urology, Dermatology, Ophthalmology, Dentistry, and Gynecology & Obstetrics to super specialty services like Gastroenterology, Orthopedics and Spine Surgery, Laparoscopic Surgery, Rheumatology Bariatric and Plastic Surgery.



Awards and Accolades

Aster Al Raffah Hospital, Ghubra was recognized by The Global Economics Award 2021 for "Best Community Engagement Hospital during Covid-19"

Aster Al Raffah Hospital, Sohar was recognized by Healthcare Asia Awards 2022 for Homecare Initiative of the Year

Aster DM Healthcare Limited

Integrated Annual Report 2021-22

Aster Sanad Hospital in Riyadh, KSA

Aster Sanad Hospital is located in the heart of Riyadh with easy access to the Airport and in close proximity to the Saudi Red Crescent Hub. This aids in quickly serving the Trauma and Road traffic accidents through Aster's Multidisciplinary team of Neurosurgeons, Cosmetic, Spinal and Maxillofacial Surgeons. Embodying the principles and standards of Aster DM Healthcare Group, Aster Sanad Hospital is accredited by Saudi Central Board of Accreditation for Healthcare Organisations

(CBAHI) and delivers high quality medical care to almost all the Insurance companies and the major networks.

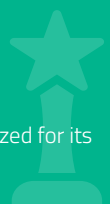
The hospital has major medical specialties and subspecialties including Neuro & Spine Surgery, Orthopaedic, Cath lab, Bariatrics, cosmetic and reconstructive surgery, Maxillofacial Surgery and Vascular Surgery to mention few. Majority of the surgeries are done by laparoscopes with minimum invasive procedures through a

dedicated team of more than 100 doctors with different nationalities supported by a complete team of well-trained paramedics and nurses. Aster Sanad Hospital is one among the few selected healthcare providers to Ministry of Health and Security Forces Hospital in Riyadh. It has a complete Home Care Unit which is well equipped and trained in providing the best possible Home Care Medical Services.

**Awards and Accolades**

Bagged the award for 'Nursing Excellence' at Association of Healthcare Providers of India (AHPI) Awards

Received the American Heart Association Certificate as International Life Support Center. The hospital has also been recognized for its Ambulatory Care as Age-Friendly Health System – Committed to Care Excellence by Institute for Healthcare Improvement.



Medcare Hospitals and Medical Centres, UAE

Medcare is the premium private healthcare provider under the parent group, Aster DM Healthcare. Operating leading state-of-the-art hospitals, including two multi-specialty hospitals in Dubai and Sharjah, two specialised hospitals for women & children, and for orthopaedics and spine, in addition to 18 medical centres, Medcare has established a strong presence in the UAE's healthcare sector.

Medcare Orthopaedics & Spine Hospital is a premium facility offering comprehensive

care for the prevention, diagnosis, and treatment for a wide range of conditions related to bones, joints, and spine. The hospital is accredited by DNV Healthcare USA as centre of excellence for spine surgery, hip and knee replacement, and foot and ankle surgery.

Medcare Women & Children Hospital is the first private hospital in Dubai specialized in women care and comprising of almost entirely a team of female clinical experts. The hospital offers world-class maternity

and gynaecology services in a safe and quality assured multi-disciplinary setting in specialties such as gynaecology, obstetrics, breast health, minimally-invasive surgery, high-risk pregnancy, NICU and paediatrics.

Both hospitals have earned the Joint Commission International's Gold Seal of Approval® for Hospital Accreditation by demonstrating continuous compliance with its internationally recognized standards.



Awards and Accolades

Digital Transformation Award 2021 from Etisalat SMB Awards (Small Business Award)

Customer Experience Live 2021 for Best Voice of Customer-Healthcare Award

Gulfex Awards-Gold award winner for Best Patient Experience and Best Customer Experience Team of the Year

Middle East Cleaning, Hygiene and Facilities Award for Excellence in Infection Control in Healthcare

Dr Haider Ali, Family Medicine Consultant at Medcare Hospitals & Medical Centres, has received a prestigious "Point Of Light Award" from British Prime Minister, Boris Johnson for his charity work during the pandemic and for publishing free educational books.

Hospitals in India

Kerala Cluster

Aster Medcity Hospital, Kochi

Aster Medcity is one of the most technologically advanced healthcare destinations in India, with a 702-bed facility located in a 40-acre waterfront campus in Kochi, Kerala. The hospital houses quaternary care facilities with one Multi-speciality Hospital and 9 dedicated Centres of Excellence in Cardiac Sciences, Neurosciences, Orthopaedics & Rheumatology, Nephrology & Urology, Oncology, Women's Health, Child & Adolescent Health, Gastroenterology

& Hepatology and Multi-Organ Transplantation. It is also accredited by JCI and NABH.

The Multi-speciality Hospital offers varied specialities including Internal Medicine, Infectious Diseases, Interventional Radiology, ENT, Plastic, Cosmetic & Microvascular Surgery, General Surgery, Psychiatry, Dentistry, Maxillofacial Surgery, Pulmonology, Ophthalmology, Nuclear Medicine, Centre for Fertility, Dermatology and Cosmetology to name a few.

Aster Medcity hospital also offer full-fledged Extra Corporeal Membrane Oxygenation (ECMO) facilities reviving critically ill patients. The hospital has received MBFHI (Mother and Baby-Friendly Hospital Initiative) certification after assessment by the State Government and allied professional bodies including the National Health Mission (NHM) and their partners including Indian Academy for Paediatrics (IAP) Kerala, and Kerala University of Health Services (KUHS).



Awards and Accolades

Aster Medcity Kochi was ranked 7th in Best Multispeciality Hospital South by The Week – HANSA Research Best Hospitals Survey 2021. Also ranked 6th in Best Multispeciality Hospital South Private, and 2nd in Best Multispeciality Hospitals Kochi

World's Best Hospitals India 2022 by Newsweek ranked Aster Medcity as 40th

Ranked 5 in Top Multispeciality Hospitals by Times All India Multispeciality Hospitals Ranking Survey 2021

Became the first IMA accredited Age-Friendly Hospital in India





Awards and Accolades

Dr. Aswathy Kumaran was awarded the Best Fertility Consultant Award by Asia Fertility

Awarded with 'Indian icon of the year 2021' (Healthcare brand) title by TIME Cyber Media

Bagged the award for 'Patient Friendly Hospital' at Association of Healthcare Providers of India (AHPI) Awards

India Health And Wellness Summit & Awards conferred Aster MIMS Kottakkal Women and children with a silver for women health brand



Aster MIMS Hospital, Kottakkal

Aster MIMS Kottakkal is an NABH accredited multi-specialty hospital that delivers a comprehensive range of preventive, acute and outpatient services. The hospital, located in downtown Kottakkal in Kerala is ideal for people seeking treatment for various ailments, because of its excellent infrastructure and its commitment to maintain the highest standards of safety, cleanliness, integrity and honesty. With cutting edge technology and topnotch facilities for Trauma Care, Intensive Care and more, Aster MIMS Kottakkal continuously strives to provide

holistic care to patients. All the care centres in the hospital are equipped with the latest technology that helps in providing excellent comprehensive treatment to patients. The hospital is concentrating on Innovative New Procedures in modern medicine to help all sorts of patients with lesser pain, lower cost and least hospital stay.

As part of Kottakkal expansion, a dedicated 'Women and Children Wing' has been launched adding 77 beds which consists of 25 Neonatal Intensive Care Unit (NICU) beds and 6 Pediatric Intensive Care Unit (PICU) beds. The hospital specializes in

obstetrics care including normal and high-risk pregnancies, comprehensive gynaecological care starting from birth, motherhood to menopause and beyond and complete neonatal and paediatric care including paediatric surgery. The hospital also provides 24*7 paediatric and maternal emergency services. The hospital is equipped with labour delivery suites, a state-of-the-art modular operation theatre, cardiotocography monitoring for a foetal heartbeat, 3D and 4D Ultrasound facilities, paediatric and neonatal ICUs, X-Ray, and a 24*7 walk-in pharmacies.

Aster MIMS Hospital, Kannur

Sprawled across 1.5 acres of vast space in the beautiful coastal city of Kannur, the crown of Kerala, lies Aster MIMS hospital. The 302-bedded multi-specialty hospital is a first of its kind in the healthcare landscape of the culturally rich city. The tertiary care hospital has 7 OT's, 121 single rooms, 7 suite rooms & 88 ICU beds. Aster MIMS Kannur is complemented by medical experts, medical practitioners, nurses, technologists & support staff who bring in a professionalism that has no parallel. This facility features level 3 neonatal intensive care units which are among the most advanced in the country.

The hospital's ICU's are a first of its kind in Kannur manned by a team of excellent

critical care physicians, with fully equipped latest technologies like ECMO to monitor and respond to the needs of the critical care patient. The well-equipped Emergency & Critical Care department is the first of its kind in Kannur, offering the best treatment for patients, equipped with 25 emergency beds and 24x7 emergency services. The Hospital's Radiology department is equipped with state-of-the-art MRI with MR Angiogram and viability study packages, 128 slice CT, 4D Ultrasound machines and Mammogram. With the highest level of expertise in a wide range of women's health issues, the OBG department offers world class treatment for every single aspect of women's health.

Awards and Accolades

Awarded Best Hospital to Work For by Association of Healthcare Providers)





Awards and Accolades

Patient friendly hospital award by Association of Healthcare Providers

Hospital of the Year award by Healthcare Asia Awards 2021

Awarded Make in India Emerging Leader for the most prominent multispecialty hospital in Calicut (Kerala)

Go Green for Sustainability with Community Engagement – Bucket Programme–Runner up by AHMA (Affordable Housing Management Association)

Dr Pramod Sudarshan, Consultant Spine Surgeon, won a Gold medal at the National Spine Conference. His paper, which is co-authored by Dr Smilu Mohanlal (Pediatric Neurologist) on "Scoliosis in Spinal Muscular atrophy (SMA)" won the best paper of the conference in the prestigious VTI Gold medal session.

Received the Iconic leader of the year award instituted by IBARC Asian Initiative in the 'Multispecialty Hospital' section for its meritorious intervention in the healthcare service.

Aster MIMS, Calicut

The Aster MIMS, Calicut is a 683-bed multi-specialty hospital situated in the heart of Calicut city and has an atmosphere of quiet and unpolluted air. The hospital is renowned for its excellent medical

expertise, nursing care and quality of diagnostic services. The hospital has earned recognition as a leader in providing world-class healthcare services to the common man at an affordable cost. It

is continuously in tune with the latest technology that promotes the healthcare and well-being of the patient.

Aster DM Healthcare Limited

Integrated Annual Report 2021-22

Karnataka and Maharashtra Cluster**Aster CMI Hospital, Bengaluru**

Aster CMI Hospital, Bengaluru is a contemporary state-of-the-art facility with a capacity of nearly 500 beds offering a comprehensive range of primary to quaternary care services through its Centres of Excellence in Complete Cancer Care, Cardiac Sciences, Neurosciences, Gastroenterology, Surgery and Allied Specialties, Integrated Liver Care, Organ Transplant, Urology and Nephrology, Orthopaedics, Women's Health, and Child & Adolescent Health.

**Awards and Accolades**

Ranked 8 in Top Multispeciality Hospitals by Times All India Multispeciality Hospitals Ranking Survey 2021

World's Best Hospitals India 2022 by Newsweek ranked Aster CMI Hospital as 27th. Also ranked 5th Best Multispeciality Hospital Bengaluru and Best Multispeciality Hospital Bengaluru Private.

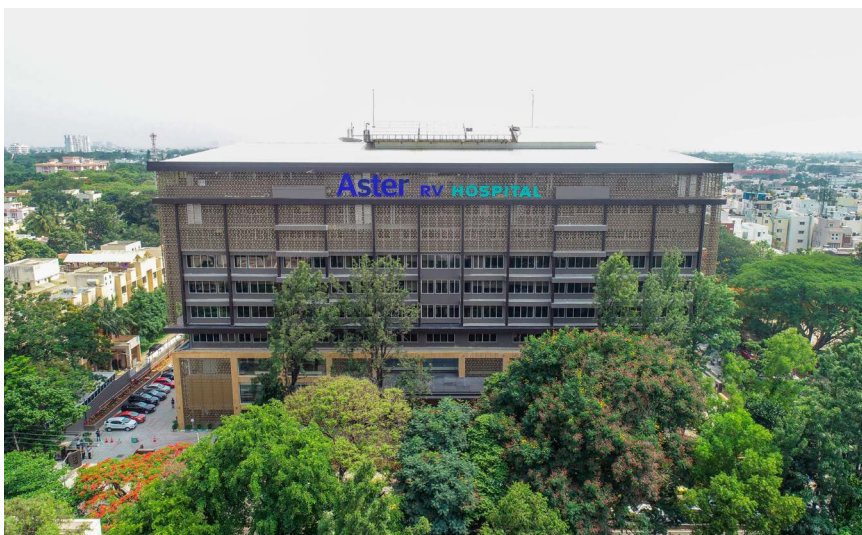
Awarded Best Hospital to Work For by Association of Healthcare Providers

Aster RV Hospital, Bengaluru

Aster RV Hospital was established to provide world-class, patient-centric centres, driven by medical innovation and culture of excellence. The state-of-the-art super speciality hospital has 235 beds and offers comprehensive primary care to quaternary care services,

with centres of excellence in Cardiac Sciences, Neurosciences, Gastro Sciences, Orthopaedics, organ transplant, and minimally invasive surgeries backed by high-end critical care and emergency medicine. Aster RV Hospital has best in class infrastructures and technology

like Biplane Cath lab, Intra operative MRI among other state-of-the art facilities. Aster RV Hospital also has a 64-bed ICU facility which includes paediatric and neonatal ICUs.

**Awards and Accolades**

Healthcare Asia Awards 2021 for Covid Management Initiative of the Year

Ranked 9 in Top Multispeciality Hospitals by Times All India Multispeciality Hospitals Ranking Survey 2021

Aster Whitefield Women and Children Hospital

Aster Women & Children Hospital, Whitefield, Bengaluru is a boutique hospital catering to the unique healthcare needs of children and women. A state-of-the-art birthing Centre provides an all-inclusive treatment plan for managing various gynaecology related ailments. The Centre is integrated with the best diagnostic services in the industry to provide patients with the latest treatment facilities available in the field. The centre also boasts round-the-clock neonatology care with 14 beds level 3B NICU. The exceptional team of Obstetricians, Gynaecologists, Neonatologists, Paediatricians, follow international protocols of medicine to deliver excellent medical care to patients with better surgical outcome.



Aster Adhaar

Aster Aadhar Hospital, Kolhapur is one of the most advanced healthcare destinations in western Maharashtra with respect to infrastructure as well as skill sets and legacies of the Doctors, with a 228-bed facility which is one of its kind in the region.

The hospital houses quaternary care facilities with Multi-speciality Hospital with Centers of Excellence in Joint replacements, Pulmonology, Cardiac Sciences, Neurosciences, Critical care, Nephrology & Urology, Oncology, Women's Health, Child & Adolescent Health, Gastroenterology

& Integrated Liver Care, Multi-Organ Transplant and Minimal Access Surgery. It is also accredited by NABH and stands as the first hospital in region having received NABH.

The Multi-speciality Hospital offers varied specialities including Internal Medicine, General Surgery, Endocrinology, Aesthetics & Plastic Surgery, ENT, Dental Sciences, Cranio-Maxillofacial Surgery, Ophthalmology, Dermatology, Psychiatry, Clinical Imaging, Interventional Radiology, Infectious Disease & Infection Control, Pathology, Physical Medicine & Rehabilitation, Pain Palliative Medicine, Wellness, Laryngology and 24/7 Emergency Care.

Apart from clinical work, the hospital is regarded as a benchmark for CSR initiatives such as Nirdhar for Flood rescue and Sankalpa for Organ donation awareness.



Awards and Accolades

Aster Aadhar received Food Safety and Standards Authority of India Certification under the Eat Right Campus initiative.

Andhra Pradesh and Telangana Cluster

Aster Prime Hospital, Hyderabad, Telangana

Situated in the city of pearls and at a strategic location at Ameerpet, Aster Prime Hospital offers quaternary medical care with best-in-class technology and facilities on par with global standards to ensure world-class healthcare to all the patients. As one among the leading healthcare providers in Hyderabad, the hospital provides patients with the latest technological innovations for diagnosis and treatment of the most

acute clinical conditions, highly skilled Medical and Nursing Expertise, round the clock personalised care promoting faster recovery of the patients.

Aster Prime Hospital is a private, full-fledged 158-bed multi-specialty hospital accredited with NABH & NABL. As one of the pioneer corporate healthcare facilities in the state of Telangana, Aster Prime Hospitals was the first

hospital in Telangana to perform TAVR. Academic programmes in the Cardiology department – DNB and PGDCC and various Paramedical Courses under Osmania University are offered by the hospital. The hospital has advanced medical infrastructure, equipped with the latest machines like Philips 3D Echo CVX Machine, MRI - 1.5 Tesla, Multi Slice CT & Dexa Scan and Digital 500 KVP X-Ray and Cath-lab facilities.



Awards and Accolades

Ranked among top 10 hospitals in Hyderabad by Times Healthcare Awards – 2021

Awarded Best Hospital of the year (Less than 300 beds) by Indian Chamber of Commerce – 2021

Devanand Kolothodi awarded the Best CEO of the year (Less than 300 beds) by Indian Chamber of Commerce – 2021



Ramesh Hospitals

Situated in Coastal Andhra Pradesh, Ramesh Hospitals are a leading multi-specialty tertiary care chain. Established in 1988 with a 6-bed setup, Ramesh Hospitals today operates 4 hospitals with a total capacity of 713 beds in the Vijayawada – Guntur – Ongole region, all of which are NABH accredited, Guntur unit is JCI accredited. Touching the lives of 2.1 million people so far, the acquisition

of Ramesh Hospitals in 2016 has made Aster Ramesh a leading NABL accredited healthcare service provider and nursing excellence certified. Our wide reach across 5 districts in Coastal Andhra Pradesh, through a network of over 30 Tele-medicine and outpatient outreach centers helps to sustain our position as a healthcare leader in the region. We are also conducting academic programmes

DNB in Cardiology & Cardiothoracic, Neurology, Critical care, Orthopaedics, Paediatrics, Obstetrics & Gynecology Anaesthesia, and Radiology.

Aster Ramesh Hospital, Guntur is one of the few institutes in the region having the license for transplant of liver, heart, and kidney, and has more than 95% success rate in all transplants done so far.



Awards and Accolades

Dr. Karthik Babu Perumalla, Consultant Gastro Surgeon at Ramesh Sanghamitra Hospital, Ongole has been awarded 'Excellence in Surgical Gastro Enterology & Advanced Laparoscopic Surgery' from Andhra Pradesh & Telangana States by Times Health Excellence Award.

Aster DM Healthcare Limited

Integrated Annual Report 2021-22

Aster Clinics

Aster Clinic consists of a network of world class clinics that help deliver quality care to every neighbourhood. The clinic originated in UAE and now spread across MENA. India, Oman, Qatar, Bahrain, are some of the countries where we are present.

Clinics**120****Strengthening our position**

We have opened more clinics over the years to keep up with the demand generated by the rising faith that people have in Aster Clinic. We opened 5 clinics in Dubai and Sharjah during the financial year.

The Company is now following three pronged approach to strengthen its position in markets:

- Opening new clinics in new Dubai
- Improving under utilised speciality services in existing clinics
- Enhance focus on medium and premium tariff business

**Aster Pharmacies**

With over 200 pharmacies across the GCC healthcare landscape, Aster Pharmacy has one of the largest presence in healthcare retail, influencing the lives of millions by reaching beyond limits, both in terms of products and services. We offer a diverse range of products to our customers and strive to be the pharmacy that cares for the community.

Offering the entire gamut of curative, nutritive, baby products, lifestyle, wellness products, FMCG products, cosmetics, personal & homecare products - Aster Pharmacy has become a household name in the UAE & has emerged as the brand of choice amongst pharmacies due to its wide availability & customer-first orientation.

**Pharmacies****371**

Key achievements and recognitions

- Dubai Service Excellence by Department of Economic Development, UAE
- SKEA (Sheikh Khalifa Excellence Awards) for Outstanding Performance in the Health Category
- Dubai Service excellence awards for Best Service Performance Branch Award 2022 in Health and Wellness Sector

Indian Market

131 pharmacies are operated by Alfaone Retail Pharmacies Private Limited (ARPPL) under the brand license from Aster spread across Karnataka, Telangana and Kerala. Achieved a milestone of launching 100 pharmacies in span of 11 months and launched Aster's first set of private label products.

Karnataka

82 stores

AsterLabs

Aster Labs started operations in India in 2020 during the Covid pandemic with its Global Reference Laboratory in Bangalore. With a clear focus on delivering True Quality reports and a great patient experience, Aster Labs is powered by cutting edge technology like integrated biochemistry platform Atellica and Heamatology on Advia on an automated track, LCMS (Waters), Flowcytometry, Digital Pathology of Philips and many more.

This drives highly precise reports with minimal human intervention from the NABL ISO-15189 certified Global Reference Lab while a strong digital presence ensures seamless patient connect for test booking and report delivery.

Tests available

2500+

Kerala

27 stores

Telangana

22 stores

Strengthening our position in India

- Strengthening our presence in Kerala and Telangana while implementing a go-to market strategy to enter Andhra Pradesh
- Planning to launch 175 new stores in FY23. This will take the cumulative number of stores to around 300+ by March'23
- Focusing on Private Labels, FMCG and Wellness product sales to boost gross profit margins
- Planning to foray into E-commerce in the mid of FY23

Operational Excellence

- Store ambience, prescription fulfilment combined with wide range of pharma and wellness products makes our pharmacies stand out amongst our peers
- Offer free home delivery, monthly offers for chronic customers, festival/seasonal offers and aggressive prescription refill reminder program
- The Doctor connect program connects the community doctors with Aster Pharmacy. Community Connect – In Store and Cluster Camps
- Enhancing the value creation with Major corporate tie-ups.

NABL Accredited Labs

12

Reference Lab

2

Satellite Labs

12

Patient Experience Centres (PEC)

100

Clients served

1.5 mn

Having built a strong presence in Karnataka and Kerala, Aster Labs has now expanded to Mumbai, Tamil Nadu, Hyderabad and Andhra Pradesh.



INTELLECTUAL Capital

The effective use of medical data is becoming increasingly important in today's digitised healthcare environment to keep the best outcomes for patients at the forefront of all operations. Our Intellectual Capital strives to place us at the forefront of medical technology and innovation. The applications, websites and technologies used by Aster across a wide variety of operations constitute our Intellectual Capital. We have a two-pronged approach to innovation in which we develop our own ground-breaking technology and, in the case of superior existing technology, we purchase it. For the benefit of our patients, we have prioritised ongoing innovation and the deployment of cutting-edge technologies such as robotic surgery, OT imaging facilities, catheterization laboratories, interventional radiology suites, and nuclear medicine.



Our Digital Initiatives

1Aster

1Aster is the single point access to all Aster services. This platform provides a single digital window for patients to reach out to Aster for availing a host of services like Tele-consults, e-pharmacy, appointment booking, health record viewing etc. The platform also plans to provide features like diagnostics and home care in the near future. The platform is end to end integrated with payments, insurance and delivery services, enabling the patients to enjoy a safe, hassle free experience.

Aster e-consult

Aster e-consult or virtual care is the tele-consult platform for patients to consult Aster clinicians and avail quality consultation remotely. The platform enables patients to select doctors basis multiple parameters like qualifications, languages spoken and availability. It allows seamless in-app connectivity and lets users chat and audio connect with the physician. The platform allows users to upload their medical records for doctor's diagnosis prior to the call and make an informed diagnosis. It allows users to access their prescriptions once generated by the Doctors and order medicines at home

Aster e-pharmacy

Our e-commerce platform, Aster Pharmacy, offers services ranging from pharmacies to healthcare e-commerce, loyalty programmes, home delivery services, and more, all of which contributes to a seamless health journey and enriches the lives of millions of people.

Aster Chronic Care

We have advanced technology for chronic disease (diabetes and hypertension) patients as part of our novel remote monitoring programme called Aster Chronic Care@ Home. The integrated health service system empowers patients to take control of their disease management by closely monitoring blood glucose and blood pressure readings, managing continual data through a mobile app linked to a call centre, and proactive patient outreach from Aster professionals for care.

Research and Innovation team and initiatives

Aster has about 20 research scientists, collaborating with leading medical data solution providers, device manufactures and Artificial Intelligence partners to develop innovative

Our Partnership for Innovation

Aster entered into a strategic collaboration with the NITI Aayog's Atal Innovation Mission, which will tremendously benefit efforts to innovate in India's medical devices and health care ecosystem by leveraging developments in digital health research and innovation. Deep learning/AI-powered digital health has the potential to improve healthcare in India by making it more accessible and affordable.

Aster's clinical simulation lab, a one-of-a-kind project of Aster's Innovation and Research Centre, allows digital health entrepreneurs to evaluate their models using real-world data from Aster Data Bank. Doctors that have received digital health training, such as AI in healthcare, can also contribute to the creation of new AI models and work as co-founders or advisors with entrepreneurs.

solution for better patient care. These provides clinicians & researchers within & outside Aster to take part in real time problem-solving. Aster has started initiatives in oncology, radiology and other specialities.

Research and Innovation partnerships

Aster has been in partnering with both government and private organizations for developing innovative solution using Artificial Intelligence and device based solution in our the state of the art research eco-system. We have diverse range of research partnerships where we contribute on data, clinical insights and co-development expertise to create and develop jointly. Some of our prestigious partners include Nitiayog, Intel, CARPL, Larsen and Turbo Technology Services (LTTS), Bionest, Technology Healthcare Big data Analytics (THB) and IntelPixel.

Federated Learning progress

Aster has been successful in building 'Secured Federated Learning platform (SFL)' in collaboration with Intel, being our platform partner. This Platform is a distributed environment and provides end-to-end environment for testing the AI models with higher accuracy compared to traditional AI modelling systems. SFL provides access to wide range of diversified data from multiple sources, while ensuring data privacy and IP protection

to algorithm developers. Successfully testing of accuracy, security and privacy aspects has been completed and ready for partnership with other institutions.

Digitisation in HR

The digitization of the entire hire to retire cycle, has established a more efficient and engaging system for 24K+ employees at Aster DM Healthcare. This was enabled through a single platform – Aster Connect, our customized people experience platform powered by Oracle Cloud HCM. All our modules of ORC (Oracle Recruitment Cloud), PMS, L&D, Compensation & benefits, Talent & Succession Planning and Work Force Scheduler (rostering management) have been successfully launched in the span of 4 years. Our most recent project on Visa process automation has gone live for all UAE verticals improving upon the time taken in the process and also bringing efficiency in terms of cost by avoiding fines/penalties. We are further looking at enhancing the employee experience through our Chatbot & Helpdesk implementation which will help employees to get answers to their day to-day concerns on the go.

DCRM

DCRM is Aster's platform for pro-active patient reach out. This platform allows Aster to track patients who have missed their appointments or pharmacy refills or any other services and reach out to them via SMS, Email and WhatsApp to ensure compliance to recommended protocols and followup. The platform ensures that no patient is left without supervised care and keeps the engagement between patients and Aster active. It also allows Aster to look at Patient data as cohorts, identify vulnerable cohorts and devise a plan to conduct reach outs to the patient group. This ensures that these patients are engaged and adhere to the care plan. Resulting into sense of relativity, additional visits from them, better brand recall, brand awareness and incremental revenues.

Data security management measures

Our data security practices give utmost importance to patient information. We have started the Zero trust approach where access to critical data is given on a need-to-know basis only. All patient information is stored within Geographical limits as per regulatory norms and our collaboration tools ensure all the data is stored in a secured environment with authorized access. Technologies like Email Security, MFA VPN, WAF, and SIEM are implemented to safeguard our environment, supplemented by rigorous audit practices to ensure the end-points are secured.

HUMAN Capital

We constantly strive to create a work environment that motivates and attracts talented healthcare professionals. We are proud to have an engaged and accomplished workforce that provides distinctive and compassionate care fostering patient trust and confidence in choosing our services.



Employees

25,806

(includes outsourced)



Employee Engagement and Participation

Creating an organisation that listens Senior Leadership Connects

For communications on ideas and best practices, the senior leadership connects with every business unit and employees to explore suggestions on a monthly basis through an initiative called Frontline Obsession. To keep employees updated, leadership communication aimed at cascading organisational wide processes such as Culture, Compliance, Risk Management, and so on is shared with the employees.

Our “Frontline Obsession” initiative helps us to bridge the gap between our Leadership & Frontline teams. This helps us strengthen our communication with our frontliners, especially those working directly to serve our patients and customers. Through this forum we hear and address their challenges to empower them in providing greater care to those they serve. This also allows us to recognize Asterians who embrace our core values with their role model approach. We have received over 1000+ suggestions so far.

Engagement Surveys

The Aster Ambition House lays down the key priorities, aligned to our seven pillars of excellence. The Aster Cares Culture is envisaged as the enabler of these priorities – becoming a customer-centric, people first & achievement-oriented organization wherein the philosophy of ‘Caring’ underpins all our business & people-decisions & actions. Accordingly, the Culture Renovation Survey was launched in Oct 21, to 17000+ Asterians, in 5 languages, across multiple formats, in order to gauge where we stand vis-à-vis our desired culture. 71.5% of the Asterians responded, providing us with qualitative insights & suggestions to augment our Culture. Basis the results of the survey, a few organizational level themes were identified, alongside certain vertical-specific



themes. Our commitment to the Culture Renovation Journey was further cemented through the creation of a project charter, which lays down broad action steps, key metrics, & risk mitigation actions.

programme in Aster Hospitals, and the ‘Expressions’ connect at Aster retail, where store managers are invited to a one-on-one connect with the CEO and HR.

Suggestions

1000+

Participation in GCC

71%

Participation in India

76%

Throughout the year, various verticals have initiated multiple engagement activities, such as the Aster Hospital Sports Day, Movie Nights with Unit-In-Charge in Clinics, the Teach to Learn programme across Hospitals and Clinics, the Aster Pride

At Aster we have multiple forums for communication to our employees. We communicate on our Vision, Mission and Strategy through the following channels:

- Executive Council (EC) who are the custodians of Vision, Mission, Values and provide direction for the Group.
- Higher Strategic Council (HSC) which is a forum to discuss strategic initiatives and Organisation wide challenges.
- Higher Management Council (HMC) which is a forum to cascade our initiatives and share best practices.

Career Growth

Professional development is a lifelong journey

Our employees receive comprehensive business and technical development to help them evolve, expand, and reach their true potential. At Aster, employee skill upgradation is mainly driven through interventions focused on Foundational, Personal and Professional Development. A myriad combination of interventions includes professional upliftment through Senior Management Programs, multi-rater assessments, performance dialogues and coaching. We have several other career upskilling initiatives for retention and mobility of critical talent.

GROW (Get Ready for Opportunities at Work)

We have several flagship group wide initiatives such as the GROW program for our nurses to build capabilities. GROW with Aster intervention has been designed with an emphasis to proactively provide extensive structured career development and growth, management opportunities, well-being, and engagement for all nurses, across levels, across the group.

Programs launched for the nurses

11

Man day Invested for training nurses

1500+

Nurses upskilled

7000+

Aster Edvantage

Another of our initiatives, Aster Edvantage, is a Digital Health and Innovation Learning intervention primarily designed for doctors to not only imbibe an adaptive, digital mindset, but also to be able to anticipate future possibilities in their field using Artificial Intelligence and applications and Digital Healthcare. This blended certification journey includes webinars developed and delivered by Aster DM Healthcare doctors and internal experts, videos, and research articles.

Doctors underwent sessions

520

Performance Appraisal

We have performance appraisals with half yearly and monthly check-ins that enable managers and peers to provide valuable feedback to their colleagues or team members. Employees in Critical Roles, Senior Managers in GCC, and AGM+ across the group engage in Multi-Rater Assessments to seek and receive

feedback. Each employee develops an Individual Development Plan with the support of these inputs, allowing them to work on their personal and professional development.

Employee Training

We strive to provide ample opportunities for learning and development, and work actively on role enhancement and movement to guide our key employees towards the path of excellence and ensure professional satisfaction and fulfilment.

We have informal and formal training and various interventions which includes Clinical Excellence, Digital Capability, Behavioural, Functional and Service Excellence. Our training and development strategy for FY 22 includes extensive skill building across Business and People metrics. The launch of the Aster Digital Academy, talent development and focussed interventions are an integral part of the strategy.

Man Days Invested in training in FY 21-22

13800+





Employee Retention

We want to ensure a creative, challenging and holistic atmosphere and encourage employees to challenge current benchmarks and develop their capabilities on an individual level. In order to ensure the same, we have expanded our employer branding and talent mobility teams, to increase engagement internally. Internal Job Movements, Promotions and Role Enhancements have also been carried out through the year FY 21-22 to ensure enough opportunities for career development.

- **Internal Mobility**

We encourage our employees and give them ample opportunities within the organisation to develop their skills and build on their experiences with the help of internal mobility.

- **Employer Branding**

Developing a unified messaging helps us in cultivating a sense of pride among internal employees and many other talent attraction initiatives also help us with attracting talent from an external pool.

We carry out the following measures in order to retain our employees:

- Performance Linked Payouts
- ESOPs of critical groups
- Tracking of high performer retention
- Career growth and mobility through Internal Job Posting
- Frequent reviews through Bi-Annual Reviews

Succession Planning

Throughout the group, we have ongoing management and leadership development programmes. Internal successors are determined based on performance and potential, as well as recommendations from executive leaders, in a quarterly review with the Board. The pipeline under consideration spans verticals, functions, and locations. Differentiated development is being implemented for the selected internal successors, including interactions with key executive leaders, participation in crucial projects, executive mentoring, and nomination for executive education and high potential programmes.

Successors identified

62%

Rewards and Recognition

Building a culture of recognition

Rewards and Recognition is an integral part of Aster's culture. Aster's Recognition and Rewards are extended to everyone in the organization across levels in the spirit to foster a diverse and inclusive environment along with driving a culture of high performance.

In the past years, we have increasingly focused towards Pay for performance with a differentiated strategy across employee levels. Our variable pay is closely linked to the performance of our business units which recognizes both individual and overall unit performance. For engagement of the senior leadership, we have an employee stock option plan along with business unit's growth based performance incentive tying individual growth to company's growth.

Employee Wellbeing

As a healthcare organisation, we also focused on well-being of our employees through our well-being theme- "Meet the moment" which focused on fitness challenges such as Lose to Gain, Walk to Win as well as Mental Health initiatives such as Gratitude in My Attitude,

- AHRQ Culture of Safety survey
- Medical claims analysis
- Employee fitness initiatives
- Just Ask - employee financial support
- Covid Vaccination drive
- Free HBsAg vaccination
- Provision of adequate PPE
- Third-party discounts on recreational activities
- Employee well-being budgets
- Star Doctor Engagement

We have numerous accolades given out at Aster including:

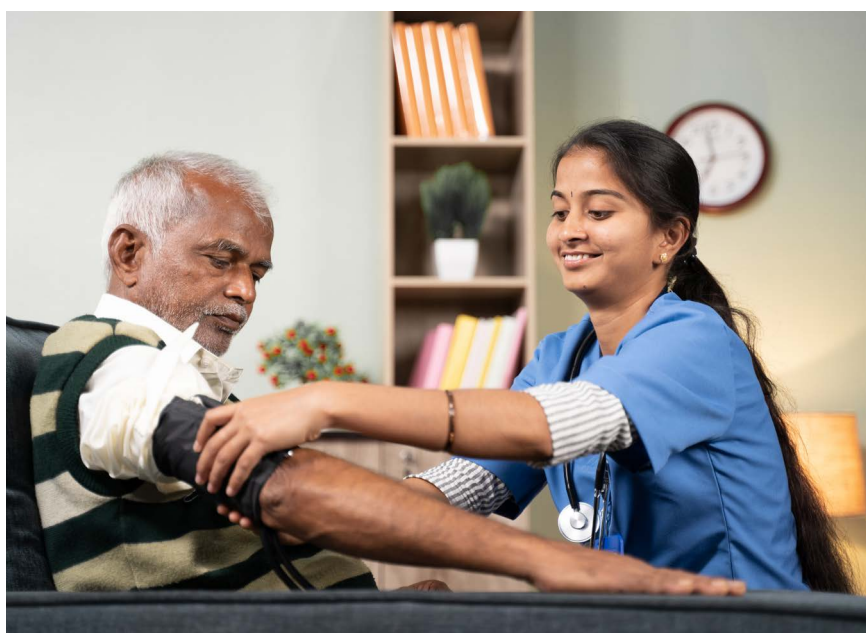
- Daisy Award for Nurses
- Spot Awards
- Frontline Obsession (FLO)
- Employee of the Month
- Long service Awards
- Paramedic of the Month
- Nurse of the Month
- Performance bonus
- Compensation review based on
- Individual performance
- Sales Incentive
- Nursing career path



Grievance Channels

Aster DM Healthcare strives to create and maintain an inclusive environment where all employees feel heard, empowered and respected. We encourage our employees to share their concerns and grievances with us through the appropriate channels and forums to help us address them in a timely manner without fear of reprisal while continuing to improve our people's practices.

Employee grievance can be defined as any concern or challenge that an employee is facing at the workplace including dissatisfaction, behavioural concerns, psychological concerns and/or any issues pertaining to power dynamics. Being a listening organisation, we have multiple channels for employees to raise concerns. These range from unit level grievance committees, whistle blower channel, anti-sexual harassment channel, to the corporate employee wellbeing and grievances channel. These are governed by the whistle blowing policy, anti-sexual harassment policy, anti-discrimination policy and the code of conduct policy. Further, we have confidential ethics line that allows employees to report issues using a toll free number or email in English, Hindi, Gujarati, Marathi and Telegu via telephone and in Arabic via email.



Health and Safety Training

All of our employees undergo mandatory training on Infection control, biomedical waste, fire and smoke safety, hazardous material and waste safety. To prevent workplace injuries and harm the most important component is comprehensive training related to various functions.

Our employees undergo training on

- Fire and smoke safety
- Electrical safety
- Biomedical equipment safety
- Hazardous material and waste safety
- Infection control
- Biomedical waste
- Emergency codes related to workplace violence(code white)
- Code of conduct.
- Incident reporting, whistleblower policy

Diversity and Inclusiveness

At Aster, our goal is to create an inclusive environment where people of different backgrounds can contribute at their highest level and where their differences can make a positive difference for Aster. Our diverse teams are represented from 70 countries, working cross-culturally together as part of one large family. We are an equal opportunity employer and strive to build diverse teams.

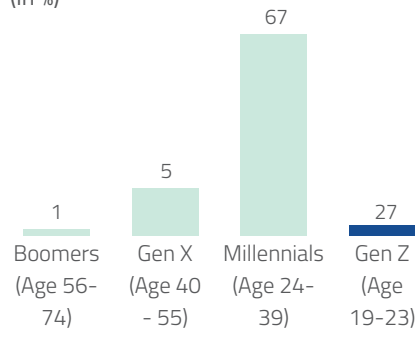
Additionally, we have implemented a strict anti discrimination policy, as well as a code of conduct to ensure a positive work environment. All statutory cases are reported on a regular basis and are thoroughly reviewed by a board. Diversity and inclusion on the basis of ethnicity, caste and gender have been included as key pillars of our organisation.

Women Workforce

57%

New Hires (by Generation)

(in %)



Diversity and Inclusion (D&I) Committee

The D&I Committee seeks to facilitate our organisation’s ongoing and continuing efforts to foster a culture and atmosphere of mutual respect, and safety and attract, retain, and develop professionals from all backgrounds, perspectives, and abilities. This Committee aims at fostering open communication within the organisation in matters relating to D&I. A quarterly assessment of the success and concerns is conducted to identify wins and gaps. We also have the Ethics Committee composed of senior members that meet regularly to oversee group employee grievance related escalations. We have also appointed a dedicated SPOC to manage Wellbeing and Grievance for the group.

Anti-Discriminatory Policy

Whilst hiring we look for capabilities, competencies, and core values of individuals. We strive to look at individuals as equals, with no regard for caste, creed or sexuality. We aim to learn something new from all of our employees, their unique backgrounds, experiences and knowledge. Thus it is essential for us to provide a platform and voice to individuals from various different walks of life- lending to our employment policy of ‘Open to All’.

Further to this, we also have the Code of Conduct (COC) policy that clearly states that the organisation does not discriminate and has zero tolerance towards behaviour that is against our ethics and code of conduct. We believe that no one should ever be subjected to discrimination on the basis of - Race, Religion, Color, Nationality, Age, Gender Identity, Gender Expression, Genetic Information, Disability, Veteran Status, Marital Status , Physical Appearances or any other Legally Protected Status.

Our initiatives for diversity

Aster’s purpose and commitment to building an ‘all-inclusive’ workforce allow us to create an environment that unleashes innovation, allows our people to perform at their very best, and underpins a culture in which everyone feels they have an equal opportunity to belong and build a career. We have various initiatives to support us in this direction:



- Sensitization among employees** As a premier standard, we ensure to educate all employees about the different forms of disabilities and the rights of people with disabilities in the workplace. We ensure these practices with the help of workshops on improving communication styles and making sure that employees with disabilities are not discriminated against. We also conduct training sessions to help our employees mentor and lead employees with disabilities to let them know that they are equally valued team members.
- Accessible infrastructure** An inclusive workplace is not only promoted but is actually also felt.

All public entrances allow for access by wheelchair through low-graded ramps and automatic doors. Elevator control panels are also located at a height easily accessible by wheelchair users. All our Hospitals/Clinics are also equipped with restrooms for patients and guests with limited mobility, and most of our administrative facilities are accessibility friendly to most People of Determination

- Allowances and flexibility** We take special care of the specially-abled and have policies that support the employees with extra allowances and a flexible working environment where they can opt for working from home at intervals.

full-time and part-time differently-abled employees

83

We aim to consistently improve these figures to ensure a passionate and diverse discrimination-free workforce, working together to collectively add value to our patients, our people and our extended community. Our goal is to create an inclusive environment where people of different backgrounds can contribute at their highest level and where their differences can make a positive difference for Aster.



SOCIAL AND RELATIONSHIP Capital

We believe in fostering strong relationships with all our stakeholders, including our relationships with patients, suppliers as well as local communities. Together, we strive towards mutual upliftment.



Relationship with Patients

Providing individual-centred care

Our main focus has been enabling access to quality care that is affordable. We take accountability for delivering high-quality healthcare services guided by clear and transparent policies. To ensure our healthcare professionals provide excellent quality care our strategy includes ongoing training and continuous medical education.

We have developed a culture of learning and knowledge sharing by developing in-house certifications while also supporting employees to gain external training and enhance their professional competencies. Performance measurement, peer-review, setting norms, and standards dealing with professional misconduct are also part of our strategy. We constantly focus on innovations and encourage the development of newer specialties to meet the needs and expectations of the communities we serve.

Our quality and patient safety strategy

Our strategy also focuses on the safety of medical supplies and biomedical equipment by evaluating associated risks and ongoing monitoring. Our robust governance structure has clear roles and responsibilities, protocols, and best practices to ensure high-quality care and patient safety.

We have implemented various programs and plans for quality assurance at all levels which include:

- Business continuity plan
- Emergency preparedness and response system
- Enterprise Risk Management
- Workplace Health and Safety
- Environmental Health and Safety
- Infection Control and Prevention
- Quality Improvement and Patient Safety
- Voice of customer: Complaints and suggestions

Further, we maximise the value of our healthcare services delivered by pursuing efficiency and appropriate allocation and utilisation of resources. All levels of care aspire to the highest standards of excellence and professionalism in the provision of care. We have put systems in place to track our processes and outcomes.

All our business units have a minimum of one national accreditation certification which is a testimony to international standards of quality and patient safety. Tie-ups with various corporations and insurance payers are in place to provide cost-effective treatments.

Value-based Healthcare

We encourage the practice of evidence-based guidelines and innovative models of health care delivery including wellness, prevention, and chronic care management that are clinically effective.

Modern medical technologies and the adoption of cutting-edge technologies such as robotic surgeries, OT imaging facilities, cath labs, interventional radiology suites and nuclear medicine are of immense benefit to selecting the right treatment therapy for our patients.

We follow international disease classification and Current Procedural Terminology (CPT) medical code set to report medical, surgical, and diagnostic procedures in a standardised way. Process related to medication reconciliation, appropriateness check for medication, clinical and medical record audits, credentialing and privileging, inspections and surveillance support our commitment to provide quality and correct care.

Recently an MOU has been signed with the Government of Tamil Nadu with proposed Investment of ₹ 500 crore in hospitals, pharmacies and laboratories in the state. This will help provide quality healthcare at affordable cost to the people of Tamil Nadu and generate employment for more than 3500 people.

Patient rights

Patient and family involvement is enhanced through various initiatives like patient education, informed consent, and Patient-focused groups. Patient rights are always protected and all regulations related to consumer rights are followed.



Relationship with Suppliers

Supplier Management and Development

We aim at unlocking the suppliers' potential for total cost advantage, service and innovation. Supplier management and development is undertaken to measure and maximise the performance of our suppliers and deliver competitive advantage with suppliers through supplier development activities. Supplier management and development ensures that benefits are delivered and secured and it is the core of our supplier strategies. It will be a cross functional activity to ensure a common understanding of suppliers' performance and development opportunities.

Supplier performance management

Supplier performance management will be continuously undertaken to measure the overall performance of suppliers. Feedback will be shared regularly with suppliers to identify and remedy potential issues and define improvement opportunities. Regular interactions with suppliers will be planned and undertaken to ensure effective supplier performance management particularly for our top 20% suppliers representing 80% of our spend. Supplier development will be undertaken to improve or expand our



suppliers' capabilities which is necessary for Aster DM Healthcare to continuously meet competitive challenges. It will be performed based on the specific and most appropriate supplier strategy.

Engaging our suppliers

We will ensure that our strategic suppliers recognise Aster DM Healthcare as the first choice for their innovations and that our procurement people are continuously scouting the supply environment for new opportunities. To achieve this, we will proactively engage our suppliers together with all relevant Aster functions.

Local supply chain

Within the constraint of healthcare supply restrictions wherever possible we use local partners and distributors to supply to Aster facilities. Local Partners and Suppliers improves the lead time and supply reliability.

General Principles of our Procurement Practices

- open and fair competition
- accountability
- risk management
- probity and transparency



Relationship with Investors

We communicate with investors on a regular basis. It includes quarterly interaction via post results earnings call, participation in investor conferences, direct meetings and calls and participating in roadshows, arranged through brokerage houses.

Online and offline channels

We employ print and internet media (both general and business news channels) for management interviews in order to provide periodic updates and management thoughts and opinions on themes relevant to our industry and the geographies in which we operate. Furthermore, we use social media platforms like LinkedIn, Facebook, and others to improve the effectiveness of our communication.

Going forward, we intend to participate in select 8-10 events during the year, including conferences and roadshows. These not only include events both in India and GCC, but also in other geographies like Singapore, Hong Kong, United Kingdom and other geographies where there is a concentrated pool of investors looking to invest in India and the GCC region. Apart from conferences and roadshows, the Company will also meet with investors in-person at its offices in India and Dubai and also via phone calls and virtual meetings.

Creating shareholder value

We are actively looking at under-performing Geographies and Assets by drawing turn around or part / full exit strategies to create shareholder values. We are driven by the principles of returns and yield.

We are actively pursuing the suggestion which came from our investors and analysts that we must focus on brown field, low capex investments to increase capacity. As a result, we are adding 210 beds to our capacity with a ₹ 40 crore investment by taking over the operations and maintenance of Aster Mother Hospital in Areekode, Calicut, and converting a hotel into a hospital linked to Aster MIMS, Calicut. There are many other brown field hospitals under discussion, and we hope to add many more beds in the next financial year under this model with very low capex investment.



Relationship with Communities

Aster Volunteers

Aster Volunteers was formed with the goal of acting as a catalyst for social impact and as a forum for all those who want to help with our humanitarian initiatives. We have several Aster Volunteers efforts such as creating Covid Field Hospital, Aster Homes for the victims of the Kerala Floods 2018, producing Aster Mobile Clinics and delivering free treatments to impoverished patients, providing Medical Treatments and subsidies to eligible patients, and so on.

The Aster Homes project was announced for flood victims who were homeless, as well as livelihood assistance programmes for flood victims whose livelihoods have been impacted by the storm. Along with this, we also ensured over 294,158 individuals in Somalia, Jordan, Bangladesh, Kerala, and Yemen received disaster aid.

New Homes were provided for people who lost their homes in the Kerala flood

250

Aster Volunteers Impact

Aster Volunteers, our global CSR programme has impacted an additional 1.3 million+ lives. In addition, we have established free dialysis centres, early disease and cancer detection centres in various regions of India. We extended 195,990 free dialysis services through our associate community dialysis centres, 84,350 people benefitted from our Mobile Medical Clinics and large numbers of free surgeries and medical investigations worth millions have been extended to the underprivileged and needy. More than 47,137 patients received treatment costing ₹ 7.99 crore. Over 180,149 persons received basic life support and education.

Lives impacted

>3 million

Awarded Humanitarian Response to the Pandemic

By Integrated Health And Wellbeing Council (IHW Council)

Collaborating for cultural growth

We want to improve the mechanisms for implementation and revitalise global collaboration by bringing together the appropriate people who share the same objective of sustaining the planet. During FY 21-22, we collaborated with a number of organisations in India and the United Arab Emirates to expand the scope of our CSR efforts.

The All Kerala Colleges Alumni Forum (AKCAF) is the umbrella organisation for more than 200 Kerala college alumni in the United Arab Emirates. On February 19, 2021, the AKCAF Wellness Program was established in collaboration with Aster DM Healthcare's Aster Volunteers programme. The numerous initiatives for the health and wellbeing of AKCAF members and their families were offered to the members, including women webinars, lifestyle disease awareness, and health packages.



Support during Covid-19

The Aster Volunteers have been in the forefront of the COVID-19 efforts. Through both online and offline activities, the team has been aiding and supporting medical professionals and people in need. Aster doctors and medical experts held and moderated a series of webinars regarding precautions, preventative measures, and special care for those with pre-existing conditions, among other issues. We helped ease issues caused by the pandemic by reaching over 590,000 individuals through pandemic webinars. Covid assistance in the form of food distribution, webinars, covid camps, and immunizations impacted about 2,047,214 people.

Ration kits distributed

331,440

PPE kits distributed

15,486

Individuals were provided vaccine support

825,904

People outreached via webinars on the pandemic

591,656+

Covid-19 patients assisted

456

Aster Volunteer Mobile Medical Services

For the past eight years, Aster Volunteer Mobile Medical Services (AVMMS) has provided medical services to remote places and financially weaker sections of the society. The mobile medical services program recorded over 599,170+ cases of care being provided by AVMMS to the doorstep of underprivileged people. In 2013, we started Mobile Medical Services to provide primary medical treatment to individuals in distant areas of India, the United Arab Emirates, and other parts of the world, particularly in locations where medical facilities are scarce or non-existent. Our Mobile Medical Services are currently operational in six countries.

Individuals were assisted in AVMMS camp

176,059

The mobile medical van is fully equipped to provide diagnostic, laboratory, and medical check-ups, as well as counselling and first-aid treatment. The abroad General Practitioners offer free medical

consultations, and patients are sent to the nearest healthcare centre for advanced care if medical action is needed. People are given services such as blood pressure, blood sugar, BMI, and, on occasion, cholesterol or ECG checks. The program's medical and wellness camps served a total of 6,33,868 people during 4,047 medical camps.

People distress calls addressed

16,697

The mobile clinic team also gives health presentations in several languages on various themes, educating people on various health issues. In addition, the mobile clinic takes part in significant initiatives organised by strategic partners.

Through our extensive Basic Life Support (BLS) training, we have been able to create 1,90,000+ lifesavers who, at times of need, become crucial responders and save lives.

192,155

People have been trained to provide Basic Life Support (BLS) in case of an emergency



Heart to Heart Walks

#Heart2HeartWalks

On World Heart Day 2021, we started an initiative with our heart and soul. For a week, we encouraged people to take steps towards the right direction so that they

can make a big difference to children's lives. For every 10000 steps they took, we donated ₹ 100 towards heart surgeries of underprivileged kids. The initiative was a resounding success with a total of ₹ 22.65 lakhs earmarked through Aster DM Foundation for the noble cause.



Oman Cyclone

#TogetherForOman

Tropical cyclone, Shaheen ripped through Oman last month. As nature ravaged the country, our volunteers fearlessly came forward to help the affected people with delivery of food, necessities and medical aid. They also worked on ground to clear the debris and clean up roadblocks. With the guidance of the Ministry of Health and local municipalities and support of Aster Volunteers, Oman was able to get back on its feet soon. As a part of Shaheen Cyclone aid, Aster Volunteers Muscat conducted a cleaning campaign at different commercial locations in Muscat. These cleaning drives continue and will be on for some more time.

Aster Volunteers Happy Box

#ClothesCollectionDrive

The ones with limited means are not fortunate enough to lay their hands on new clothes be it during festivals or any other day. Forget new, their only clothing is a handful of worn-out ones. To address this issue, Aster Volunteers organised a clothes collection campaign for underprivileged children called the Happy Box. Aster Volunteers thanks everyone who has already donated clothes for this noble cause, thanks the management for their immense support, and most importantly, thanks the NGOs for helping us distribute the collected clothes among those children who need it the most.

Smile 4.0 - Dubai Expo 2020

#AsterVolunteersBelong

Little Smiles Matter

We try to do our best when it comes to children. That's why we organised Smile 4.0 on Children's Day 2021, a day of fun and mirth for the little ones from various walks of life. They came together to celebrate childhood the way it should be: healthy and happy. The day was packed with fun-filled activities for the children. They bonded with each other, explored the Dubai Expo venue, took part in cultural activities like singing and dancing and were transported into a magical world by a magician and his fascinating tricks. Along with all the fun, there were health check-ups for everyone. Children got diagnosed by ophthalmologists, pediatricians, dentists, dermatologists and general physicians. Smile 4.0 was a successful event, judging by the happy faces leaving the Dubai Expo 2020 venue.



Health & Wellness Camp at Dubai EXPO 2020

#AsterVolunteersCoach

On January 27, 2022 Aster Volunteers organised a health and wellness camp at the Indian Pavilion of Dubai EXPO 2020. In a span of 4 hours over 170 individuals were trained on BLS Awareness, Infection Control, Health and Fitness. The event also had recreational activities like Mehandi Corner and Zumba Sessions. Our volunteers and the events' partner India Pavilion EXPO did a brilliant job in organizing this impactful event that has imparted life-saving skills to all the participants.



Rooftop Organic Farming

Aster Hospital at Mankhool initiated its first terrace garden on January 23, 2022. Mr. Darshan Murali, Mr. Nihad Nazir, senior volunteers, planted over 50 pots of vegetable saplings and seeds in the hope of a healthier tomorrow under the Green Canopy initiative. The plants that were potted are coriander, tomato, chili, lettuce, eggplant. Mr. Mohit Arora and Mr. Supreet Hedge are leading the staff on how to take care of the plants properly and are hoping to have the first harvest soon. Similarly, organic farming has been set up at the terrace of Aster Cedar Hospital under the guidance of Mr. Gaurav Khurana and his team at the hospital. The active participation of the facility management team and volunteers of the hospital has laid the ground for mobilizing more saplings in the future.



Aster DM Healthcare Limited

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Medical Camp at Kochi

Aster Volunteers Mobile Medical Service at Kochi in partnership with Aster Medcity and Peace valley conducted a free medical camp for the street dwellers of Kochi. Doctor consultation, initial health evaluation, medicines and wound dressings were provided to the beneficiaries. More

than 60 individuals got themselves screened and treated at the camp. The camp was held at the premises of Ernakulam south metro station.

Sri. Jafar Malik, IAS (District Collector) inaugurated the camp and Dr. Henna (RMO of AVMMS Kochi) led the medical team. The MSW students of Mar Baselios College,

Kothamangalam provided their support as external volunteers in registration and patient assistance. The District Collector appreciated Aster Volunteers for the humanitarian interventions and also requested for providing volunteer support in the shelter project to the street dwellers in association with district administration.

**Desert Clean-up at Al Badayer**

Aster Volunteers UAE in association with Dubai Municipality and Abu Dhabi 4*4 arranged a desert clean-up drive in the interior of Al Badayer Desert. In just 3 hours, a humongous quantity of camping waste was collected. Thanks to the AVMMS team, Mr. Sinan from the Medcare team for taking the initiative, and Mr. Shabad (AHM), and Ms. Afreen (Aster Clinics) for spearheading the event, and all the volunteers associated with the clean-up drive.



Second Life Initiative

#AsterVolunteersTreatmentAid

Bollywood actor and humanitarian Mr. Sonu Sood and Aster Volunteers have joined hands to raise awareness on liver disease and help the children in need of a transplant. Through the association, Aster Volunteers would support 50 children from underprivileged families who need to undergo liver transplants. The treatments will take place at Aster CMI and Aster R.V. Hospitals in Bengaluru, Aster Medcity, and Aster MIMS Hospital Calicut, Kerala, India.

Medical camp at Aster TEFA Village

Aster TEFA village is a community village in Wayanad that was built by Aster Volunteers in association with TEFA. Aster Volunteers conducted free medical camps exclusively for the families of Aster TEFA village at Panamaram, Wayanad in association with Dr. Moopen's Medical College and TEFA. Aster Volunteers Mobile Medical Services Wayanad executed the camp by organizing doctor consultation, vision testing, initial assessment of BP, blood sugar level and ECG. Free medicines were distributed to the needy. A total of 110 beneficiaries got medical assistance. The camp was inaugurated by Mr. U Basheer, Executive Trustee of Dr. Moopen's Medical College.

Sri. Ahamed Devarkovil, Minister for Ports, Museums and Archaeology, Kerala State and other notable dignitaries jointly handed over the original title deeds and related revenue documents to the respective beneficiaries of Aster TEFA Village in the presence of various NGO representatives, social workers, Aster Volunteers and the general public.

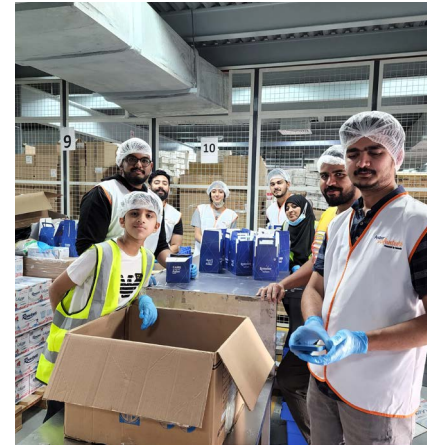
Mega Medical & BLS Awareness Camp at MBM facility center (Sonapur)

A mega health camp was organized at MBM facility center, Sonapur in association

Iftar Food Distribution in UAE

#AsterVolunteersAid

Keeping up with the spirit of giving during Ramadan 2022, Aster Pharmacy led an activity in which around 100,000 food kits were distributed to people stuck in traffic during the breaking of fast every day. The drive went on for all the 30 days of the holy month, much to the relief of the daily commuters who usually rush home to break their fast on time. The activity was carried out in association with Aster Volunteers and Dubai Police.



with Aster Hospital Muhaisnah and Access Clinics Sonapur on the occasion of World Health Day. The initiative was taken by Aster Volunteers to welcome Eid 2022 on a healthy note. More than 500 individuals were trained on BLS awareness and over 1,200 individuals walked in and received general check-ups. Each beneficiary of the camp received an Iftar food kit by Aster Volunteers and a pizza sponsored by Domino's. The camp ended on a healthy and happy note, all thanks to the dedication of the volunteers and the support of the partners: Domino's, MBM and ACKAF events. The volunteers did a commendable job on showcasing to the world how the spirit of volunteerism can bring change to the society.

Medical camp at Aster Hospital Muhaisnah

On the occasion of World Health Day, Aster Hospital Muhaisnah conducted a free mega medical camp from April 11 to April 30. Thousands of low-income workers took part in the activity. The beneficiaries of the camp were oriented and trained to manage lifestyle diseases, and emergency management at their camp or worksite for cardiac arrest, especially for heat stroke. They were also screened by doctors from different specialties like General Medicine, General Surgery, Urology, Orthopedics, Pulmonology, Cardiology.

Diva 2.0

Celebrating Womanhood

#BreakTheBias

Breaking the bias is the need of the hour as every female deserves a fair chance at life. A society that helps its women rise progresses manifold. This year, the Aster family cheered for women across the globe to keep striving ahead and in the process help build a just world for themselves and their next generation. Various units of Aster DM Healthcare took part in a plethora of activities with the female staff of respective regions to celebrate International Women's Day under the Diva Program. The theme of all the celebrations was #BreakTheBias and the video is worth a watch.



Mission Tribal Care

#AsterVolunteersTreatmentAid

Aster Volunteers Mobile Medical Services Kochi partnered with Aster Medcity and Peace Valley to conduct a five-day free medical and awareness camp in March 2022 in association with Center for Life Skills Learning and Forest Department (State of Kerala) at the interior tribal villages in Palakkad district of Kerala. The places where the camps were set up are Thekkady tribal colony, Muppathu acre tribal colony, Tiger Hall premises and Kuriyarkutty tribal colony of Parambikulam

forest region. One camp was exclusively set up for the plantation workers and labourers of POABS Tea Factory, Seetharkundu and also covered Puleyanpara and Nooradi in the Nelliampathy region. The five-day camp ended at the Thalikaiyallu tribal colony in the Mangalam dam region. This camp had close to 600 beneficiaries. Free medicines, as well as protein-rich and nutritious food were distributed to the needy. Tribal watchers at Parambikulam were tested for individual blood groups for the first time. A few pediatric cases have been identified which will require advanced medical care. The patients have been offered free treatment at Aster Medcity, Kochi.

Mr. Latheef Kasim, Sr. Manager of Aster DM Foundation (India), Dr. Henna (RMO - AV

MMS Kochi) & Dr. Shilmiya (DNB Paediatrics, Aster Medcity) led the team. The MSW students of LISSAH College of Social Work also provided their active support as external volunteers. The camps were inaugurated by Thekkady section forest officer, Sulfikar along with Beat forest officer, Jailaudheen jointly, Parambikulam Forest Range Officer Ganeshan, POABS Group Senior Manager Mr. Sasikumar, Paadagiri Sub Inspector of Police Sri. Arul and Mangalam Dam Deputy Range Forest Officer, Sri. Abhilash in separate events. This particular medical camp is an achievement as Aster volunteers was the first medical team to reach these tribal colonies, which were banned even for the general public. The medical support to these people will continue.



Care on Wheels

Aster Volunteers Mobile Medical Services

#AsterVolunteersTreatmentAid

Over the last 5 years, Aster Volunteers Mobile Medical Service has extended free medical care to 599,170+ people, transcending boundaries and reaching out to humanity during the most challenging of times. Aster DM Healthcare stands for quality medical treatment for all and Aster Volunteers Mobile Medical Services leave no stone unturned to make it happen.

The initiative started 10 years ago with a clinic in Dubai and simultaneously in Jharkhand (a North Indian state). It now has 25 functional units across geographies: Pan India, GCC, Africa and the Philippines. Over the last decade, complementary health services were offered to 777,690 individuals and in the FY 2021-2022, 177,596 lives were changed for the better during the COVID-19 era. Aster Volunteers added 9 units in the past year and a few

more are under progress. With each passing year, there is expected to be an acute surge in the number of beneficiaries.

Smile 4.0

#AsterVolunteersBelong

Smile 4.0 is an exclusive programme to help gift underprivileged children an Eid to remember. Units across geographies have taken part in this noble program. Here's what units have done:

Aster Volunteers Wayanad conducted Smile 4.0, where 89 kids from different parts of Wayanad belonging to orphanages and financially poor families came to the event venue and chose new clothes for themselves. It was held at Family Wedding Center, one of the leading Textile Chain in Kerala in association with a few local NGOs.

Aster Volunteers Oman shopped Eid clothes and toys for 100 orphans & disabled children in the Center of

Rehabilitation under the Ministry of Social Development. The event took place at the Max store in Oasis Mall.

Aster Volunteers Kochi conducted Iftar party and provided new clothes to the children of Mattanchery Muslim Orphanage as a part of Ramadan and Eid festival initiative. The children picked out the new clothes themselves. Aster Volunteers facilitated the dress purchase at POTHYS, Kochi. Aster Volunteers Medcity Kochi team visited the orphanage and hosted the Iftar party.

Aster Volunteers UAE in partnership with Emirates Red Crescent, and the Landmark Group put smiles on the faces of 100 underprivileged kids with entertainment and shopping. Internal and external volunteers executed the event smoothly and marked the end of Ramadan with joy and laughter.



NATURAL Capital

As a sustainable organisation, we reaffirm our commitment to the planet with our natural capital and aim toward a future ready organisation with our eco friendly practices.



Climate change

To address climate change, we aim to reduce the greenhouse gas (GHG) emissions arising from our operations. Our multi-pronged strategy to lowering GHG emissions includes identifying GHG emission hotspots, pre-assessing emission values, and then designing a plan to minimise emission intensity. We have calculated our entire energy footprint and devised a strategy to manage it as well.



a Identify GHG Hotspots

b Measure Emissions

c Implement GHG Reduction Measures

We recognised that overall greenhouse gas (GHG) emissions are connected to energy and water usage in an indirect manner. As a result, we are actively working to improve energy and water usage in our hospitals in order to decrease the associated emissions. We also encourage our employees to carpool and travel in groups to cut automobile emissions even more.

We seek to decrease CH₄ emissions from landfills by managing the organic waste generated by our operations. To aid the process, we have put in place a number of paper reduction and recycling measures. Furthermore, we are investigating other places where renewable energy might be integrated, and we are now installing 2,358 KWp of solar PV in the UAE.



Energy Conservation

To leave the smallest carbon footprint possible, we have deployed several energy optimisation solutions across our hospitals. We design new hospitals with energy efficiency in mind, as well as improve the efficiency of existing hospitals, considering our hospitals are large energy consumers. We are also looking at reducing the energy consumption of different equipment alternatives whenever possible.

Our existing hospital buildings have been upgraded and modified for increased energy efficiency, and further retrofits are planned in the future. All of our future projects will be planned with energy consumption and environmental impact in mind, and will follow local authority green building rules.

Solar Energy

Several hospitals under Aster have set up mechanisms to generate renewable energy in order to reduce the carbon footprint. Installation of solar panels to generate solar energy is one such mechanism.

Hospitals where solar panels are approved and currently under installation and the respective energy which will be generated:

- Aster Qusais: 277 MWH
- Aster Cedar: 920 MWH
- Medcare Safa: 799 MWH
- Aster Sonapur: 362 MWH

A few hospitals have also installed solar water heaters and solar-powered street lights. Four hospitals in Dubai and one in Sharjah have joined the effort and installed solar panels, which generate more than 100KW of energy when combined.

In Dubai:

- Aster Qusais has installed Solar Water Heater (25KW)
- Aster Mankhool has installed Solar Water Heater (25KW)
- Medicare Women and Children has installed Solar Water Heater (25KW)
- Aster Cedar has installed Solar Street Lights (2KW)

In Sharjah:

- Aster Sharjah has installed Solar Water Heater (25KW)

Heating, ventilation, and air conditioning (HVAC):

Aster Cedar Hospitals and Aster Clinics have replaced their outdated split air conditioners with energy-saving inverter units, resulting in a switch from R22 to R410 refrigerant gas emissions, which is

a green endeavour. We installed adiabatic cooling systems in Medcare hospitals' chillers to reduce energy consumption by 10%. With this project, we hope to save 15,896 megawatt hours per year.



Water Conservation

We have a clear role to play in water conservation given our dependency and impacts on water resources through our corporate water stewardship practices. Our sustainable practices are further strengthened by integrating business responsibility with water and sanitation. We have embraced our responsibility for adopting better water management practices which has led to a significant impact on our operations while ensuring security of water resources.

Continuous Monitoring

We monitor water consumption at every stage, followed by a water audit and replacement of fittings to eliminate waste and maximise efficiency. We also continuously look for opportunities where we can utilise recycled and treated wastewater.

The strategic pillars of our water conservation measures are:



Continuous Monitoring




Reusing the Waste Water




Efficient Water Faucets and Fittings




Conserving Potable Water

Plan: 


It is mandated for every facility to have a building level water metre installed, which can measure the facility's overall water use.

Do: 

Total end water usage is assessed; faucet flow rates are analysed and consistent efforts are made to identify and act on water recycling and saving opportunities.

Check: 

If in the audit phase, total water consumption is found to be higher than intended, Replacement, Recycling and Reuse measures are implemented.

Act: 

Following the replacement, new results are monitored, reported, and a follow-up action plan is developed.

Reusing the Waste water

Our hospitals have a total of 13 sewage treatment plants (STP). Our STPs have a capacity of nearly 2 MLD (Million Litres Per Day), allowing us to save over 500,000 litres of potable water every day by reusing effluent water for flushing, horticulture, and cooling towers.

Potable water was saved

268,983 KL

Total sewage treatment plant capacity at the 12 hospitals

3,405 KLD

6,122,130 Litres
of water was reused for **flushing**

229,865,660 Litres
of water was reused for **horticulture**

329,950,00 Litres
of water was reused for **cooling tower**



Aster Medcity has a running STP with the capacity of 1 MLD (Million Kiloliters per day). It treats sewage on a regular basis and recycles the treated effluent for use in cooling towers, landscaping, and irrigation. This project aids us in the conservation of potable water.

Of sewage treated daily

749 KL

Of potable water saved daily

737 KL

Efficient Water Faucets and Fittings

Water conservation is one of the core strategic pillars of our sustainability plan, and we try to optimise and minimise water consumption at every stage of our operations. We make consistent efforts to detect leaks, install energy-efficient water faucets and fittings, and reuse discarded water whenever possible.

Conserving potable water

We have been able to minimise water usage at most of our sites year over year owing to our persistent efforts and inventive solutions. Despite an increase in healthcare activities due to the continued pandemic, most of our hospitals used less water last year. We were able to reduce water use at 11 of our hospitals and conserve over 27,117 litres of water as a result of our ongoing efforts to improve water efficiency.

Green Infrastructure

Advances in innovative technologies have paved the way for the expansion of intelligent infrastructure design, resulting in stronger infrastructure and more effective use of green energy, which in turn necessitates the provision of cost-effective engineering services. Patients seek exceptional care in a safe and healthy setting, and our effective hospital design has resulted in positive outcomes.

The hospital has implemented 'Healing Architecture' to create an impression of continuous process and a physically and psychologically conducive Green Hospital setting. Aster RV Hospital, part of Aster DM Healthcare, is among the hospitals that has continued to successfully implement the best engineering infrastructure by embracing the 'Green Hospital Concept.' We plan to have at least one of the hospitals in GCC be LEED certified by 2025.



Recognized by the Government of Kerala in India for our waste management practices and pollution control.

A well-established recycling program

We have vendors and various methods in place to collect and recycle recyclable goods such as metals, old newspapers, plastic cans, plastics, and waste cartons. We can also generate significant revenue with the aid of our well-established recycling program for all of these different types of garbage. We keep track of all categories of garbage produced and separate recyclables at the point of generation. All such records of daily trash creation, recycling, treatment, and disposal are kept on a daily basis.

Eliminating single use plastic

As part of our aim to reduce resource consumption, we have conceived the "Aster Green Choices" initiative. Unless absolutely necessary, we have eliminated using plastic water bottles and throwaway cups for all employees and visitors. All employees have been given glass water bottles and mugs for everyday usage, and the plastic water bottles in the meeting rooms have been replaced with refillable glass water bottles. All of our offices now have water purification systems instead of bottled water dispensers. In our pharmacies we have switched from using the plastic bags to paper bags.



Goal: Reduce the use of single use plastic water bottles

Going paperless

In another effort to become paperless, we have removed all printers from the office. Each workplace has just one centrally located printer and scanner that uses customised codes. The codes allow us to keep track of how many prints each person has supplied. We believe that the green options project will help us reduce our environmental footprint and reduce waste at its source.

Waste Management at Aster Labs:

At the time of generation, bio-medical waste is separated into categories and placed in containers or bags. We take all necessary precautions to guarantee that bio-medical waste is treated safely and in conformity with the laws, with no negative impact on human health or the environment.

Pretreating the laboratory waste

We pre-treat all laboratory waste, which is done by autoclaving for infectious waste and disinfection or sterilisation on-site for blood samples, all in accordance with the state pollution control board's guidelines. Liquid Chemical Waste is also generated in labs and is pre-treated in a pre-treatment tank before being disposed of in sewage.



Conforming to the regulatory measures

According to the Bio-Medical Waste Management Rules, we utilise non-chlorinated plastic bags and gloves. We have a safe, ventilated, and secure location on the grounds for the storage of separated biological waste in coloured

bags or containers. We ensure that there will be no secondary handling, recyclables pilferage, unintended dispersion or spilling by animals, or bio-medical waste from such locations or establishments. Aster Labs also has a biological waste disposal arrangement with Medicare Environmental Management Pvt Ltd.



AWARDS

The Economics Times for **Best Healthcare Brands 2021**

Harvard Business Council Award

for Organisation's Outstanding Efforts at battling COVID-19

Diamond Level International Executive's Award

to Ms. Alisha Moopen

Dubai Chamber
for CSR awards

The Economics Times healthcare awards for using technology to promote a patient centric culture



Diamond Award

for Organisational
Excellence

Diamond Award

for Dealing with
Covid 19

Diamond Award

for Innovation

**Gulf
Sustainability
Award** for Silver
category

Stevie Awards

Company of the
year-Health products
& services- Bronze

**Global 100 Most
Sustainable
Corporations**

in
the World for Aster
DM Healthcare has
been **ranked at 94**
in the world's **100**
most sustainable
corporations in
the 2022 Global
100 ranking by
Corporate Knights,
one of the world's
most valued
and transparent
sustainability ratings

**International
Best Practices
Awards** for Covid
Management

**Best Practices
Awards**

for Best
Leader awarded to
Dr.Azad Moopen

CORPORATE INFORMATION

+ Board of Directors

Dr. Azad Moopen

Ms. Alisha Moopen

Mr. T J Wilson

Mr. Anoop Moopen

Mr. Shamsudheen Bin Mohideen Mammu Haji

Mr. Daniel Robert Mintz

Prof. Biju Varkkey

Dr. Layla Mohamed Hassan Ali Almarzooqi

Mr. Chenayappillil John George

Mr. James Mathew

Mr. Sridar Arvamudhan Iyengar

Mr. Wayne Earl Keathley

+ Company Secretary and Compliance Officer

Mr. Hemish Purushottam

+ Statutory Auditors

Deloitte Haskins & Sells
Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru - 560001

+ Registered Office

No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174,
Agara Extension, Bengaluru-560102,
Karnataka, India
Tel: +91 484 6699999

+ Group Chief Financial Officer

Mr. Sreenath Reddy

+ Registrar and Transfer Agent

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Lal Bahadur Shastri. Marg,
Vikhroli (West), Mumbai -400 083
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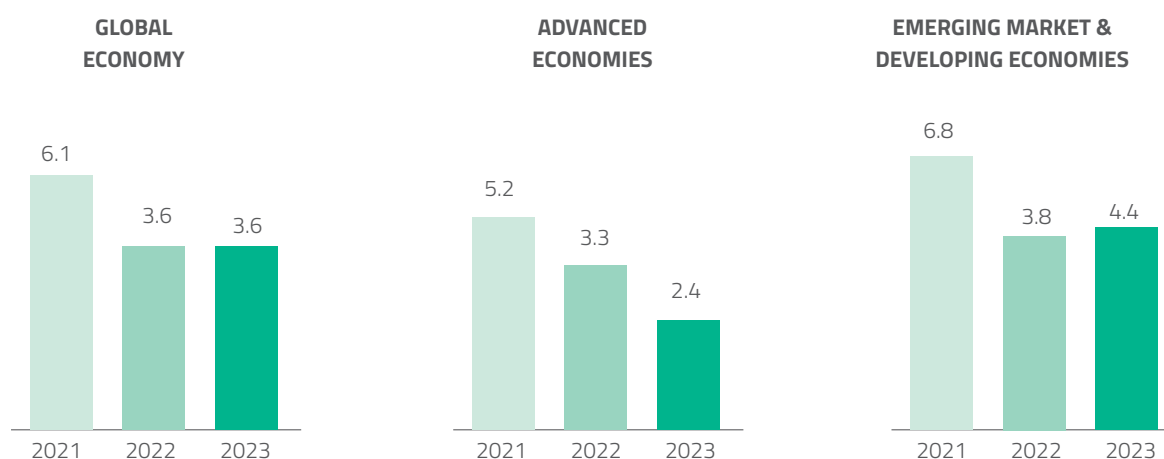
Management Discussion and Analysis

Global economy

The year 2020 left an indelible mark on our minds as the world witnessed the novel Coronavirus (Covid-19) which wreaked havoc across every sphere of human life. Battling the effects of Covid-19 across economies, the global economy entered 2022 at a much weaker position as the new Omicron variant of the Covid-19 virus continued to spread rapidly across countries. This resulted in the re-imposition of mobility restrictions by the affected countries leading to a decline in economic activities across the globe.

Further, the global economy remained stressed as the Russia-Ukraine face-off continues to roil the financial markets. According to UN chief Antonio Guterre, the conflict has the potential to resonate far beyond Russia and Ukraine, triggering a disruption in the global food supply chains, resulting in hunger and suffering apart from the death and destruction within the Ukrainian borders.

Global Growth Projections (in %)



INTERNATIONAL MONETARY FUND

(Source: IMF, World Economic Outlook, April 2022)

Outlook

In 2021, steady deployment of vaccination programmes across economies and relaxation of pandemic-related lockdowns in many countries helped boost demand. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023, its strongest post-recession pace in 80 years. However, the resurgence of the pandemic driven by the rapid spread of the Omicron variant and Russia's invasion of Ukraine carries enormous risks for a world economy that's yet to fully recover from the pandemic. The

effects left the global economy with two key points of vulnerability — very high inflation and jittery financial markets. Aftershocks from the politically volatile situation could easily worsen both.

Further, according to economists in most countries, excess demand is driven mostly by constrained supply, not strong demand, resulting in the dominance of cost-push inflation. Such an inflation figure squeezes profit margins, erodes actual household income and tends

to self-correct when demand is weak. In addition to this, rising crude oil prices, an ongoing economic impact of the war, are likely to have a significant toll on the oil-importing nations. Further, the recently imposed sanctions on Russia are expected to have a substantial impact on the global economy and financial markets, with significant spill-overs on to other countries.

GCC Economy

Recovery of the Gulf Cooperation Council (GCC) economies has been notable in the second half of 2021, as travel restrictions eased, tourism rebounded and domestic demand strengthened. Further impetus is expected to be provided by the rising oil prices and the expansion of their non-oil sector amongst the GCC nations. Swift and well-coordinated policy measures helped limit the initial spread of the virus, delivered rapid and widespread access to vaccines, and targeted income and liquidity support to those in need. Despite experiencing successive waves of the virus, infection rates across the GCC declined sustainably to well below previous peaks and the number of fatalities subsided considerably over time.

Prudent fiscal measures and a range of macro-financial support measures provided relief to hard hit sectors, businesses, and financial systems. This also helped the economies stage a strong recovery.

The GCC economies are estimated to have grown by 5.9% overall in 2022, with this recovery likely to endure for the next few years owing to the hydrocarbon and non-hydrocarbon sectors.¹

GCC economy outlook

Notwithstanding, the relatively tight fiscal policy and some external headwinds, experts expect the GCC economies to see faster growth in 2022 compared to 2021, as they continue to build on the commendable progress made in 2021. GCC's regional PMI surveys strongly indicate acceleration in non-oil sector growth in the UAE, Saudi Arabia and Qatar. The OPEC's agreement to gradually escalate oil production from July'21 contributed to a recovery in the oil and gas sectors as well.

The recent increase in oil prices, as well as austerity measures, are expected to help sovereign balance sheets. Inflation, on the other hand, might be a roadblock since it increases the danger of capital flows reversing, driving sovereign spreads higher and constraining public finance.

While the outlook for FY 2023 remains broadly constructive, there is still a high degree of uncertainty, especially regarding

how the pandemic will evolve. A increase in new infections across G-20 economies serves as a reminder that the novel and more detrimental variants continues to pose a risk to the outlook for the world economy, even though the overall virus-related concerns have subsided as Covid infections become less lethal.

Travel restrictions however, are no longer in effect for vaccinated individuals in most countries. Another potential risk to the outlook for 2022 relates to the withdrawal of the exceptional stimulus injected into the global economy in 2020, which combined with increasing US Federal interest rates could likely lead to heightened volatility in the financial markets and provide a further headwind to growth in the GCC in the form of higher borrowing costs and a stronger US dollar.

Indian Economy

The last couple of years have been difficult for the world on account of the regular Covid-19 waves, and India was no exception. The repeated Covid waves, supply chain disruptions and, more recently, inflation have proved to be challenging for the Indian policymakers. However, with a proactive Government at the helm, the policymakers undertook key decisive measures and introduced a bouquet of safety nets to cushion the impact on the vulnerable sections of society and the business sector. Further, the Government showcased consistent agility through different economic development measures, such as a significant increase in capital expenditure on infrastructure to build back medium-term demand, and aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion.

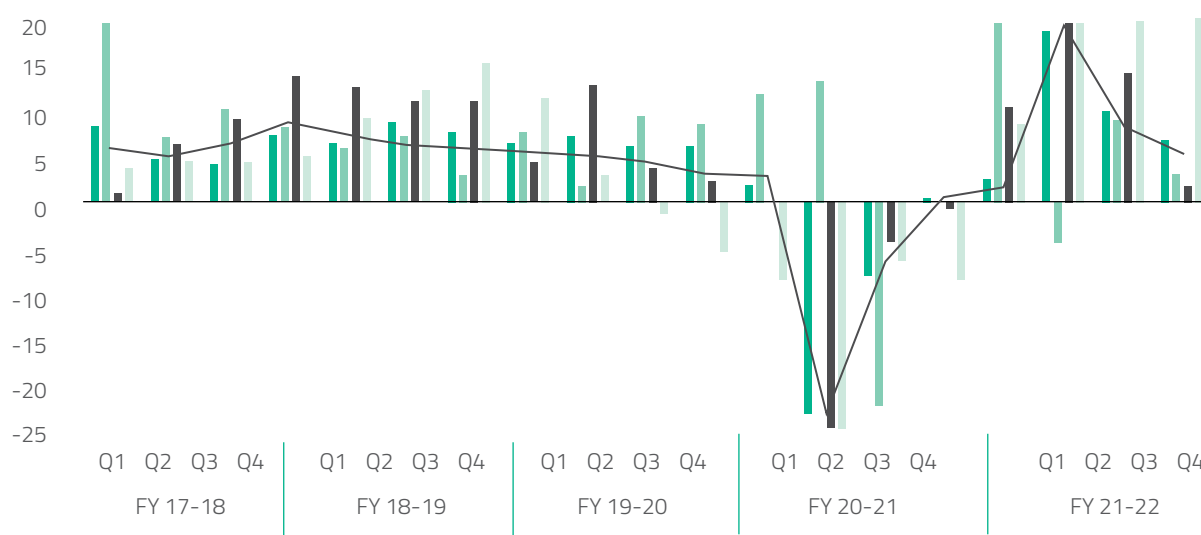
The Indian economy grew by 8.7% in FY 2021-22 after contracting Covid-19 in FY 2020-21 implying that overall economic activity has recovered past the pre-pandemic levels. Further, the growth of the economy was driven by strong exports, thanks to the global economic recovery, and domestic private investment as businesses ramped up production to meet festive demand. Investments also maintained a steady pace of growth in the last two quarters of FY22 after declining for over a year, which indicates that the capital expenditure cycle is starting to gain traction.

Consumption demand, which has been a concern as the pandemic dented consumer finances and confidence, grew by 8.6% (YoY) – an enormous boost for the Indian economy.² However, consumer spending lagged substantially from the pre-Covid levels, suggesting that uncertainties are still weighing on consumers-confidence and the ability to spend.

¹ World Bank Economic Update | April 2022

Indian GDP growth (% annual growth)

■ Private consumption ■ Government consumption ■ Total fixed investment
■ Exports, goods and services — GDP (RHS)



(Source: India Economic Outlook | Deloitte Insights)

Outlook

According to the International Monetary Fund, India's prospects for FY 2023 are marked up on expected improvements to credit growth and, subsequently, investment and consumption, building on better-than-anticipated performance of the financial sector. However, long-term conflict in Europe might result in shortages of semiconductors, food, and automobiles. For FY 2023, a median GDP growth projection of 7.5% and an inflation forecast of 5.5% are reported.³

Inflation, on the other hand, is expected to last longer due to rising production costs combined with the expansion of contact-intensive services and the resulting increase in service prices. Furthermore, rising import bills, fertiliser, food, and energy costs may cause a dent in consumer pockets. The Government may absorb the increase in gasoline and food costs at first to assist stimulate economic activity and demand growth, albeit slowly.

Industry overview

Global healthcare industry – Resilience is Key

The year FY 2021 witnessed the global communities struggling to contain the spread of the Covid-19 virus and managing the health

and human costs of the pandemic. However, post the first wave, Governments across economies implemented a wide range of crisis response policies to mitigate the worst social and economic effects of the pandemic.

It also proved to be a tough year for the healthcare industry, as two subsequent waves of the pandemic continued to wreak havoc. But the healthcare industry responded with astonishing speed and showcased amazing resilience to withstand the challenges thrown by the pandemic, coming out with flying colours. We witnessed the global healthcare industry transforming itself from crisis management to perform recovery and reform management. Practically overnight, key players of the global healthcare industry, such as clinicians, healthcare providers, pharmaceutical companies and payers, shifted much of their work on to virtual platforms and other digital technologies. As communities continued to grapple with the deadly new variant, healthcare service providers embraced virtual technology in unprecedented numbers so they could continue to serve patients despite restrictions on in-person interactions. In doing so, they packed a decade's worth of reforms and innovations in terms of global cooperation for research & distribution, and the latest mRNA technology into a few short months.

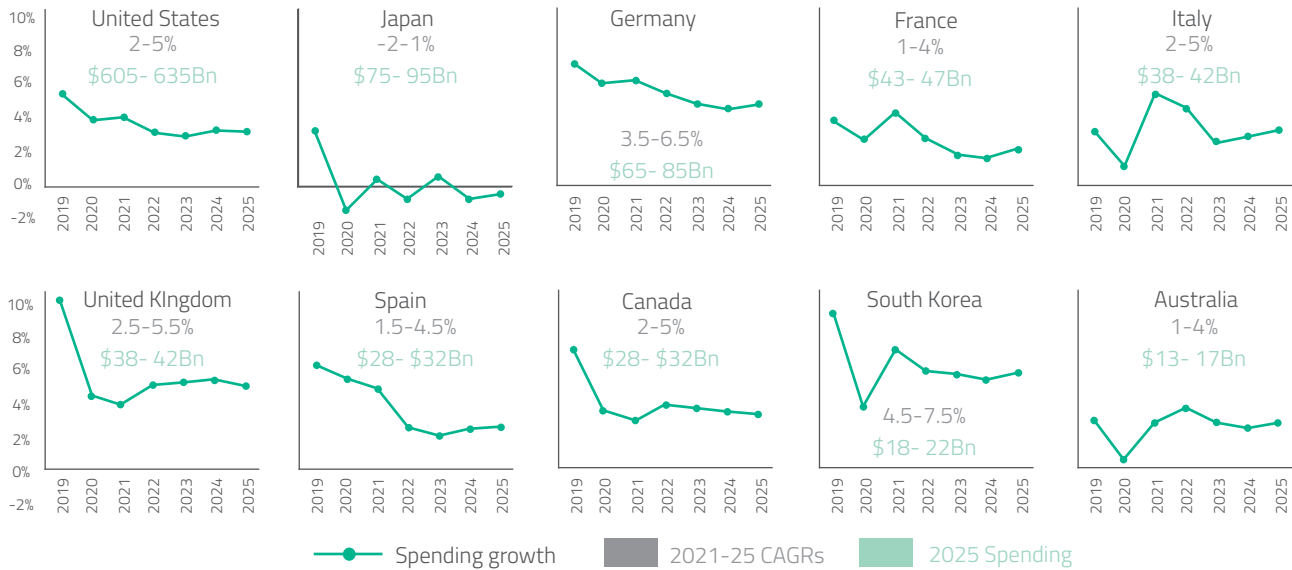
² <https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook-01-2022.html>

³ https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53601

It would be remiss not to mention the role played by the frontline workers like nurses, paramedics, doctors and clinicians in fighting the pandemic thereby saving countless lives. We owe a debt of gratitude to our healthcare and aged-care workers and leaders for their commitment and sacrifice.

The industry witnessed Covid treatment delivery being entirely borne by the nation's Government, and nearly all governments have or are expected to spend a large part of their budget on public health and health policies. This trend is likely to continue as economies continue to adapt to the new normal.

Spending Growth in Ten Developed Countries, Total Market, Const US\$ 2019–2025



Source : IQVIA Market Prognosis, Sep 2020, IQVIA Institute, Mar 2021

(Source: https://www.iqvia.com/-/media/iqvia/pdfs/institute-reports/global-medicine-spending-and-usage-trends-outlook-for-2025/iqvia-institute-global-medicines-and-usage-trends-to-2025-0421-forweb.pdf?_=1650987080745/)

Although global healthcare spending is expected to increase in the years ahead the pandemic has shifted the dynamics of public healthcare. The scope and persistence of this global crisis have exposed vulnerabilities in many nations' public health systems and impacted their ability to effectively detect and respond to the continually shifting emergency in a multidimensional way that could have mitigated its impact. Healthcare delivery mechanisms have been put under intense pressure and scrutiny during the pandemic period, as healthcare systems around the world struggled to keep up with the skyrocketing patient numbers, employee burnout rates and workforce shortage, supply chain disruptions and equipment scarcities, in addition to insufficient and/or outdated facilities.

But the pandemic has helped awaken the different stakeholders like the Government, private players and consumers, in terms of understanding the importance of a holistic healthcare system. It has ignited the growing recognition of the need to invest in population health, because it has been proved that a nation or an industry can only be as strong as its population.

Outlook

Today, the global healthcare industry is at the cusp of a major transformation, as nations and private industry players aim to transform the system by adopting disruptive technologies. In the years before the pandemic, and in the months since Covid- 19 altered the course of the healthcare industry, a series of transformations have been altering traditional paradigms. The industry will continue to do so in the coming years. These include a heightened focus on well-being and prevention, the push to develop cures besides treatments, outcome-based care rather than fee-for-service, fresh developments in gene therapy and precision medicine, cross-industry convergence, and an end-to-end focus on patient and clinician experience.

Despite the pandemic's many devastating effects, it has presented the global healthcare sector with a powerful opportunity to accelerate innovation and reinvent itself. It has helped accelerate numerous existing and/or emerging healthcare trends; among them, shifting

consumer preferences and behaviour, integrating life sciences and healthcare, rapidly evolving digital health technologies, new talent and care delivery models, and clinical innovation. Numerous public health systems are reinventing themselves in the wake of the pandemic, and digital technologies – from targeted applications to an entire gamut of digital healthcare services, are expected to play an important role in their transformations.

GCC healthcare industry – The New Sunrise Sector

With declining energy prices, in recent times, the GCC countries have been under pressure to diversify the economy. Through the troubled economic times and during the pandemic, spending on healthcare has continued to grow, showcasing the importance of the healthcare industry. Amidst an ageing and expanding population and the increasing prevalence of lifestyle diseases, the healthcare sector is fast emerging as a priority industry for the GCC countries as they work to diversify their economies away from a reliance on oil production.

The GCC economies continue to reform their healthcare systems and shift towards improving quality, efficiency, and cost. Governments are shifting away from investing in and operating healthcare facilities and more towards regulating and making policies as the healthcare sector became even more crucial following the pandemic. There is an increase in participation by private players and the industry expects renewed investments in the healthcare industry to move it to new levels.

The UAE boasts one of the best healthcare systems in the world, which is a big lure for expats considering relocating there. Health insurance is essential for expatriates living in Abu Dhabi and Dubai. Employers and sponsors are responsible for providing health insurance to expats and their dependents. One spouse and three children under the age of 18 are covered.

The number of institutions and healthcare experts has grown in the recent decade. To meet demand, the number of medical experts employed in the business has quadrupled in certain situations. The United Arab Emirates has become a popular destination for Medical Tourism.

The inpatient market would remain the largest segment, with a contribution of 43.4% in the fiscal year. More and more home-based medical technologies are being utilised, including remote monitoring through mobile health applications and home-based diagnostics, to free up beds for more advanced cases as the number of elderly patients in the GCC healthcare market increases.⁵

The expanding and ageing population, high prevalence of non-communicable diseases NCDs such as obesity and diabetes, rising cost of treatment and increasing penetration of health insurance are some of the key factors that are likely to drive the demand for better healthcare service in the region.

Healthcare services account for a lion's share of the healthcare industry in the GCC countries. As per the IMARC group estimates, the GCC drug market is expected to increase at a CAGR of 14.2% between 2021 and 2026. At 79% it is the fastest growing segment in the UAE.⁶ On the other hand, the smallest segment, medical devices, is witnessing double-digit growth in Oman, Qatar and Kuwait.

The country-wise review is discussed below.

The United Arab Emirates (UAE)

As one of the most economically-developed and diversified markets amongst the GCC nations, the UAE has been successful in developing a strong healthcare infrastructure. The UAE's world class healthcare infrastructure has advanced and expanded significantly during the past few years.

With a steady rise in the number of hospitals over the last few years, the healthcare has successfully met both the evolving needs of the population and the nation's ambition to become a regional medical tourism hub.

Ranked amongst one of the top nations across the world, and the highest amongst the GCC nations, the UAE has been successful in managing the challenges thrown by the Covid-19 pandemic. Considered one of the key pillars of the national agenda, the UAE Government has repeatedly showcased its inclination towards providing world class healthcare to its citizens and residents. Furthermore, given its strategic location and its importance as a trade and business hub, UAE is soon to be a centre for medical tourism.

In line with this tenant, the Government, along with healthcare authorities of the country plans accreditation for all public and private hospitals based on national and international standards.

The Government is committed to make the UAE's healthcare a priority sector and one of the preferred healthcare locations. Nearly 52% of healthcare costs in the UAE are covered by the government, with the remaining costs being covered by the private sector.⁷ Further, it also plans to increase spending on the health sector to utilise greater data monitoring tools for pre-emptive contact tracing of communicable diseases and to allow licences for virtual medical service providers. The Government also plans to build national capacities to fight future pandemics, which include efforts to develop vaccines and medicines, digital immunisation IDs, and a new strategy focusing on supply chains. The UAE's Ministry of Health aims to develop the sector by focusing more on Health IT, including tele-medicine and digital medicine. Initiatives like Mabrouk Ma Yak which is an integrated e-service for newborn Emaratis are exemplary of the said digitization of health sector. Advanced sequencing and tracking of drugs from its production to usage is achieved through the Government's 'Tatmeen' initiative.

⁵ <https://www.marketwatch.com/press-release/gcc-generic-drug-market-2021-26-industry-analysis-size-share-growth-and-forecast-2022-04-21>

⁶ https://www.arabhealthonline.com/content/dam/Informa/arabhealthonline/en/downloads/AH19_INDUSTRY_OVERVIEW_v3.pdf

⁷ <https://www.marmoremena.com/en/reports/uae-healthcare/#:~:text=The%20UAE%20government%20has%20increased,tackle%20the%20COVID%2D19%20pandemic>

Saudi Arabia

Accounting for nearly 60% of the GCC countries' healthcare expenditure, healthcare is one of the key focus areas of the ambitious Saudi Vision 2030. As part of the National Transformation Programme (NTP) 2020, the Government seeks to improve healthcare services and facilities across Saudi Arabia. In 2022, it spent around \$36.8 bn on healthcare and social development – 14.4% of its 2022 budget and the third-largest line item after Education and the Military.⁸

With a population growth forecasted to grow from 34.3 mn in 2019 to 39.4mn in 2030 and 45mn by 2050, the kingdom plans to invest SAR 250bn on healthcare infrastructure by 2030 and to increase private sector contributions from the current 40% to 65% by 2030.⁹

Qatar

Qatar's healthcare system has undergone a momentous journey of transformation in recent decades. The growth of investment in new healthcare facilities, services and technologies has transformed the health infrastructure in the country, to meet the health needs of the nation's fast-growing population. Key priority areas for the Government include an integrated model of high-quality care and service delivery, enhanced health promotion and disease prevention, enhanced health protection and an effective system of governance and leadership.

Oman

With over 70 quality hospitals, with over 6,400 beds, Oman's healthcare industry today offers a range of specialised and general patient care services across the country. In fact, the country's healthcare sector has witnessed commendable growth over the last few decades. While the Government has a strong presence in the sector, making available advanced health solutions and patient care services to people, it has encouraged private healthcare providers' efforts in transforming Oman into a regional healthcare hub.

Today, over 80% of the Government's total health expenditure is borne by the Ministry of Health, and the budgetary allocation for the sector stands at RO1.3 bn. The healthcare sector is poised to witness exciting developments, which include mega health projects like the US\$1.5 bn Sultan Qaboos Medical City (SQMC) in Muscat consisting of five hospitals and other medical facilities; the US\$1bn integrated medical tourism project in Salalah called the International Medical City (IMC) comprising a 530-bed tertiary specialty care hospital, a research and development (R&D) complex, organ transplant centres, and a healthcare resort. The other projects in the pipeline include the RO 72 mn integrated healthcare complex to come up in Seeb, which will have a 225-bed tertiary care hospital, 120-key three-star hotel apartments, and 300 residential apartments among others.¹⁰

Kuwait

Kuwait's healthcare sector has been nurtured for many decades by the Government through the Ministry of Health (MOH) and the Ministry of Defence and Petroleum Company. Though not at the top in global rankings, the country's healthcare sector has reached a fair degree of maturity by it in the number of beds installed, the number of physicians, dentists or nurses available. The country compares favourably with its GCC peers on many counts. In the period 2013-2019, Kuwait recorded the third largest total healthcare expenditure across the GCC region after the UAE and Qatar and demand for healthcare is expected to rise significantly in the near term.¹¹ Kuwait's evolving healthcare industry is characterised by a large public sector infrastructure. Despite its immense prospects, the sector here is grossly underdeveloped especially in knowledge and technical capabilities. Due to the current lack of adequate local medical technology and facilities, cases of overseas treatment for Kuwaiti patients has been increasing steadily over the years.

Bahrain

Healthcare in Bahrain is expanding rapidly with a focus on developing centres of medical excellence. Bahrain has the lowest density of health workers per capita in the GCC, suggesting significant room for expansion. Hospitals in Bahrain may have the lowest density, but Bahrain medical centres are primed for expansion with an excellent workforce. With a rising market and an efficient workforce, it is a good time for healthcare investment opportunities like research facilities and hospitals in Bahrain.

The Government launched Bahrain's Economic Vision for 2030, under which it aims to ensure that all Bahraini nationals and residents have access to quality healthcare. The aim is to project Bahrain as a leading centre for modern medicine, offering high-quality and financially sustainable healthcare in the region and for patients to have the choice of public and private providers that meet international healthcare standards.¹²

Growth opportunities in the GCC healthcare industry

Medical tourism: The UAE is one of the fastest-growing medical tourism hubs globally. Medical tourism is an integral part of the economic diversification plans of the GCC countries and, subsequently, has been receiving stimulus from Governments. With improving infrastructure and quality of services, the region will not only experience a rise in medical tourists but is also likely to witness a drop in outbound medical tourism.

Specialised services: Whilst there is a clear growth in the development of non-specialised healthcare infrastructure, market dynamics across the entire GCC region point towards a significant opportunity for primary healthcare facilities, specialised surgeries,

⁸ <https://www.trade.gov/country-commercial-guides/saudi-arabia-healthcare>

⁹ [https://www.arabnews.com/node/1837271/business-economy#:~:text=RIYADH%3A%20Saudi%20Arabia%20plans%20to,GCC\)%20report%20published%20on%20Sunday](https://www.arabnews.com/node/1837271/business-economy#:~:text=RIYADH%3A%20Saudi%20Arabia%20plans%20to,GCC)%20report%20published%20on%20Sunday)

¹⁰ <http://oman.org.au/omans-booming-healthcare-sector/>

¹¹ <https://kdipa.gov.kw/wp-content/uploads/2021/02/5Healthcare.pdf>

¹² <https://www.evisa.gov.bh/Vision2030Englishlowresolution.pdf>

tertiary care hospitals and highly specialised clinics to treat chronic ailments, and cancer among others. Besides, growth is also envisaged in specialised outpatient facilities such as diabetes treatment clinics, wellness centres and aesthetic procedures.

Oncology: Over the last decade, the region has witnessed a steady increase in cancer cases linked to the steady ageing of populations. In Saudi Arabia, 70% of the population is over 40 years of age. It is estimated that fresh cases of common cancers are likely to increase to ~ 152,000 by 2025 in Saudi Arabia, with ~ 30,700 annual deaths by 2025.¹³ This points towards an obvious need for additional provision of specialised oncology services. It opens up a significant opportunity for cancer treatment services in all GCC countries, and, notably, the UAE is likely to become the regional hub for robotic surgery and cancer therapies by 2030.

Technology-based patient care: Investments in modern healthcare technologies such as digital health systems, personalised virtual treatment solutions, use of robotics, artificial intelligence, big data analytics and automation are projected to grow multi-fold in the upcoming decade. Investments to strengthen long-term care, home care, and palliative care will be imperative for the successful management of the healthcare needs of the elderly by 2055, with a notable shortage of such facilities in Saudi Arabia and Oman. Greater use of technology is likely to pave the way for world class medical infrastructure in the region.

Country-wise investment opportunities – Health First!

The UAE - Becoming self-reliant

The UAE is expected to move towards greater self-reliance on domestically manufactured pharmaceuticals. The nation imports products from about 72 countries, but ten countries account for 80% of the supply. The UAE is also the first country to develop an effective fast-track system for the registration of innovative drugs, allowing both patients and those from neighbouring countries seeking treatment to gain faster access to 'innovator drugs' inside the country.¹⁴

Saudi Arabia –Building infrastructure

Healthcare is one of the foremost focus areas of the ambitious Saudi Vision 2030 and National Transformation Programme (NTP) 2020, which seeks to improve healthcare services and facilities across the Kingdom of Saudi Arabia. With a likely population growth from 34.3 Mn in 2019 to 39.4 Mn in 2030 and 45 mn by 2050, the kingdom plans to invest SR 250bn on healthcare infrastructure by 2030 and aims to increase private sector contributions from the current 40% to 65% by 2030. An estimated 40 to 50% of this investment is likely to be on infrastructure until 2025 and on digital solutions and medical consumables and implants beyond 2025. Saudi Arabia is also poised

to become a regional hub for medical consumables by 2023.¹⁵

Bahrain - Transforming digitally

Bahrain has been investing heavily in the digital transformation of healthcare services and delivery – with its nationwide drive towards healthcare digitalisation likely to reach its peak within the next two to three years, attracting investments of around US\$0.5 - US\$0.6bn by 2025. Robotic surgery offers investors untapped growth potential and is expected to become a US\$0.3 bn market by 2025. Additionally, the medical devices, medical imaging, IVD, and digital health market in Bahrain, is worth an estimated US\$0.8 bn in 2019 and is expected to grow at an annual growth rate of less than 6%.¹⁶ Value-added products, rather than domestic manufacturing, will create growth opportunities over the next five years and, as the Government focuses on elder care, the adoption of related homecare products and solutions is likely to increase by 2025.

Kuwait –Developing infrastructure

The Kuwait Vision 2035 is likely to boost investments in infrastructure development and upgrades. The public health system of Kuwait has showcased tremendous opportunities in generics, which are forecasted to account for 60% of pharmaceutical market revenues, with domestic manufacturers capturing ~20% of that revenue.¹⁷ Domestic manufacturing of pharmaceuticals is also likely to gain momentum, increasing its contribution from current levels of 15% to 35% of the market by 2030.

Qatar – Looking at new hospitals

The industry expects medical tourism to gain prominence in Qatar and be a focal point for the Government's strategy to diversify the economy away from oil. Further, it is presumed that the private sector will play a bigger role in healthcare infrastructure and delivery in the future in Qatar, assuming a growing portion of the country's healthcare burden in the process. The establishment of new facilities will continue with several new hospitals and clinics under construction to meet the growing demand for specialised services in the country. This is in line with the Ministry of Public Health's determined long-term target of reaching 5,700 hospital beds by 2033.

Indian healthcare industry – Rising up to challenges

Having proved its prowess to the world during the challenging times of the pandemic by supplying Covid vaccines, the Indian healthcare industry is looking to build on the experience of the last two years, strengthen the partnership with the Government and sustain the growth momentum in years ahead. The onset of the pandemic was a breakthrough moment for the healthcare sector. It showcased the dire need to dig beneath the surface to identify gaps of accessibility, affordability and acceptability of healthcare resources.

¹³ <https://pubmed.ncbi.nlm.nih.gov/30956193/>

¹⁴ <https://www.zawya.com/en/economy/gcc-healthcare-growth-on-track-to-return-to-pre-covid-19-levels-fticm1uq>

¹⁵ [https://www.arabnews.com/node/1837271/business-economy#:~:text=RIYADH%3A%20Saudi%20Arabia%20plans%20to,GCC\)%20report%20published%20on%20Sunday.](https://www.arabnews.com/node/1837271/business-economy#:~:text=RIYADH%3A%20Saudi%20Arabia%20plans%20to,GCC)%20report%20published%20on%20Sunday.)

¹⁶ <https://www.arabianbusiness.com/industries/healthcare/461381-gcc-hospital-revenues-to-witness-58-growth-to-return-to-pre-covid-levels>

¹⁷ http://trade Arabia.com/news/HEAL_380771.html

The Indian healthcare ecosystem comprises hospitals, medical devices, clinical trials, outsourcing, tele-medicine, medical tourism, health insurance, and medical equipment. Over the last couple of years, the healthcare industry has showcased tremendous growth overcoming the challenges thrown by the pandemic, owing to its strengthening coverage, services and increasing expenditure by public as well as private players. Backed by these positives, industry experts expect the Indian healthcare industry to expand at a CAGR of ~29.79% during the 2021 - 2026 period to reach ₹ 81.30 trillion by 2026.¹⁸ Growing instances of lifestyle diseases, rising demand for affordable healthcare delivery systems because of the increasing healthcare costs, technological advancements, the emergence of tele-medicine, rapid health insurance penetration and Government initiatives like e-health, together with tax benefits and incentives, are likely to drive the growth of the Indian healthcare market.

Major Government Initiatives - FY22 – The Health Highway!

- As part of the Government's 'Digital India' initiative, establishment of 636 e-Hospitals across India.
- In September 2021, the honourable Prime Minister of India, Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. Under this the Government aims to connect the digital health solutions of hospitals across the country with each other with an aim of creating a seamless online platform that would enable interoperability within the digital health ecosystem. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.¹⁹
- An increase of almost 7% in the allocation of annual budget towards the National Health Mission, compared to the last budget.
- The Pradhan Mantri Swasthya Suraksha Yojana allocated ₹10,000 crore in the FY22 Budget and the increase in the budget allocation for health infrastructure to ₹978 crore.
- The Pradhan Mantri Ayushman Bharat Health Infrastructure Mission received a significant increase in budget allocation in FY22. ₹4,176 crore of the allocated budget is proposed to be transferred to the states for supporting wellness centres, setting up of integrated public health labs and critical care hospital blocks in districts with a population of over 5 lakh
- Introduction of a National Tele Mental Health Programme for addressing mental health issues of its citizens.
- The Government also intends to promote a blended finance mechanism wherein its share will be 20% and the balance funds shall be managed by private investors/ institutions. This is likely to broaden the scope for manufacturing, research, development and innovation in the pharmaceutical and healthcare sector, paving way for start-ups and new employment opportunities.
- During FY22, the Ministry of Tourism established the National Medical & Wellness Tourism Board to promote Medical and Wellness Tourism in India.
- The Union Cabinet approved the MoU between India and Denmark on co-operation in health and medicine. The agreement will focus on joint initiatives and technology development in the health sector to improve public health status of the populations of both countries.
- Introduction of 'Vision 2035: Public Health Surveillance in India'. Under this the Government aims to make the public health surveillance system in India more flexible and predictive to strengthen action preparedness at all levels.

Emerging trends and opportunities in the Indian healthcare market

Spotlight on tele-medicine: Major hospitals across India actively have adopted tele-medicine services and entered into several Public-Private Partnerships (PPPs). The Health Ministry's eSanjeevani tele-medicine service crossed 3 crore tele-consultations since its launch, enabling patient-to-doctor consultations from the confines of their homes, and doctor-to-doctor consultations.²⁰ Funding in tele-medicine, digital records, remote monitoring, and fitness applications are examples of how health-tech firms that have joined the fight against bottlenecks caused by the growing population and the limited infrastructure by delivering cutting-edge technology to address big difficulties. Furthermore, bio-technology along with tele-medicine has lately emerged as a key concept, with a market value of more than US\$100bn predicted by 2025.

Penetration of health insurance: India's out-of-pocket expenditure as a percentage of current health spending is 63%, among the highest in the world. However, the ratio is changing slowly as health insurance penetration is growing at an exponential rate in the region. However, still, only 15% of the population is protected by medical insurance. Less than 5% of the population buys a plan voluntarily of their own accord. This figure suggests that the Indian insurance industry has still a long way to go to make it to the hearts of the masses. But the Government introduced programmes like the Rashtriya Swastha Bima Yojana (RSBY), to enhance the purview of insurance coverage.

Emerging mobile & wearable devices market: India is emerging as a strong market for wearables, and is expected to reach 129 mn units in 2030. India's wearables market defeated supply chain-related issues and grew significantly in 2021 with wrist wearables witnessing a 141 % year on year growth from 2020 to 2021 and shipping around 14.4 Mn units.²¹

Adopting robotic surgeries: Robotic assisted surgeries (RAS) seem to be gaining some acceptance among surgeons and patients in India. RAS helps doctors perform complex surgeries with ease,

¹⁸ <https://www.prnewswire.com/news-releases/india-healthcare-markets-analysis--forecasts-2018-2020--2021-2026-301482412.html>

¹⁹ <https://www.mondaq.com/india/healthcare/1161012/key-highlights-of-the-union-budget-2022-2023-on-healthcare-and-pharmaceutical-industry>

²⁰ <https://pib.gov.in/PressReleasePage.aspx?PRID=1809569>

reduces the size of surgical incisions, minimises blood loss, cuts pain and shortens patient's post-procedure recovery time. India's surgical robotics market is estimated to expand at a CAGR of 20% to hit the size of US \$350 mn by 2025.

Growing e-health market: E-health is an emerging landscape in India as there is a growing effort in the healthcare industry to harness the benefits through the convergence of the internet and healthcare. The technology is emerging and encompasses an intersection of medical informatics, public health and business. The technology aims to spread awareness of the importance of health, make healthcare more affordable, and establish an easy communication between doctors and patients, and the various other services. The e-health sector in India is poised to reach US\$ 9-12bn in Gross Market Value (GMV) by 2025 and US\$ 40bn in Gross Market Value by 2040.²²

Rising Tier I and Tier II cities: With the onset of the pandemic, more and more healthcare players focused on enhancing their presence in Tier I and Tier II cities backed by rising affordability and a higher need for better healthcare services. Further, the Government encouraged the private sector to establish hospitals in these cities by providing tax benefit to these hospitals for the first five years as an extension to the tax holiday under section 80-IB.²³

Major developments in 2021 – 100% FDI in Automatic Route

The challenges posed by Covid-19 pandemic this year made India's healthcare industry ripe for investment. The investment opportunities range from hospitals to pharmaceuticals and medical devices. Apart from that, home healthcare solutions have gained significance with the emergence of new-age technologies like Artificial Intelligence (AI), Big Data and Machine Learning (ML).

Hospitals and healthcare centres were the biggest categories in the healthcare industry, reaching US\$ 279.2bn by the end of the current fiscal. The pharma and medical devices categories also saw a big jump in terms of overall growth.

Apart from that, simplified FDI policies in healthcare were major catalysts to push for investments. It is pertinent to mention the fact that 100% FDI has been allowed under the automatic route to invest in developing hospitals and healthcare centres. Besides this, 100% FDI under automatic route is allowed in medical device manufacturing.

Challenges and threats in the Indian Healthcare Industry

Infrastructure: For a long time, India has struggled with inadequate infrastructure in the form of a dearth of well-equipped medical

facilities. Furthermore, the rate of construction of such medical teaching or training institutions remains low in comparison to the urgent requirement.

Manpower: One of India's most important issues is a chronic shortage of medically qualified personnel, which includes physicians, nurses, paramedics, and basic healthcare workers. Rural regions, which account for over 66 percent of India's population, remain a source of concern for healthcare development.

Patient-Load: Healthcare institutions were already under duress prior to the Covid-19 epidemic because of an excessive patient load. Furthermore, administering healthcare facilities for a population of 1.4bn people is a herculean effort in and of itself.

Rural-urban disparity: Despite the fact that a big percentage of the Indian population lives in rural regions, there remains a huge rural-urban inequality in healthcare services. As qualified healthcare providers are concentrated in the cities, it is difficult for people in rural regions to obtain appropriate treatment.

Outlook

In the post-Covid era, major growth drivers for investments in the Indian healthcare industry will include tele-medicine opportunities, diagnostics, higher utilisation of technologies and most importantly rising income levels, which means a steady growth in the ability to access better healthcare and related services including hospitals and medical centres. The industry expects a steady growth in home healthcare in the years ahead as it had emerged during the pandemic, because of the rising elderly population in the country. With overburdened hospitals and lack of beds, personalised care at home has increased and is here to stay. Driven by factors like better health awareness after the pandemic, rising incomes, lifestyle diseases and increasing access to health insurance, we expect the demand for better healthcare to sustain over the long term.

The hospital industry in the country accounts for 80% of the total healthcare market and it is expected to reach US\$ 132bn by 2023, growing at a CAGR of 16 -17%.²⁴ In the coming years, non-metros i.e., Tier-II and III cities are expected to recover faster than the metropolitan areas and tier-I cities. Apart from that, digital healthcare is expected to gain strong momentum in the next few years. tele-medicine is another area which is also expected to attract investment, as entrepreneurs are likely to explore this area.

The much-needed automation in healthcare is also expected to evolve in the coming years as we see more and more initiatives undertaken by both the Government and private players, including RPA (Robotic Process Automation) whereby manual, repetitive and time-consuming tasks like patient appointment scheduling, account settlements and claims management can be eliminated,

²¹ India Wristwear Market Grows Multifold in 2021, Rising 141% YoY and Shipping 14.4 Mn Units; Says IDC

²² <https://www.healthcareafrika.info/pfizer-to-support-startups-in-india-working-on-oncology-digital-health/>

²³ https://www.niti.gov.in/sites/default/files/2021-03/InvestmentOpportunities_HealthcareSector_0.pdf

²⁴ <https://www.investindia.gov.in/sector/healthcare#:~:text=The%20hospital%20industry%20in%20India,CAGR%20of%2016%2D17%25.>

thereby using human resources more effectively. The reason for its stellar growth is that it offers a package of AI, data science and cloud management while decreasing costs and conveys a top-quality patient-driven experience at the same time. The adoption of healthcare solutions in India is at a budding stage, but the experts expect it to grow at a robust pace.

Company Overview

Aster DM Healthcare is one of the leading healthcare player in the GCC and India. Founded in 1987 by Dr. Azad Moopen, Aster DM Healthcare has emerged as an integrated healthcare service organization that provides the complete circle of care to people through its world-class network of hospitals, clinics, labs and pharmacies, providing primary, secondary, tertiary to quaternary care to all segments of the population. Over the last 35 years, the organisation has been consistent in its mission to provide quality healthcare at affordable costs at the doorstep of the people that it serves, thereby pushing boundaries of excellence in healthcare and setting global benchmarks in the field of medicine and patient care.

Starting from a single clinic in Bur Dubai in 1987, Aster DM Healthcare is recognized as one of the largest private healthcare providers operating in multiple GCC states and an emerging player in India through its network of 27 hospitals, 120 clinics, 371* pharmacies, 14 labs & 100 patient experience centres as on March 31, 2022. Overall, Aster DM Healthcare, as on March 31, 2022, has 632 facilities employing a diverse workforce of 25,800+ employees, including 3,200+ doctors and 7,400+ nurses focused on delivering the brand promise of "We'll Treat You Well."

Over the years, Aster has built a healthcare eco-system across India and GCC which has strengthened the healthcare delivery model and added immense value to both the regions. In GCC region, Aster's primary care clinics act as the initial touchpoints in the patient journey, while pharmacies and hospitals continue the care. For complex tertiary or quaternary care patients are referred to Aster's Hospitals in India. Indian operations act as a source of talent (doctors, nurses, and other employees) to GCC operations. Within GCC operations, clinic doctors can hone their surgical skills in Aster's hospitals. In the course of time, the organization has built a notable financial, operational, societal growth trajectory in GCC with rapid scale-up in hospitals, clinics, pharmacies across geographies.

Key strengths

- **Medical Excellence:** Aster DM Healthcare aspires for perfection and excellence to deliver quality healthcare to millions of people. The Company strives to provide affordable and accessible healthcare with compassion, integrity and unity. We have upheld the highest standards of patient care, echoed in numerous industry recognitions and patient endorsements
- **Global Network:** Aster has its roots in the UAE and has been expanding exponentially across GCC and India. The healthcare brand has a strong global network in over 7 countries and aims to touch the lives of millions through its world-class healthcare services.
- **Experienced professionals and management team:** Aster has a legacy of over 3 decades, and a well-managed team of professionals dedicated to serve each patient to the best of their abilities.
- **Robust & Expansive Healthcare Ecosystem:** Aster provides holistic healthcare solutions for people, including primary, secondary, tertiary, and quaternary care. We have 27 hospitals equipped with state-of-the-art equipment, extensive network of 120 clinics enabling patient-feeder structure and strategically located 371* pharmacies and 2 Reference labs, 12 Satellite labs, 100 Patient experience centers serving patients across geographies as on March 31, 2022.

Business review

GCC

In the GCC region, Aster has its presence mainly in the United Arab Emirates and in Oman, Qatar, Saudi Arabia, Bahrain and Jordan through our hospitals, clinics, and pharmacies.

GCC Hospitals

GCC Hospitals: Aster provides diverse range of in-patient services through its hospitals in GCC. The out-patient services provided by the Company includes consultations for various issues and preventive health screenings. Through our three different brands – Medcare, Aster and Access, we cater to all different sections of the public.

* includes 131 pharmacies in India operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster and GCC retail pharmacies includes Opticals

Hospitals-GCC	Location	Commencement or Acquisition year	Bed Capacity	Operational Beds (Census)
Medcare Hospital	Dubai, UAE	2007	64	55
Al Raffah Hospital	Muscat, Oman	2009	72	52
Al Raffah Hospital	Sohar, Oman	2010	80	62
Medcare Orthopaedics and Spine Hospital	Dubai, UAE	2012	33	27
Aster Hospital Mankhool	Dubai, UAE	2015	136	118
Medcare Women and Child Hospital	Dubai, UAE	2016	111	95
Medcare Hospital	Sharjah, UAE	2017	128	100
Sanad Hospital	Riyadh, KSA	2011	232	194
Aster Hospital	Doha, Qatar	2017	61	30
Aster Hospital Qusais	Dubai, UAE	2018	158	126
Ibri Hospital	Ibri, Oman	2019	31	25
Cedars Hospital	Dubai, UAE	2019	20	14
Aster Hospital Sonapur	Dubai, UAE	2020	34	25
Total			1,160	923

■ GCC Clinics

Aster possesses one of the largest network of clinics in UAE, operating to the highest quality of standards and offers affordable health care, thereby, setting new benchmarks in care to make a positive difference to the lives of its patients. The Company has 95 clinics present in UAE, 6 clinics present in Oman, 6 clinics present in Qatar and 2 clinics in Bahrain.

■ GCC Retail Pharmacies

Aster has a huge pharmacy network of 240 stores catering to its customers a wide range of products including nutritional supplements, baby care, personal care, medical device, rehabilitation products etc. The Company has its pharmacies present in the UAE (217), Oman (6), Qatar (5), Jordan (10) and Bahrain (2) as on March 31, 2022.

India

In India, we operate mainly in Kerala, Karnataka, Maharashtra, Andhra Pradesh and Telangana through our hospitals, clinics, pharmacies, labs and patient experience centres.

■ India Hospitals

Aster has 14 hospitals in India with an installed capacity of 3,905 beds as on March 31, 2022. These hospitals offer a wide range of care services such as Cardiac, Orthopaedic, Neurology, Oncology, etc. The Company, during the year, also witnessed a significant rise in inpatients and outpatients count in its Indian hospitals.

Hospitals-India	Location	Commencement or Acquisition year	Bed Capacity	Operational Beds (Census)
Aster Aadhar	Kolhapur, Maharashtra	2008	228	193
Aster MIMS Kozhikode	Kozhikode, Kerala	2013	683	554
Aster MIMS Kottakkal	Kottakkal, Kerala	2013	340	263
Aster CMI	Bengaluru, Karnataka	2014	495	326
Aster Medcity	Kochi, Kerala	2014	702	521
Aster Prime	Hyderabad, Telangana	2014	158	112
DM WIMS Wayanad	Wayanad, Kerala	2016	NA	NA

Hospitals-India	Location	Commencement or Acquisition year	Bed Capacity	Operational Beds (Census)
Dr. Ramesh Hospital	Guntur, Andhra Pradesh	2016	350	175
Dr. Ramesh Hospital	Main Centre, Vijayawada, Andhra Pradesh	2016	159	135
Dr. Ramesh Hospital	Labbipet, Vijayawada, Andhra Pradesh	2016	54	50
Dr. Ramesh Sanghamitra Hospital	Ongole, Andhra Pradesh	2018	150	130
Aster MIMS Kannur	Kannur, Kerala	2019	302	237
Aster RV	Bengaluru, Karnataka	2019	235	166
Aster Whitefield Women and Children	Bengaluru, Karnataka	2021	49	37
Total			3,905	2,899

Aster Labs

Aster Labs has built strong presence in Karnataka & Kerala and has also expanded its presence to Maharashtra, Tamil Nadu, Andhra Pradesh and Telangana. As of March 31, 2022, there are 2 Reference Labs, 12 Satellite Labs and 100 Patient Experience Centres (PEC).

Aster Pharmacy

Aster Pharmacy opened its 1st friendly neighbourhood pharmacy in February 2021 and has rapidly expanded its network as it achieved the milestone of launching 100 stores in a span of 11 months. As of March 31, 2022, 131 stores[#] were launched across 3 states: Karnataka – 82 stores, Kerala – 27 stores, Telangana – 22 stores

Note: #131 pharmacies in India operated by Alfaone Retail Pharmacies Private Limited (ARPLL) under brand license from Aster

Operational review (Consolidated)

Beds: The total bed capacity increased from 4,907 beds to 5,065 beds by the end of FY 22. In GCC, the number of beds increased from 1,150 to 1,160 while in India, the total number of beds increased from 3,757 to 3,905.

The total number of operational census beds have increased from 3,634 to 3,822. In India, the total number of operational census beds increased YOY from 2,686 to 2,899. In the GCC, the operational census beds decreased from 948 beds to 923 beds due to change of use as per the latest audit done.

Hospital Patient Visits: The number of in-patients count increased from 220,200+ in FY21 to 273,300+ in FY22. In GCC, the in-patients count increased from 81,900+ in FY21 to 90,900+ in FY22 and in India from 138,200+ in FY21 to 182,400+ in FY22.

The number of out-patients counts increased from ~2.97 mn in FY21 to ~4.09 mn in FY22. In GCC, the out-patients count increased from ~1.56 mn in FY 21 to ~2.06 mn in FY 22 and in India from ~1.41 mn in FY 21 to ~2.03 mn in FY 22.

Financial performance

(in ₹ Crs.)	FY 2021-22	FY 2020-21	Change
Revenue from Operation	10,253	8,608	19%
EBITDA	1,483	1,063	40%
PAT (Post-NCI)	526	148	256%

Financial Ratios

Ratio	FY 2021-22	FY 2020-21	Change
Debtor Turnover Ratio (times)	5.08	3.93	1.15
Inventory Turnover Ratio [#] (times)	3.09	2.82	0.27
Interest Coverage Ratio ^{&} (times)	3.28	1.52	1.76
Current Ratio	1.15	1.14	0.02*
Net Debt Equity Ratio ⁵	1.01	1.17	-0.16
EBITDA Margin (%) [@]	14.5%	12.3%	220 bps
PAT (Post-NCI) Margin (%)	5.1%	1.7%	340 bps
Return on Net Worth (%)	14.5%	4.7%	970 bps*

Note:

*Rounded off to the nearest two decimal places

[#]Based on cost of goods sold

[&]Based on EBIT excluding other income

⁵Net debt includes lease liability

Expansion plans

GCC

We had a soft launch of the 101 – bed Aster Hospital in Aster Sharjah in the month of April 2022. We aim to commission the 145-bed hospital in Muscat, Oman in Q2 FY 23. In Qatar, we are also planning to have a 60-bed hospital which is currently in its design stage.

In terms of clinics, there are plans to open new clinics in newer and upcoming areas, like New Dubai, to expand our footprint to serve more patients in UAE.

For pharmacies, there is focus on adding outlets in UAE where presence is less (New Dubai, Abu Dhabi). We are also planning to add 1,000 additional Doors in UAE for Aster Brands through Modern Trade channels. Expanding into other GCC countries like Saudi Arabia and non-GCC countries through Franchisee network is also under evaluation.

India

We started operations at the 140-bed Aster Mother Hospital in Areekode in May 2022.

Later, in FY 23, Phase 2 of 275-bed Aster Whitefield Specialty Hospital is expected to be operationalised. In Kasargod, Kerala, we have signed the lease agreement to build a 200-bed tertiary care multi-specialty hospital project which is also expected to complete by FY 25.

Phase 1 of the Aster Trivandrum Hospital, which will be a 350-bed facility, has been announced. It is expected to be completed by FY 26. We also have the 500-bed Aster KLE Hospital in Bengaluru which is expected to be completed by FY 26.

Aster signed a Memorandum of Understanding with The Government of Tamil Nadu which proposes an investment of ₹ 500 crore in hospitals, pharmacies and laboratories in the State. This will help provide quality healthcare at affordable cost to the people of Tamil Nadu and generate employment for more than 3,500 people. Chief Minister M.K. Stalin has encouraged the initiative and ensured support to our group.

For Aster Labs, we have an aggressive growth plan to expand our reach to 38 labs and around 400 patient experience centers by the end of FY 23, which will also involve further expansion into Maharashtra, Delhi, Tamil Nadu, and Karnataka.

For Aster Pharmacy, we plan to launch around 175 pharmacies in FY 23. With this planned expansion, the cumulative number of pharmacies is expected to cross 300. Aster pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited (ARPLL) under brand license from Aster.

Strategies for road ahead

- 1. To grow share of India business** - More capital allocation to India in the coming years through addition of bed capacity via brownfield, greenfield, Operation and Management, and inorganic routes. Investing in adjacencies with low capex requirements such as Aster Labs to increase the India share of the business to around 40% over the next three years.
- 2. Focus on Digital** - The pandemic has helped us explore the power of digitization. We are now building upon the Aster Digital Initiatives started during the Covid-19 pandemic with the launch of the One Aster app. The app will become the primary omni-channel mode of engagement and shall allow us to have a unique, integrated view of the patient across all the healthcare touchpoints. The app will be our unified mode of engagement

with our patient base for their wellness, housing Tele-consult, E-Pharmacy, Home Health, E-diagnostics, Chronic Disease management and creating various streams to support patient wellness. By end of FY 23, the One Aster app will cover all of UAE and will be introduced in India, in stages. The later phases will see the app roll out in other GCC countries, which are still under planning.

- 3. Medical Value Tourism (MVT)** - Currently, our target markets are Nigeria/West African nations, CIS countries, GCC states, Turkey, and UK. For business needs, we are currently focusing on promoting Paediatric, Neurology (specifically Gene therapy), Orthopaedic and Women Health related specialities. Off late, we are seeing Kazakhstan also as developing market for Gene therapy.

With the pandemic subsiding and travel slowly normalizing, we expect MVT to return to pre-COVID levels in FY 23.

- 4. Aster Global Centre** - Aster Global Center (AGC) is now one year old. Numerous process improvement plans have been implemented thereby making processes agile across all major functions like Finance & Accounts, Procurement, Human Resources, Information Technology, Revenue Cycle Management (RCM) to name a few. With over 350 people operating from three different locations in India – Bengaluru, Calicut & Gurgaon, AGC is poised to become 600 strong by end of FY 23. Not only has the AGC acted as a Business Continuity Process (BCP) location for all critical processes, but it has also slowly become the “go to” location for all new implementations. Aster Global Center is poised to become the Center of Innovation in the coming years, piloting some of the most critical and important processes and products for Aster.

Human Resources

At Aster, our employees across 7 geographies are core towards delivering on our shared mission, vision and growth of the Organization. Aster's unique caring culture has a combined focus on customer experience where listening and empathy are emphasized, with employee experience where people express themselves to find meaning and feel fulfilled, which results in achievement outcomes where ownership, meritocracy, & excellence are our guiding stars. All employees play vital roles in providing quality care to our patients and customers. Our diverse teams are represented from 70 countries, working cross-culturally together as part of one large family. We are an equal opportunity employer & strive to build diverse teams. Aster drives a high-performance culture through continuous learning & development interventions focused on organizational wide capability building and professional growth for its Asterians.

As of March 31, 2022, the Company has workforce strength of 25,806 including 3,279 doctors, 7,473 nurses, 11,751 other employees and 3,303 outsourced staff.

Risk Management

Risk management is the set of methods by which companies evaluate potential losses and take action to reduce or eliminate such threats. Risks are inevitable to any business activity. Risks and controls are key components of our Company’s Enterprise Risk Management (ERM) protocol. Our Risk Management framework is robust that helps us proactively identify potential risks, analyze them, and take measures to reduce/mitigate the risk. This facilitates us to set up procedures to avoid the risk, minimize its impact, or at the very least help cope with its impact. Essentially, the goal of risk management is to identify potential problems before they occur and have a plan for addressing them. Our Risk Management includes internal and external risks that could negatively impact our organization and we have a strong regulatory framework for timely identification and mitigation of such risks.

Since the inception of the ERM team, there are several risk initiatives driven across the organization, thereby adding value to the business. These include: -

Risk Identification and Assessment Process

- Preparation and drafting of the risk registers for the business along with assessment of each risk and review of controls for Hospitals, Clinics, Retail and Homecare businesses.

Risk Awareness Sessions

- Imparting risk and compliance awareness sessions across various teams to increase understanding of risks and familiarizing teams with risk assessments and control activity via new joiner induction and Bi-weekly newsletter named ‘Risky Times’.

ESG risks

- Implementation of a Environment and Social Risk (ESR) framework and policy to monitor and mitigate any ESG risks.
- Detailed Standard Operating Procedures and templates drafted and approved for ESG reporting across Energy, Water, Emissions, Environmental Compliance and Employment.

Vendor Risk Assessment

- Preparation and launch of a vendor risk assessment process to review supplier Data Security and Data Privacy risks before onboarding the services.

Risk Acceptance

- Introduction of a risk acceptance process with monthly reporting to the Chairman and Deputy Managing Director.

External Policy review

- Reviewed and contributed to the draft Health Data Protection and Confidentiality policy issued by DHA.

Risk reviews and management

- Risks and controls are reviewed monthly with the Executive Directors, CEOs, and COOs across various business verticals.
- Board Risk Committee is held on a quarterly basis to review the top risks of the organization.

Enclosed below is a summary of the top risks for Aster DM Healthcare as agreed and approved at the Executive Risk Committee along with the potential impact and appetite, and our mitigation strategies.

Risks	Impact	Mitigation
Information and Data Security Risks	At Aster we have a low-risk appetite for a security breach in which significant amounts of confidential data affecting our patients, customers, employees, or shareholders, and/or proprietary information has been compromised that can result in regulatory notification, monetary fines, indemnity, and reputational damage.	The organisation remains committed to its IT transformation strategy to ensure the robustness of systems across the landscape. With this in mind, several IT controls are in place to ensure that patient data isn’t compromised. Engaged with third party agencies for enhancement of overall security posture of the organization.
People Risks	The growth of the Company is highly dependent on its ability to acquire a talented workforce. The expertise and engagement of employees drives organisational success. Inability to acquire such talent can significantly impact the Company’s operations. As our largest area of expenditure, we have a medium risk appetite for pursuing outcomes that lead to more efficient and economic people outcomes.	The Company continuously works to improve its work environment to retain a pool of trained medical and non-medical professionals with a low-risk appetite for any deviation from the Aster Code of Conduct and Ethical Governance Standards.

Risks	Impact	Mitigation
Legal and Compliance Risks	With its vast network in seven countries, the Company provides services within highly regulated environments and must meet high level of compliance and legal expectations from regulatory bodies. Failure to comply with regulations could lead to legal consequences and/or regulatory censure and we have a low-risk appetite for the same.	Aster constantly keeps track of regulatory frameworks in different countries and implements them within the stipulated timelines within the business. All permits are renewed in countries where it operates. The Company abides by all laws and regulations set by various Governments, ensuring smooth and seamless operations across geographies.
Financial Risks	With its widespread operations the Company expects strong internal controls to be maintained which ensures compliance with governance and accounting principles in line with the credit risk policy. We have no tolerance for risks that may lead to fraud or financial misconduct leading to brand and reputational damage, decreased revenue and/or market share.	The Company has created a Centre of Excellence for RCM aiming for better payer relationship and uniformity. There is an increased focus on rejection control, digitalization, consolidation, offshoring, and other cost controlling initiatives. All deviations from our code of conduct and ethical governance standards are investigated and mitigated accordingly.
Business Continuity and Resilience Risk	Healthcare providers need to ensure that patients/customers can always avail their services. The Company has business continuity strategy ensuring that even during incidents we continue to operate critical businesses with a predetermined recovery time. Failure to do so would cause an impact on our business operations adversely affecting our patients, resulting in loss, or declined revenue and/or brand and reputation damage.	Disaster management plan and emergency response plans as per the emergency codes available for all our facilities. The Company is taking adequate measures to backup business applications and systems thereby reducing instances of data losses ensuring continuity.
Clinical and Patient Health and Safety Risks	Healthcare providers must follow stipulated norms for meeting quality and safety standards. Failure to do so could cause patient harm and may have an impact on patient care and impact the future of the Company.	Aster DM continuously strives to deliver quality care to achieve desired results by following evidence based clinical practise guidelines. Patient safety and advanced medical care are, therefore, a priority for the Company. We practice quality control ensuring compliance with quality norms in each country.
Reputational Risks	The Company accepts that some level of reputational risk is inherent in all our activities which include the effect of factors such as regulatory intervention, employee conduct, human resource practices, information security and patient experience. Negative perceptions by patients, staff or other stakeholders may jeopardize the Group's credibility and impede the achievement of delivering our strategic objectives.	Aster operates within three brands namely, Aster, Medicare, and Access. The brand value and reputation of the organization has grown tremendous in the last 30 years since it began operations. Several brand and marketing strategies are in place and social media listening tools and Online Reputation Management practices have been deployed to monitor events both internal and external that could pose a reputational risk.
Strategic, Transformation and Innovation Risks	Technology is changing every day and it is critical for the Company to stay up to date with new and updated innovations in the industry. Insufficient embrace of digital capabilities may not meet performance expectations related to quality, cost, and innovation as well as our new digitally born competitors with hyper scalable business model and low cost of operations.	Aster adopts new and emerging technology and has taken digital initiatives to regularly to provide superior quality patient-centric care. The organisation has state-of-the-art equipment to aid complex treatments and deliver excellent care to each one of its patients.
Competition and Market Share Risks	The healthcare sector is dynamic and growing demand for healthcare continues to attract more players to the industry. As a result, inadequate competitive strategies may deteriorate the Company's value proposition which can result in reduced brand value and loss of customers and patients.	With over 30 years of industry experience, the Company has a vigorous business model that lends it a competitive edge over its peers. To leverage industry trends and prevailing technology stack, an external partner has been engaged as the implementation partner with a clear governance mechanism established reporting into the Steering Committee.

Risks	Impact	Mitigation
Vendor and Supply Chain Management Risks	The Company works with numerous suppliers who provide services to ensure we have a smooth business operation. We recognize that optimizing our supply chain and enhancing its sustainability as a key element in achieving our strategic aims. Failure to do so could have an impact on clinical quality and lead to inability in delivering quality services to our patients/customers.	The Company has obtained a CIPS certification for Procurement Ethics Compliance for the Group Supply Chain Management. ERP rollout for verticals in a phased manner is underway. Also, introduction of an E-capex platform would further strengthen the overall Vendor and Supply Chain Management process.

Internal Control System and their adequacy

The Management has laid down internal financial controls to be followed by the Company. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the 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 disclosures. The internal control system is commensurate with the nature of business, size and complexity of operations and has been designed to provide reasonable assurance on the achievement of objectives, effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

As part of the Corporate Governance Report, CFO certification is provided, for assurance on the existence of effective internal control systems and procedures in the Company.

The internal control framework is supplemented with an internal audit program that provides an independent view of the efficacy and effectiveness of the process and control environment and supports a continuous improvement program. The internal audit program is managed by an in-house internal audit function and by Grant Thornton Bharat LLP, external firm. The Audit Committee of the Board oversees the internal audit function.

The Audit Committee is regularly apprised by the internal auditors through various reports and presentations. The scope and authority of the internal audit function is derived from the audit charter

approved by the Audit Committee. The internal audit function develops an internal audit plan to assess control design and operating effectiveness, as per the risk assessment methodology. The internal audit function provides assurance to the Board that a system of internal control is designed and deployed to manage key business risks and is operating effectively.

Cautionary statement

Certain statements in the Management Discussion and Analysis section concerning future prospects may be forward-looking statements which involve several underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially. Besides the foregoing changes in the macro-environment, a global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether because of new information, future events, or otherwise.

Board's Report

Dear Members,

Your directors have immense pleasure in presenting the Annual Report on the business and operations of your Company along with the audited financial statements for the financial year ended March 31, 2022.

1. RESULTS OF OPERATION AND STATE OF AFFAIRS

Financial Results

(INR in crores except per share data)

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Revenue from operations	1,116.47	746.54	10,253.28	8,608.43
Other income	82.20	21.63	50.66	49.97
Total income	1,198.67	768.17	10,303.94	8,658.40
Total expenditure	1,108.71	836.21	9,667.63	8,456.87
Profit/(Loss) before exceptional items and tax	89.96	(68.04)	636.31	201.53
Exceptional item	-	-	-	-
Profit/(Loss) before tax	89.96	(68.04)	636.31	201.53
Share of net profit/ (loss) of equity accounted investees	-	-	0.54	3.52
Profit/(Loss) before tax	89.96	(68.04)	636.85	205.05
Less: Tax expense	(0.22)	0.74	35.80	27.22
Profit / (Loss) for the year	90.18	(68.78)	601.05	177.83
Other comprehensive income/(loss), net of taxes	0.46	0.01	93.45	(49.71)
Total comprehensive income/ (loss)	90.64	(68.77)	694.50	128.12
Profit / (Loss) attributable to				
Owners of the Company	90.18	(68.78)	525.99	147.74
Non-controlling interest	-	-	75.06	30.09
Total	90.18	(68.78)	601.05	177.83
Total comprehensive income/ (loss) attributable to				
Owners of the Company	90.64	(68.77)	608.65	103.95
Non-controlling interest	-	-	85.85	24.17
Total	90.64	(68.77)	694.50	128.12
Earnings/(Loss) per share				
Basic	1.81	(1.38)	10.58	2.97
Diluted	1.81	(1.38)	10.57	2.97

Financial position

(INR in crores except per share data)

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Cash and cash equivalents	18.27	6.79	343.37	258.09
Trade receivables	61.55	42.92	2,020.52	2,019.00
Other current assets	119.96	148.54	1,732.57	1,351.92
Total current assets	199.78	198.25	4,096.46	4,212.61
Property, plant and equipment (including capital work in progress)	782.51	822.87	4,335.55	4,212.61
Goodwill	-	-	1,087.91	1,052.24
Other intangible assets	2.15	4.85	278.09	250.50
(including intangible assets under development)				
Other non-current assets	2,777.56	2562.65	2,748.23	2,499.10
Total non-current assets	3,562.22	3,390.37	8,449.78	8,014.45
Total assets	3,762.00	3,588.62	12,546.24	11,643.46
Non-current liabilities	463.95	396.70	4,505.04	4,613.72
Current liabilities	342.84	327.81	3,558.58	3,195.62
Total current and non-current liabilities	806.79	724.51	8063.62	7,809.34
Equity share capital	497.22	497.04	497.22	497.04
Other equity	2,457.99	2,367.07	3,456.19	2,875.42
Non-controlling interest	-	-	529.21	461.66
Total equity	2,955.21	2,864.11	4,482.62	3,834.12
Total equity and liabilities	3,762.00	3,588.62	12,546.24	11,643.46

Performance Overview

During the year under review the Company reported, on a consolidated basis, a total income from operations of INR 10,253.28 crores as compared to INR 8,608.43 crores. Of the total revenues from operations for fiscal 2022, our hospital segment accounted for INR 5,773.58 crores, our clinic segment accounted for INR 2,443.01 crores and others segment accounted for INR 23.25 crores. Our retail pharmacy segment accounted for INR 2,013.44 crores. The Company reported, on a standalone basis, a total income from operations of INR 1,116.47 crores as compared to INR 746.54 crores.

Our strategies for the financial year 2022-23 are explained in the Management Discussion and Analysis section, which forms part of this Annual Report.

2. TRANSFER TO RESERVES

There were no appropriations to/from the general reserves of the Company during the year under review.

3. DIVIDEND

The Company continues to look at growth prospects through new investment opportunities. The past year of the pandemic has presented healthcare companies across the world with many challenges and it is imperative that the Company looks at available options for organic as well as inorganic growth. The key objective of the Company is to achieve a consistent sustainable growth over the years to come and consolidate the Company's position. Keeping in view the growth strategy of the Company, the Board of Directors have decided to plough back the profits and thus do not recommend any dividend for the financial year under review.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is available on the Company's website on https://www.asterdmhealthcare.com/fileadmin/user_upload/AsterDM_Dividend_Distribution_Policy_01.pdf

4. SHARE CAPITAL

The share capital of the Company as on March 31, 2022 stands at INR 499.51 Crores consisting of 49,95,13,060 equity shares of INR 10 each. During the year under review, the Company has not issued any shares with differential voting rights or any sweat equity shares. Details of Employee Stock Options granted by the Company are provided separately in annexure to this report.

During the year under review, the Company has not issued any shares.

5. PUBLIC DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

6. LOANS, GUARANTEE AND INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosure relating to loans/ advances given, guarantees provided and investments made are provided as part of the financial statements.

7. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company along with its subsidiaries are engaged in the business of setting up hospitals, clinics and pharmacies in India and GCC. At the beginning of the year your Company had 76 subsidiaries and 7 associate companies. As on March 31, 2022, the Company has 73 subsidiaries and 8 associate companies. Your Company has no joint ventures at the beginning of the year and as on March 31, 2022. There has been no material change in the nature of the business of the subsidiaries.

Hindustan Pharma Distributors Private Limited has become subsidiary of the Company during the year under review.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries/associates in Form AOC-1 is annexed as **Annexure 1** to this report.

8. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated a policy on dealing with related party transactions, which is also available on the Company's website at <https://www.asterdmhealthcare.com/investor/corporate-governance>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions on yearly basis for transactions which are of repetitive nature and /or entered in the ordinary course of business.

No material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered into by the Company during the year.

A statement giving details of all related party transactions entered pursuant to the omnibus approval so obtained is placed before the Audit Committee for their review on a quarterly basis. Disclosures as required under Section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 as specified under Companies Act, 2013 which is annexed as **Annexure 2** to this report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013 the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company, which are adequate and are operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments

- Mr. Wayne Earl Keathley (DIN:09331921) was appointed as an Independent Director of the Company effective from October 04, 2021 for a term of three consecutive years and the same was approved by the Members through postal ballot completed on November 08, 2021 and results were declared on November 09, 2021.

Re-appointments

- In accordance with Articles of Association, Mr. Shamsudheen Bin Mohideen Mammu Haji (DIN: 02007279), Non-Executive Director shall retire by rotation at the ensuing Annual General Meeting. The Director being eligible offers himself for re-appointment. The Notice of 14th Annual General Meeting of the Company contains the above proposal for the approval of the Members.
- The Board of Directors at their meeting held on May 24, 2022, on recommendation of the Nomination and Remuneration Committee has recommended the re-

appointment of Dr. Mandayapurath Azad Moopen (DIN:00159403) as Managing Director of the Company for a period of three (3) years subject to approval of the Central Government. The Notice of 14th Annual General Meeting of the Company contains the above proposal for the approval of the Members.

- The Board of Directors on recommendation of the Nomination and Remuneration Committee, re-appointed Prof. Biju Varkkey (DIN:01298281) as an Independent Director of the Company for a second term of one year with effect from November 12, 2021 to November 11, 2022 and the same was approved by the Members through postal ballot completed on November 08, 2021 and results were declared on November 09, 2021.
- The Board of Directors on recommendation of the Nomination and Remuneration Committee, re-appointed Dr. Layla Mohamed Hassan Ali Almarzooqi (DIN:08401425) as an Independent Director of the Company for a second term of one year with effect from March 28, 2022 to March 27, 2023 and the same was approved by the Members through postal ballot completed on March 19, 2022 and results were declared on March 21, 2022.

Retirements

- Mr. Suresh Muthukrishna Kumar (DIN:00494479), retired as an Independent Director of the Company from the Board of Directors of the Company on completion of his two terms with effect from the close of the business hours on September 15, 2021.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Companies Act, 2013, the Company has appointed the following Key Managerial Personnel:

S. No	Name of the Key Managerial Personnel	Designation
1	Dr. Azad Moopen	Chairman and Managing Director
2	Ms. Alisha Moopen	Deputy Managing Director
3	Mr. Sreenath Reddy	Group Chief Financial Officer
4	Mr. Hemish Purushottam	Company Secretary and Compliance Officer

Notes:

1. Ms. Puja Aggarwal resigned as Company Secretary and Compliance Officer of the Company with effect from closure of business hours on August 14, 2021.
2. Mr. Kiran R Baddi was appointed as Interim Compliance Officer of the Company with effect from closure of business hours on August 14, 2021, to November 11, 2021.
3. Mr. Hemish Purushottam was appointed as Company Secretary and Compliance Officer of the Company with effect from closure of business hours on November 11, 2021.

11. COMMITTEES OF DIRECTORS

The Company has constituted committees as required under the Companies Act, 2013 and the Listing regulations and the details of the said Committees forms part of the Corporate Governance Report.

12. BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and the Listing Regulations the evaluation of Board of Directors was conducted for the financial year 2021-22.

The evaluation was conducted by engaging an external independent firm having the requisite expertise in this field. An online questionnaire method was adopted for evaluation based on the criteria formulated by the members of the Nomination and Remuneration Committee ("NRC"). This year in addition to online questionnaire, an independent evaluator has conducted one on one interaction with individual directors for obtaining qualitative feedback. The evaluation was made to assess the performance of individual Directors, Committees of the Board, Board as a whole and the Chairman. Adherence to the Code of Conduct, display of leadership qualities, independence of judgement, integrity, confidentiality and the six pillars of Aster namely people management, service excellence, clinical excellence, technology, digital transformation and innovation, brand equity and community connect, business performance etc were the criterion based on which the performance evaluation was conducted. Further, the evaluation of Management was conducted based on the factors such as timeliness in the flow of information, transparency and quality of information provided to the Board for decision making, adoption of suggestions provided by the Board etc.

The Independent Directors at their meeting held on May 16, 2022, reviewed the performance of the Non-Independent Directors, Committees of the Board, the Board as a whole and Chairman based on the evaluation of other Directors. The NRC at their meeting reviewed the outcome of the evaluation process.

13. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from Independent Directors in accordance with Section 149(7) of the Companies Act, 2013 ("the Act") and Regulations 25(8) of the Listing Regulations that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board of Directors is of the opinion that all the Independent Directors meet the criteria regarding integrity, expertise, experience and proficiency.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

14. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178 (3) of the Companies Act, 2013, is available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

15. BOARD MEETINGS AND ANNUAL GENERAL MEETING

The Board of Directors met 7 times during the financial year viz June 22, 2021; August 11, 2021; October 04, 2021; November 11, 2021; February 08, 2022; March 24, 2022 and March 28, 2022. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations. Detailed information regarding the meetings of the Board and Committees of the Board is included in the report on Corporate Governance.

The Annual General Meeting for the financial year 2020-21 was held on August 13, 2021, through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM').

16. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") as required under Section 118 (10) of the Companies Act, 2013 and such systems are adequate and operating effectively.

17. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure 3** to this report.

18. EMPLOYEE STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board inter alia administers and monitors the Company's Employees Stock Option Plan "Aster DM Healthcare Employees Stock Option Plan 2013" in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the plan is implemented through DM Healthcare Employees Welfare Trust.

During the year, 1,97,038 shares were transferred from the ESOP Trust to the eligible employees under the Company's prevailing ESOP Plan. As on March 31, 2022, the ESOP Trust held 22,94,103 (0.46%) equity shares of the Company.

Disclosures as required under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 have been provided separately in **Annexure 4** to this report. The same can be accessed on the Company's website <https://www.asterdmhealthcare.com/investors>.

The certificate from the Secretarial Auditor that the scheme has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the shareholders shall be placed at the Annual General Meeting for inspection by the Members.

19. INTERNAL CONTROL SYSTEMS

The Management has laid down internal financial controls to be followed by the Company. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the 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 disclosures. The internal control system is commensurate with the nature of business, size and complexity of operations and has been designed to provide reasonable assurance on the achievement of objectives, effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

As part of the Corporate Governance Report, CFO certification is provided, for assurance on the existence of effective internal control systems and procedures in the Company.

The internal control framework is supplemented with an internal audit program that provides an independent view of the efficacy and effectiveness of the process and control environment and supports a continuous improvement program. The internal audit program is managed by an in-house internal audit function and by Grant Thornton Bharat LLP, external firm. The Audit Committee of the Board oversees the internal audit function.

The Audit Committee is regularly apprised by the internal auditors through various reports and presentations. The scope and authority of the internal audit function is derived from the audit charter approved by the Audit Committee. The internal audit function develops an internal audit plan to assess control design and operating effectiveness, as per the risk assessment methodology. The internal audit function provides assurance to the Board that a system of internal control is designed and deployed to manage key business risks and is operating effectively.

20. VIGIL MECHANISM

The Company believes in conducting its affairs in a transparent manner and adopts highest standards of professionalism and ethical behaviour. Integrity is one of the key values of the Company that it strictly abides by. Keeping that in view the Company has established a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics. The Whistle Blower Policy is available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against whistle blowers and provides adequate safeguard measures. It also provides a direct access to the Chairman of the Audit Committee to raise concerns.

In addition to this, the Company has also engaged an independent agency called 'Integrity Matters' that provides an electronic and digital platform to report any unethical practices or harassment/injustice at the workplace confidentially and, if desired, anonymously by any employees or vendors of the Company or any of its subsidiaries anywhere in the world to ensure fairness and transparency in the process.

21. RISK MANAGEMENT POLICY

Risk is the effect of uncertainty on an expected result and every business is exposed to it. The ability to effectively identify and manage risk is a vital element of business success for all parts of the Company's business. During the period under review, the Company has strategized to handle the risks by:

- carrying out risk identification sessions for the Board, senior management, and other staff members;
- defining, analysing and prioritizing various kinds of risks;
- forming a cross functional team with well-defined roles for identifying and reporting of new risks;
- giving training and support for the risk owners, employees, and others as appropriate; and
- commencing the standardization and digitalization of risk reporting, planning risk management activities, and reviewing the risks periodically.

In order to bring in further accountability, transparency and expertise in the risk management, the Company has commenced periodic reporting to the Risk Management Committee. The Risk Management Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks being faced by the Company.

The Company has identified its top ten risks that are monitored on a monthly basis and reported on a quarterly basis to the Risk Committee. These include:

1. Information and Data Security risk
2. People risk
3. Legal and Compliance risk
4. Financial risk
5. Business Continuity and Resilience risk
6. Clinical and Patient Health and Safety risk
7. Reputational risk
8. Strategic, Transformation and Innovation risk
9. Competition and Market share risk and
10. Vendor and Supply Chain management risk

The risk management policy is available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

22. CORPORATE SOCIAL RESPONSIBILITY

The Company has a well-defined policy on Corporate Social Responsibility as per the requirement of Section 135 of the Companies Act, 2013. The CSR activities of the Company undertaken by Aster Volunteers broadly includes providing free healthcare services to the under-privileged children and the needy, village adoption, providing education, and sustainability programmes. The CSR activities are being carried out under the broad umbrella of our registered charitable organization – Aster DM Foundation (“the Foundation”). The Foundation is established and endowed as a non-profitable charity and philanthropic organization by Dr. Azad Moopen as the Managing Trustee is registered under Ministry of Corporate Affairs.

The CSR Policy of the Company is available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>. Details on Corporate Social Responsibility activities undertaken during the year is provided in **Annexure 5** forming part of this report.

23. AUDITORS

i. Statutory Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants [Firm registration number: 0080725] were appointed as the Statutory Auditor of the Company for a period of 5 years from the conclusion of 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting.

ii. Secretarial Auditor

M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000] were appointed as Secretarial Auditor of the Company for the financial year 2021-22, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000] as Secretarial Auditor of the Company for the financial year 2022-23, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

iii. Cost Auditor

The Company has maintained cost records and accounts as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and rules made thereunder and M/s. BBS & Associates, Cost Accountants [Firm Registration No: 00273] were appointed as the Cost Auditor of the Company to conduct the audit of cost records for the financial year 2021-22.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Jitender, Navneet & Co, Cost Accountants [Firm Registration No: 000119] as the Cost Auditor of the Company to conduct the audit of cost records for the financial year 2022-23 at a remuneration of INR 2,25,000 (Rupees Two Lakhs and Twenty Five Thousand only) plus out of pocket expenses & taxes as applicable, if any, in connection with the cost audit.

The Board of Directors of the Company proposes the ratification of remuneration of M/s. Jitender, Navneet & Co, Cost Accountants for financial year 2022-23 at the ensuing Annual General Meeting. The Notice of 14th Annual General Meeting of the Company contains the above proposal for the approval of the Members.

24. AUDIT REPORT

i. Statutory Audit Report

Audit report on the financial statements of the Company for the financial year 2021-22 is being circulated to the shareholders along with the financial statements. There are no qualifications or adverse remarks made by the statutory auditors in their report for the financial year ended March 31, 2022.

During the year under review, the Statutory Auditors have not reported to the Audit Committee any incident of material fraud committed against the Company by its officers or employees under Section 143 (12) of the Companies Act, 2013.

ii. Secretarial Audit Report

The Secretarial Audit report issued by M/s. M Damodaran & Associates LLP, Practising Company Secretaries for the financial year 2021-22 is annexed as **Annexure 6** to this report. The observation and management response to the same is given below:

As per Regulation 17 (1) (b) of SEBI Listing Regulations, where the listed entity does not have a regular Non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors. The composition of the Board was 12 Directors with 6 Independent Directors and 6 Non-Independent Directors. Mr. Suresh Muthukrishna Kumar, an Independent Director of the Company, retired from the Board from the closure of business hours on September 15, 2021. Due to the retirement of the above Director, the total strength of the Independent Directors on the Board came down from 6 to 5. Subsequently, Mr. Wayne Earl Keathley was appointed as an Independent Director of the Company w.e.f. October 04, 2021. The Company has complied with regulation during the period except for 18 days i.e., from September 16, 2021 to October 03, 2021. The lag was due to the delay in obtaining DIN of the Independent Director resident in USA due to Covid-19.

Pursuant to Regulation 24A of the Listing Regulations read with SEBI circular dated February 08, 2019, listed entities are required to submit the Annual Secretarial Compliance report with the stock exchanges within sixty days from the end of the financial year. The Company has received the Annual Secretarial Compliance report from M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000] and the same has been submitted to the stock exchanges within the stipulated date and a copy of the report is annexed as **Annexure 6A** to this report.

Pursuant to amendment made to Regulation 24A of the Listing Regulations, the Secretarial Audit report of Malabar Institute of Medical Sciences Ltd, material unlisted subsidiary of the Company issued by M/s. Ashique Sameer Associates, Practising Company Secretaries for the financial year 2021-22 is annexed as **Annexure 6B** to this report.

During the year under review the Secretarial Auditors have not reported to the Audit Committee any incident of fraud committed against the Company by its officers or employees under Section 143 (12) of the Companies Act, 2013.

25. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION

The Company had adopted measures to ensure business continuity with minimal disruption on account of COVID-19 and has considered available internal and external information upto the date of approval of the financial results by the Board of Directors. The Company has used the principles of prudence in applying judgements, estimates and assumptions including

sensitivity analysis and the Company has evaluated impact of the pandemic in assessing the recoverability of property plant and equipment (including Capital work in progress), investments, intangibles, inventories, receivables and other assets based on its review of current indicators of future economic conditions. Based on current estimates, including the availability of financing facilities for maintaining liquidity, the Company expects to fully recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from that which has been estimated as on the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any, and any significant impact of these changes would be recognized in the financial results as and when these material changes to economic conditions arise.

26. ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company's website at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

27. SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by any regulators or courts or tribunals impacting the going concern status and Company's operations in future.

28. BUSINESS OF THE COMPANY

The Company is into the business of setting up and running of hospitals and healthcare centres. There has been no change in the nature of business during the financial year.

29. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment at workplace framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been constituted as per the said Act to redress the complaints with respect to sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year there were 5 cases reported on standalone basis on sexual harassment and all cases were disposed of.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREX EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure 7** to this report.

31. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as required under the Regulation 34 (3) of the SEBI Listing Regulations and Schedule V (B) to the said regulation forms part of the Annual Report.

32. CORPORATE GOVERNANCE

As per Regulation 34 and Schedule V (C) to the SEBI Listing Regulations, the Corporate Governance Report with the Compliance certificate from the Practicing Company Secretary is annexed as **Annexure 8** to this report.

33. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of SEBI Circular No.: SEBI/HO/CFD/CMD-2/P/CIR/2021/562 and ss per the Regulation 34 (2) (f) of the Listing

Regulations, the company has voluntarily annexed Business Responsibility and Sustainability Report for the year under review as **Annexure 9** to this report.

34. ACKNOWLEDGEMENT

Your Directors thank the Company's shareholders, customers, banks, financial institutions, and well-wishers for their continued support during the year. Your Directors place on record their appreciation on the contribution made by the employees at all levels. The Company's consistent growth was made possible by their hard work, solidarity, co-operation and support. The Board sincerely expresses its gratitude to Government of India, Ministry of Corporate Affairs, Reserve Bank of India, Foreign Investment Promotion Board, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Governments of Kerala, Karnataka, Andhra Pradesh, Telangana and Maharashtra for the guidance and support received from them including officials thereat from time to time.

For and on behalf of the Board of Directors

Dr. Azad Moopen

Chairman and Managing Director

DIN: 00159403

Date: May 24, 2022

Place : Dubai

Annexure-1

Form No AOC-1

(Pursuant to the first proviso to sub-section (3) of section 129 of read with Rule 5 of the Company (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries or associate companies or joint ventures

Part A- Subsidiaries

S. No	Name of Subsidiary/ Step down subsidiary Company (GI)	Country	Currency	Exchange Rate	Share Capital	Other Equity ^{###}	Total Assets	Total Liabilities (excluding share capital and other equity)	Investments	Turnover	Profit Before Taxation	Profit After Taxation	Proposed Dividend	Percentage of Beneficial Holding	Percentage of Legal Holding*
Direct subsidiaries															
1	DM Med City Hospitals (India) Private Limited	India	INR	1.00	0.01	66.35	128.69	62.32	0.12	22.45	0.53	0.10	-	100%	100%
2	Ambady Infrastructure Private Limited	India	INR	1.00	15.01	53.85	93.25	24.38	-	0.33	(0.69)	(0.70)	-	100%	100%
3	Aster DM Healthcare (Trivandrum) Private Limited	India	INR	1.00	8.01	(32.18)	92.98	117.15	0.00	0.06	(8.81)	(8.81)	-	100%	100%
4	Maabar Institute of Medical Sciences Ltd	India	INR	1.00	99.91	405.84	892.51	386.76	18.54	780.24	91.03	68.29	-	74%	74%
5	Prerana Hospital Limited	India	INR	1.00	4.14	37.22	120.81	79.45	0.00	91.81	7.14	7.35	-	87%	87%
6	Sri Sainatha Multispecialty Hospitals Private Limited	India	INR	1.00	7.02	38.10	57.83	12.72	-	77.06	9.86	7.69	-	77%	77%
7	Dr. Ramesh Cardiac and Multispecialty Hospitals Private Limited	India	INR	1.00	10.79	112.17	210.60	87.64	60.82	217.17	16.39	14.87	-	51%	51%
8	Aster Clinical Lab LLP	India	INR	1.00	1.00	(46.13)	101.16	146.29	-	89.60	(27.09)	(27.27)	-	100%	100%
9	Hindustan Pharma Distributors Private Limited	India	INR	1.00	0.10	13.78	47.32	33.44	-	37.25	(1.95)	(1.52)	-	86%	86%
10	Affinity Holdings Private Limited	Mauritius	USD	75.59	0.01	1,810.28	2,133.26	322.97	2,111.22	76.31	74.60	73.70	-	100%	100%
Step-down subsidiaries															
11	EMED Human Resources Private Limited	India	INR	1.00	0.02	0.66	1.02	0.35	-	0.58	0.16	0.12	-	100%	100%
12	Ezhimata Infrastructure LLP	India	INR	1.00	9.26	0.06	9.34	0.02	-	0.01	(0.01)	(0.01)	-	74%	74%
13	Warsaps Healthcare LLP	India	INR	1.00	0.10	0.00	0.11	0.00	-	-	(0.00)	(0.00)	-	100%	100%
14	Sanghamitra Hospitals Private Limited	India	INR	1.00	6.27	25.12	44.09	12.70	-	76.57	21.44	16.26	-	37%	37%
15	Aster Ramesh Duhita LLP	India	INR	1.00	0.51	(0.39)	0.69	0.57	-	0.74	0.03	0.03	-	26%	26%
16	Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	India	INR	1.00	0.80	0.40	1.44	0.24	0.62	3.90	1.38	0.89	-	26%	26%
17	Aster Caribbean Holdings Limited	Cayman Island	USD	75.59	-	-	-	-	-	-	-	-	-	100%	100%
18	Aster Cayman Hospital Limited	Cayman Island	USD	75.59	-	-	-	-	-	-	-	-	-	100%	100%

S. No	Name of Subsidiary/ Step down subsidiary Company (GI)	Country	Currency	Exchange Rate	Share Capital	Other Equity ⁱⁱⁱ	Total Assets	Total Liabilities (excluding share capital and other equity)	Investments	Turnover	Profit Before Taxation	Profit After Taxation	Proposed Dividend	Percentage of Beneficial Holding	Percentage of Legal Holding*
19	Aster DM Healthcare FZC	UAE	AED	20.58	2,107.68	619.45	7,082.98	4,355.84	924.00	1,191.95	227.05	227.05	-	100%	100%
20	Aster Hospital Sonapur L.L.C	UAE	AED	20.58	0.62	(17.56)	69.17	186.11	-	5.32	(17.56)	(17.56)	-	90%	39%
21	Radiant Healthcare L.L.C	UAE	AED	20.58	0.62	28.92	72.05	42.51	-	45.76	(1.29)	(1.29)	-	76%	25%
22	Aster Day Surgery Centre LLC	UAE	AED	20.58	0.62	(15.42)	22.24	37.04	-	21.54	1.38	1.38	-	82%	49%
23	DM Healthcare LLC	UAE	AED	20.58	20.58	402.72	853.28	429.98	1.05	1,297.30	193.70	193.70	-	100%	100%
24	Wahat Al Aman Home Healthcare LLC	UAE	AED	20.58	0.21	40.67	69.18	28.30	-	179.75	43.30	43.30	-	100%	49%
25	Aster Grace Nursing and Physiotherapy LLC	UAE	AED	20.58	0.62	(1.84)	1.36	2.58	-	0.80	(1.84)	(1.84)	-	60%	29%
26	Aster Pharmacies Group LLC	UAE	AED	20.58	0.62	586.71	1,181.51	594.18	-	1,534.87	170.78	170.78	-	100%	49%
27	New Aster Pharmacy DMCC	UAE	AED	20.58	0.41	10.64	14.11	3.06	-	17.05	2.00	2.00	-	100%	100%
28	Medshop Garden Pharmacy LLC ***	UAE	AED	20.58	-	-	-	-	-	29.10	2.81	2.81	-	NA	NA
29	Aster DCC Pharmacy LLC	UAE	AED	20.58	0.62	(9.02)	12.01	20.42	-	15.56	(0.93)	(0.93)	-	100%	49%
30	Aster Al Shafer Pharmacies Group LLC	UAE	AED	20.58	6.17	9.86	51.97	35.93	-	91.47	4.62	4.62	-	51%	49%
31	Rafa Pharmacy LLC	UAE	AED	20.58	0.62	(1.61)	4.93	5.92	-	14.14	(0.08)	(0.08)	-	100%	49%
32	Aster Pharmacy LLC AUH	UAE	AED	20.58	0.62	2.23	5.47	2.62	-	12.98	0.20	0.20	-	100%	49%
33	Med Shop Drugs Store LLC	UAE	AED	20.58	0.62	52.15	980.68	927.90	-	385.59	(24.10)	(24.10)	-	100%	49%
34	Alfa Drug Store LLC	UAE	AED	20.58	0.62	189.99	190.60	-	-	63.12	6.11	6.11	-	100%	49%
35	Alfa One Drug Store LLC	UAE	AED	20.58	0.62	35.46	313.08	277.01	-	146.18	35.46	35.46	-	100%	49%
36	Alfaone FZ LLC	UAE	AED	20.58	0.21	-	0.21	-	-	-	-	-	-	100%	100%
37	DM Pharmacies LLC**	UAE	AED	20.58	0.62	2.26	2.88	-	-	-	-	-	-	100%	49%
38	Aster Opticals LLC	UAE	AED	20.58	0.62	(18.95)	45.30	63.63	-	10.37	2.37	2.37	-	60%	49%
39	Medcare Hospital LLC	UAE	AED	20.58	20.58	1,355.10	2,811.08	1,435.40	-	2,010.61	222.67	222.67	-	85%	73%
40	Premium Healthcare Limited	UAE	AED	20.58	0.38	0.93	4.77	3.46	-	14.85	(0.53)	(0.53)	-	80%	80%
41	Dr. Moopens Healthcare Management Services LLC	UAE	AED	20.58	0.62	(350.58)	99.30	449.26	-	38.08	(141.50)	(141.50)	-	100%	49%
42	Eurohealth Systems FZ LLC	UAE	AED	20.58	0.21	22.88	35.26	12.17	-	22.04	4.55	4.55	-	100%	95%
43	Al Rafa Investments Limited	UAE	AED	20.58	0.38	(1.95)	0.83	2.41	0.38	-	(0.13)	(0.13)	-	100%	0%
44	Al Rafa Holdings Limited	UAE	AED	20.58	0.38	(1.00)	0.40	1.02	-	(0.04)	(0.04)	(0.04)	-	100%	0%
45	Alfa Investments Limited #	UAE	AED	20.58	0.38	(0.60)	14.51	14.73	0.37	-	(0.13)	(0.13)	-	0%	0%
46	Active Holdings Limited	UAE	AED	20.58	0.38	(0.37)	14.13	14.13	12.35	-	(0.05)	(0.05)	-	100%	0%
47	Al Rafa Medical Centre LLC	UAE	AED	20.58	0.62	(40.77)	28.96	69.12	-	37.84	(3.37)	(3.37)	-	51%	40%
48	Dar Al Shifa Medical Centre LLC	UAE	AED	20.58	0.62	(1.77)	13.00	14.15	-	19.68	2.95	2.95	-	51%	40%
49	Aster Primary Care LLC	UAE	AED	20.58	0.62	(1.52)	7.01	7.92	-	5.13	0.42	0.42	-	71%	40%
50	Modern Dar Al Shifa Pharmacy LLC	UAE	AED	20.58	0.62	10.82	19.21	7.76	-	32.14	1.76	1.76	-	51%	40%
51	Harley Street LLC	UAE	AED	20.58	0.31	(0.11)	11.42	11.23	-	-	-	-	-	60%	9%
52	Harley Street Pharmacy LLC	UAE	AED	20.58	0.31	1.67	15.21	13.24	-	19.90	1.64	1.64	-	60%	9%
53	Harley Street Medical Centre LLC	UAE	AED	20.58	0.31	59.70	145.83	85.83	-	168.82	8.95	8.95	-	60%	9%
54	Harley Street Dental LLC	UAE	AED	20.58	0.31	(3.19)	9.96	12.85	-	11.79	0.12	0.12	-	38%	2%
55	Grand Optics LLC	UAE	AED	20.58	0.62	(91.21)	82.83	173.42	-	72.41	2.21	2.21	-	85%	34%
56	Noor Al Shifa Clinic LLC***	UAE	AED	20.58	-	(0.00)	-	-	-	9.29	(0.73)	(0.73)	-	NA	NA
57	Zahrath Al Shifa Medical Center LLC	UAE	AED	20.58	0.62	4.04	20.60	15.95	-	54.3	(1.38)	(1.38)	-	70%	19%

S. No	Name of Subsidiary/ Step down subsidiary Company (GI)	Country	Currency	Exchange Rate	Share Capital	Other Equity ^{###}	Total Assets	Total Liabilities (excluding share capital and other equity)	Investments	Turnover	Profit Before Taxation	Profit After Taxation	Proposed Dividend	Percentage of Beneficial Holding	Percentage of Legal Holding*
(Amount in INR crores)															
58	Zahrath Al Shefa Pharmacy LLC***	UAE	AED	20.58	-	-	-	-	-	1.77	0.10	0.10	-	NA	NA
59	Samary Pharmacy LLC	UAE	AED	20.58	0.62	11.01	19.49	7.86	-	7.04	0.60	0.60	-	70%	19%
60	Metro Meds Pharmacy LLC	UAE	AED	20.58	0.62	4.49	11.69	6.59	-	9.47	1.78	1.78	-	66%	15%
61	Metro Medical Center L.L.C	UAE	AED	20.58	0.62	4.28	12.23	7.33	-	17.94	1.54	1.54	-	66%	15%
62	Symphony Healthcare Management Services LLC	UAE	AED	20.58	0.62	(44.43)	77.43	12.124	-	26.69	(0.31)	(0.31)	-	100%	0%
63	E-Care International Medical Billing Services Co. LLC	UAE	AED	20.58	10.29	16.50	57.96	31.17	-	19.96	10.06	10.06	-	80%	0%
64	Al Raffah Hospital LLC	Oman	AED	20.58	5.93	69.03	859.18	784.22	-	442.37	16.20	12.03	-	100%	100%
65	Al Raffah Pharmacies Group LLC	Oman	AED	20.58	2.96	1.45	6.36	1.95	-	5.80	0.81	0.70	-	100%	70%
66	Oman Al Khair Hospital L.L.C	Oman	AED	20.58	9.88	0.96	32.66	21.82	-	42.98	0.80	0.56	-	60%	42%
67	Dr. Moopen's Healthcare Management Services WLL	Qatar	AED	20.58	3.50	208.09	380.75	169.17	1.25	245.39	1.53	7.15	-	99%	49%
68	Welcare Polyclinic W.L.L	Qatar	AED	20.58	0.41	2.03	11.57	9.13	-	28.84	3.61	3.73	-	100%	45%
69	Dr. Moopen's Aster Hospital W.L.L	Qatar	AED	20.58	0.41	(71.27)	223.94	294.80	-	124.44	7.35	7.54	-	99%	49%
70	Sanad Al Rahma for Medical Care LLC	Kingdom of Saudi Arabia	AED	20.58	50.40	336.90	548.40	161.10	-	344.25	(8.67)	(14.72)	-	100%	100%
71	Aster DM Healthcare WLL (earlier W.L.L **)	Bahrain	AED	20.58	1.03	(62.54)	18.66	80.17	-	45.55	2.49	2.49	-	100%	100%
72	Aster DM Healthcare SPC	Jordan	AED	20.58	0.32	(29.33)	31.54	60.55	-	62.78	(0.06)	(0.06)	-	51%	0%
73	Orange Pharmacies LLC	UAE	AED	20.58	0.62	(1.81)	0.04	1.24	-	-	0.00	0.00	-	51%	49%
74	Al Shafer Pharmacy LLC, AUH **	Philippines	AED	20.58	8.23	(7.67)	3.19	2.63	-	-	-	-	-	90%	90%
75	Aster DM Healthcare INC **	UAE	AED	20.58	0.62	(28.17)	0.48	28.03	-	-	-	-	-	90%	39%
76	Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L **	Kuwait	AED	20.58	16.05	(12.92)	5.08	1.94	-	-	-	-	-	54%	2%

Name of the subsidiaries which are yet to commence operations:

- Alfaone FZ LLC

- Aster Caribbean Holdings Limited

- Aster Cayman Hospital Limited

Name of the subsidiaries which have been liquidated or sold during the year - Nil

* Although the percentage of voting rights as a result of legal holding by the Company is not more than 50% in certain entities listed above, the Company has the power to appoint majority of the Board of Directors of those entities as to obtain substantially all the returns related to their operations and net assets and has the ability to direct that activities that most significantly affect these returns. Consequently, all the entities listed above have been consolidated for the purposes of the preparation of this consolidated financial information.

** represents subsidiaries which are in the process of being wound-up.

*** represents subsidiaries which are converted to branch during the current year.

Although the percentage of voting rights as a result of legal holding by the Group is Nil, the Group has the power to appoint/replace all members of the Board of Directors. Consequently Group has control over the entity.

All numbers have been converted from foreign currency to INR at the closing rate

excludes capital contribution from parent, if any

PART B-Associates or Joint Ventures

S. No	Name of the Associate or Joint Venture	AAQ Healthcare Investments LLC	Aries Holdings FZC	Al Mutamaizah Medicare Healthcare Investment Co. LLC	Aries Investments LLC [^]	MIMS Infrastructure and Properties Private Limited	Alfaone Medicals Private Limited	Alfaone Retail Pharmacies Private Limited	Mindriot Research and Innovation Foundation	(Amount in INR crores)	
										Latest Audited Balance Sheet Date	March 31, 2022
1	Date on which the associate was associated or acquired	March 27, 2016	July 10, 2013	December 31, 2021	February 1, 2021	July 6, 2010	February 1, 2021	January 2, 2021	March 10, 2021	March 31, 2022	March 31, 2022
2	Shares of associate held by Company on the year end	99 equity shares of AED 1,000 each	7,500 equity shares of AED 1,000 each	735 equity shares of AED 100 each	2,970 equity shares of AED 1,000 each	0.66 crores equity shares of INR 10 each and 0.27 crores of preference shares of INR 10 each	0.02 crores of equity shares of INR 10 each	990 equity shares of INR 10 each	4,900 equity shares of INR 10 each		
3	Amount of investment in associate	0.20	15.43	0.15	6.11	9.29	0.23	0.00	0.00		
4	Extent of holding - Percentage of beneficial holding	33%	25%	49%	25%	36%	16%	16%	49%		
5	Percentage of legal holding	33%	25%	49%	25%	36%	16%	16%	49%		
6	Description of how there is a significant influence	(Due to percentage of share capital/ Board control)	(Consolidated as per IND-AS 28)								
7	Reason why the associate/joint venture is not consolidated										
8	Networth attributable to shareholding as per the latest audited balance sheet	5.49	19.82	(16.34)	(1.53)	8.88	0.23	(4.04)	0.03		
9	Profit/(loss) for the year	1.83	4.41	(2.23)	-	0.24	0.01	(3.82)	(0.01)		
10	i. considered in consolidation	-	-	-	-	-	-	-	-		
11	ii. Not considered in consolidation	-	-	-	-	-	-	-	-		

*Groups share in profit/ (loss) for the year

Name of associate/ joint venture which are yet to commence operations - Aries Investments LLC

Name of associate/ joint venture which have been liquidated or sold during the year- NIL

[^]Incorporated during February 2021

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 24, 2022
Place : Dubai

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto

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

2. Details of contracts or arrangements or transactions at arm's length basis:

S. No	Name(s) of the related party and Nature of relationship	Nature of contract/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Aster DM Healthcare (Trivandrum) Private Limited, Wholly-owned subsidiary	Expenses incurred on behalf of subsidiaries/ associates/ related parties Interest on loan to related parties	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 1.00 crore.	February 09, 2021	Nil
2	DM Med City Hospitals (India) Private Limited, Wholly-owned subsidiary	Availing or rendering of any services Expenses incurred on behalf of subsidiaries/ associates/ related parties Lease rental for land	On going	Interest on loan given to subsidiary. Value of transactions for financial year 2021-22 is INR 8.62 crores. Availing or rendering of any services. Value of transactions for financial year 2021-22 is INR 0.09 crore Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 2.36 crores.	February 09, 2021 & February 08, 2022 February 09, 2021	Nil
		Lease rental for land	On going	Lease rental for land. Value of transactions for financial year 2021-22 is INR 0.05 crore.	February 09, 2021	Nil
		Guarantee commission expense	On going	Guarantee commission paid to the subsidiary for guarantee extended on behalf of the loans availed by the Company. Value of transactions for financial year 2021-22 is INR 0.34 crore.	February 09, 2021	Nil
		Interest on loan to related parties	On going	Interest on loan given to subsidiary. Value of transactions for financial year 2021-22 is INR 1.76 crores.	February 09, 2021	Nil
		Leasing of property of any kind	On going	Sublease of premises for Registered Office. Value of transactions for financial year 2021-22 is INR 0.06 crore.	March 03, 2021	Nil

S. No	Name(s) of the related party and Nature of relationship	Nature of contract/ arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
3	Ambady Infrastructure Private Limited, Wholly-owned subsidiary	Expenses incurred on behalf of subsidiaries/ associates/ related parties. Interest on loan to related parties Guarantee commission expense	On going On going On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.08 crore. Interest on loan given to subsidiary. Value of transactions for financial year 2021-22 is INR 0.58 crore Guarantee commission paid to the subsidiary for guarantee extended on behalf of the loans availed by the Company. Value of transactions for financial year 2021-22 is INR 0.28 crore.	February 09, 2021 February 09, 2021 February 09, 2021	Nil Nil Nil
4	Sri Sainatha Multispeciality Hospitals Private Limited, Subsidiary in which the Company holds 77.30% stake	Expenses incurred on behalf of subsidiaries/ associates/ related parties Availing or rendering of any services Sale, purchase or supply of any goods or materials Expenses incurred on behalf of subsidiaries/ associates/ related parties Guarantee commission received	On going On going On going On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.66 crore. Rendering of services relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2021-22 is INR 0.96 crore Sale and purchase of Covid Vaccines. Value of transactions for financial year 2021-22 is INR 1.93 crores Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 1.37 crores. Guarantee commission received on the corporate guarantee extended on behalf of the loans availed by the subsidiary. Value of transactions for financial year 2021-22 is INR 0.23 crore.	February 09, 2021 February 09, 2021 August 11, 2021 & February 08, 2022 February 09, 2021 & February 08, 2022 February 09, 2021	Nil Nil Nil Nil
5	Prerana Hospital Limited, Subsidiary in which the Company holds 86.99% stake	Availing or rendering of any services Sale, purchase or supply of any goods or materials Expenses incurred on behalf of subsidiaries/ associates/ related parties Guarantee commission received	On going On going On going	Rendering of services relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2021-22 is INR 0.59 crore Sale of Covid Vaccines. Value of transactions for financial year 2021-22 is INR 0.50 crore Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.17 crore.	February 09, 2021 February 09, 2021 February 09, 2021	Nil Nil Nil
6	Dr.Ramesh Cardiac and Multispeciality Hospital Private Limited, Subsidiary in which the Company holds 51% stake	Expenses incurred on behalf of subsidiaries/ associates/ related parties	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.17 crore.	February 09, 2021	Nil

S. No	Name(s) of the related party and Nature of relationship	Nature of contract/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
7	Malabar Institute of Medical Sciences Ltd, Subsidiary in which the Company holds 74.14% stake	Expenses incurred on behalf of subsidiaries/ associates/ related parties Guarantee commission received	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 7.47 crores. Guarantee commission received on the corporate guarantee extended on behalf of the loans availed by the subsidiary. Value of transactions for financial year 2021-22 is INR 0.63 crore.	February 09, 2021 & February 08, 2022 February 09, 2021	Nil Nil
		Availing or rendering of any services	On going	Rendering of services relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2021-22 is INR 5.92 crores.	February 09, 2021	Nil
		Availing or rendering of any services	On going	Medical service Agreement to manage the plastic surgery department of Aster DM Healthcare Limited. Value of transactions for financial year 2021-22 is INR 0.81 crore.	February 09, 2021	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale and purchase of Medical Consumables. Value of transactions for financial year 2021-22 is INR 4.79 crores.	February 09, 2021 & August 11, 2021	Nil
8	Emed Human Resources India Private Limited, Wholly-owned step down subsidiary	Expenses incurred on behalf of subsidiaries/ associates/ related parties Sale, purchase or supply of any goods or materials Availing or rendering of any services	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.20 crore. Sale, purchase or supply of any goods or materials. Value of transactions for financial year 2021-22 is INR 0.00 crore* Rendering of services. Value of transactions for financial year 2021-22 is INR 0.00 crore*	February 09, 2021 February 09, 2021 February 09, 2021	Nil Nil Nil
9	Aster Clinical Lab LLP, Company owns 100% stake	Expenses incurred on behalf of subsidiaries/ associates/ related parties Interest on loan to related parties Guarantee commission received	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.88 crore. Interest on loan given to subsidiary. Value of transactions for financial year 2021-22 is INR 4.64 crores. Guarantee commission received on the corporate guarantee extended on behalf of the loans availed by the subsidiary. Value of transactions for financial year 2021-22 is INR 0.08 crore.	February 09, 2021 & February 08, 2022 February 09, 2021 February 09, 2021	Nil Nil Nil
		Availing or rendering of any services	On going	Lab testing fees. Value of transactions for financial year 2021-22 is INR 39.70 crores.	February 09, 2021 & February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Medical Consumables incurred by Company on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 4.40 crores.	February 09, 2021	Nil

S. No	Name(s) of the related party and Nature of relationship	Nature of contract/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
10	Dr. Moopens Healthcare Management Services LLC, Wholly-owned step down subsidiary in UAE	Expenses incurred on behalf of subsidiaries/ associates/ related parties. Collection by Subsidiaries/ associates/related parties on behalf of company	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 9.08 crores.	February 09, 2021	Nil
11	Aster DM Healthcare FZC, Wholly-owned step down subsidiary in UAE	Expenses incurred on behalf of subsidiaries/ associates/ related parties. Employee stock option expense recharged Expenses incurred by subsidiaries/ associates/ related parties on behalf of company	On going	Collection by subsidiary on behalf of the Company. Value of transactions for financial year 2021-22 is INR 2.28 crores. Expenses incurred by subsidiary on behalf of company. Value of transactions for financial year 2021-22 is INR 1.97 crores.	February 09, 2021	Nil
12	Sanad Al Rahma for Medical Care Center LLC, Wholly owned step-down subsidiary	Expenses incurred on behalf of subsidiaries/ associates/ related parties on behalf of company	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2021-22 is INR 0.26 crore.	February 09, 2021	Nil
13	Alfaone Medicals Private Limited, Company owns 15.98% Stake	Employee stock option expense recharged Expenses incurred by subsidiaries/ associates/ related parties on behalf of company	On going	Employee stock option expense. Value of transactions for financial year 2021-22 is INR 0.82 crore. Expenses incurred by subsidiary on behalf of company. Value of transactions for financial year 2021-22 is INR 0.04 crore.	February 09, 2021	Nil
14	Alfaone Retail Pharmacies Private Limited, Subsidiary of Alfaone Medicals Private Limited	Availing or rendering of any services	On going	Rendering of services relating to Telehealth - Medical imaging and Telemedicine. Value of transactions for financial year 2021-22 is INR 0.03 crore.	February 09, 2021	Nil
13	Alfaone Medicals Private Limited, Company owns 15.98% Stake	Interest on loan to related parties	On going	Interest on loan given to related party. Value of transactions for financial year 2021-22 is INR 1.44 crores.	June 22, 2021 & February 08, 2022	Nil
14	Alfaone Retail Pharmacies Private Limited, Subsidiary of Alfaone Medicals Private Limited	Availing or rendering of any services	On going	Brand license fees. Value of transactions for financial year 2021-22 is INR 0.31 crore.	August 11, 2021	Nil

S. No	Name(s) of the related party and Nature of relationship	Nature of contract/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
15	Hindustan Pharma Distributors Private Limited, Subsidiary in which the Company holds 86% stake	Guarantee commission received	On going	Guarantee commission received on the corporate guarantee extended on behalf of the loans availed by the subsidiary. Value of transactions for financial year 2021-22 is INR 0.02 crore.	February 08, 2022	Nil
16	DM Education & Research Foundation, Dr. Azad Moopen (Chairman and Managing Director), Ms. Alisha Moopen (Deputy Managing Director), Mrs. Naseera Azad (relative of Dr. Azad Moopen), Ms. Zeba Moopen (relative of Dr. Azad Moopen) are Trustees in this trust	Interest on loan to related parties Sale, purchase or supply of any goods or materials Income from consultancy services Other expenses Collection by Subsidiaries/ associates/related parties on behalf of company	On going On going On going On going On going	Interest on loan given to related party. Value of transactions for financial year 2021-22 is INR 0.18 crore. Sale, purchase or supply of any goods or materials. Value of transactions for financial year 2021-22 is INR 4.00 crores. Income from consultancy services. Value of transactions for financial year 2021-22 is INR 2.55 crores. Other expenses. Value of transactions for financial year 2021-22 is INR 9.11 crores. Collection by related parties on behalf of Company. Value of transactions for financial year 2021-22 is INR 5.27 crores.	November 11, 2021 November 11, 2021 February 09, 2021 February 09, 2021 February 09, 2021	Nil Nil Nil Nil Nil

*Represents negligible (Small) amount

For and on behalf of the Board of Directors

Dr. Azad Moopen

Chairman and Managing Director
DIN: 00159403

Date : May 24, 2022

Place : Dubai

Annexure-3

PARTICULARS OF EMPLOYEES

Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. The ratio of the remuneration of Directors and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year 2021-22

Name of the Director/KMP and designation	(Amount in INR crores except ratio to median)		
	Remuneration paid FY 2021-22	Percentage increase in remuneration	Ratio to median remuneration
Dr. Azad Moopen*	0.60	Nil	16.67
Chairman and Managing Director			
Mr. Suresh Muthukrishna Kumar**	0.06	Nil	1.67
Non-Executive Independent Director			
Mr. Daniel Robert Mintz	Nil	NA	NA
Non-Executive Director			
Prof. Biju Varkkey	0.14	Nil	3.89
Non-Executive Independent Director			
Mr. Shamsudheen Bin Mohideen Mammu Haji	Nil	NA	NA
Non-Executive Director			
Mr. T J Wilson***	Nil	NA	NA
Non-Executive Director			
Mr. Anoop Moopen	Nil	NA	NA
Non-Executive Director			
Ms. Alisha Moopen****	0.20	NA	5.56
Deputy Managing Director			
Dr. Layla Mohamad Hassan Ali Almarzooqi	0.10	Nil	2.78
Non-Executive Independent Director			
Mr. Chenayappillil John George	0.12	Nil	3.33
Non-Executive Independent Director			
Mr. James Mathew	0.20	Nil	5.56
Non-Executive Independent Director			
Mr. Sridar Arvamudhan Iyengar*****	Nil	NA	NA
Non-Executive Independent Director			
Mr. Wayne Earl Keathley*****	0.04	Nil	1.11
Non-Executive Independent Director			
Mr. Sreenath Reddy*****	Nil	NA	NA
Chief Financial Officer			
Ms. Puja Aggarwal*****	0.12	NA	3.33
Company Secretary and Compliance Officer			
Mr. Hemish Purushottam*****	0.11	NA	3.06
Company Secretary and Compliance Officer			

Remuneration paid to Independent Directors comprises solely of sitting fees of INR 1,00,000 paid per Board / Committee meeting attended. Hence, the total remuneration received will be based on the number of Board and committee meetings attended during the year. Additionally, the Independent Directors are reimbursed any expenses incurred in performance of official duties.

*Dr. Azad Moopen received a gross remuneration of INR 0.60 crore during the FY 2021-22. He has also received remuneration of AED 6.48 Million and variable incentive of AED 1.5 Million during FY 2021-22 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and leave encashments as per policies.

** Mr. Suresh Muthukrishna Kumar's term as an Independent Director ended on September 15, 2021.

***Mr. T J Wilson received remuneration of AED 1.63 Million and variable incentive of AED 0.37 Million during FY 2021-22 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and leave encashments as per the policies.

****Ms. Alisha Moopen received a gross remuneration of INR 0.20 crore during FY 2021-22. She has also received AED 2.36 Million and variable incentive of AED 0.56 Million during FY 2021-22 from Dr. Moopen's Healthcare Management Services LLC. She is entitled to gratuity payments and leave encashments as per the policies.

**** Mr. Sridar Arvamudhan Iyengar had waived off sitting fees for attending all the Board and Committee meetings for financial year ended March 31, 2022.

*****Mr. Wayne Earl Keathley was appointed as a Non-Executive Independent Director of the Company with effect from October 04, 2021.

*****Mr. Sreenath Reddy received remuneration of AED 1.44 Million and variable incentive of AED 0.14 Million during FY 2021-22 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and leave encashments as per the policies.

*****Ms. Puja Aggarwal resigned as Company Secretary and Compliance Officer of the Company with effect from August 14, 2021.

*****Mr. Hemish Purushottam was appointed as Company Secretary and Compliance Officer of the Company with effect from November 11, 2021.

- b. The percentage increase in the median remuneration of employees in the financial year: 8%
- c. The number of permanent employees on the rolls of Company: 3,899 (Standalone)
- d. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The average increase in the salaries of employees other than the managerial personnel is 6.30 % while there has been no change in the managerial remuneration during the financial year 2021-22.
- e. The Company affirms that the remuneration is as per the remuneration policy adopted by the Company.
- f. The names of the top ten employees in terms of remuneration drawn*

S. No	Name of the employee	Designation	Remuneration received (in INR crores)	Nature of employment, whether contractual or otherwise	Qualification	Experience in no. of years	Date of commencement of employment	Age	Previous employer	% of equity shares held by the employee in the company	If relative of any director or manager of the company and if so, name of such director or manager
1	Dr. Nitish Shetty	Regional Director - Karnataka & Maharashtra	1.78	Permanent	MBBS, MD	29	24-10-2014	51	BGS Global Hospital	0.006	NA
2	Dr. Harish Pillai**	Chief Executive Officer - Aster India	1.40	Permanent	MBBS, MHM	31	27-05-2013	54	AS Salam International Hospital	0.032	NA
3	Kalappa K B	Country Head HR - Aster India	1.16	Permanent	PGDHR	25	28-09-2018	49	Columbia Asia Hospital	0.002	NA
4	Sunil Kumar M R	Country Head Finance & Accounts - Aster India	1.11	Permanent	Chartered Accountant	20	06-01-2014	39	Narayana Hrudayalaya Limited	Nil	NA

Notes:

*The employees in receipt of remuneration of not less than one crore and two lakh rupees per annum and not less than eight lakh and fifty thousand rupees per month are covered in the list above.

**Dr. Harish Pillai resigned as Chief Executive Officer - Aster India with effect from September 15, 2021

- g. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company – Not Applicable

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 24, 2022
Place : Dubai

Annexure-4

DISCLOSURE WITH RESPECT TO EMPLOYEES STOCK OPTION PLAN (ESOP) OF THE COMPANY

(Pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules 2014 and SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015) and Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021)

A. Description on the ESOP Scheme

- Date of Shareholders' approval – March 2, 2013 and December 22, 2018
- Total number of options approved under ESOP – 46,28,250
- Vesting requirements- Options granted shall not vest prior to expiry of 12 months from the date of grant. The details of vesting are provided in Note 41 of standalone financial statements.
- Exercise price or pricing formula – The exercise price shall be in the range of from INR 10 to a maximum of 25% discount on the fair market value (Average of opening and closing price) on the latest trading day in NSE prior to Nomination & Remuneration Committee meeting at which grant is made.
- Maximum term of options granted - 14 years
- Source of shares –Secondary
- Variation in terms of options – There has been no variation in the terms of options during the period under review.
- Material changes in the scheme and whether the scheme(s) is/are in compliance with the regulations – There has been no change in the scheme during the period under review. The ESOP Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

B. Accounting Of ESOP

- Method used to account for ESOP's -Fair value method is used for accounting of ESOPs
- The impact on the profits and EPS of the Company- Refer Note 33 and 32 of standalone and consolidated financial statements respectively.
- Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time -Refer Note 41 of standalone financial statements.

C. Option movement during the year

Particulars	Milestone	Incentive	Performance	Loyalty	Total
Number of options outstanding at the beginning of the period	13,215	13,090	8,48,343	5,30,030	14,04,678
Number of options granted during the year	-	-	1,35,600	90,400	2,26,000
Number of options forfeited / lapsed during the year	750	1,000	219,585	89,075	310,410
Number of options vested during the year	-	-	49,889	62,520	112,409
Number of options exercised during the year	12,465	12,090	55,633	1,35,525	2,15,713
Number of shares arising as a result of exercise of options	12,465	12,090	55,633	1,35,525	2,15,713
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-	-	-	-
Loan repaid by the Trust during the year from exercise price received	-	-	-	-	-
Number of options outstanding at the end of the year	-	-	708,725	395,830	1,104,555
Number of options exercisable at the end of the year	-	-	149,821	156,895	306,716
Weighted-average exercise prices of options outstanding at the end of year	Refer Note 41 of standalone financial statements				
Weighted-average fair values of options granted	Refer Note 41 of standalone financial statements				

Note: Includes options transferred post March 31, 2022 (Milestone: 5,747, Incentive: 5,372, Performance: 469, Loyalty:17,550)

D. Options granted to the employees of the Company during the year

(a) Options granted to Senior managerial personnel during the year:

Name of the employee	Designation	Type of option	No. of options granted	Exercise Price (in INR)
Mr. Bala N S	Chief Executive Officer - Aster Retail Operations	Performance	9,000	118
		Loyalty	6,000	10
Mr. Brandon Rowberry	Chief Executive Officer - Digital Health	Performance	24,000	118
		Loyalty	16,000	10
Mr. David Boucher	Group Chief of Service Excellence	Performance	24,000	118
		Loyalty	16,000	10
Dr. Shanila Laiju	Chief Executive Officer – Medicare Hospital LLC	Performance	24,000	145.31
		Loyalty	16,000	10
Mr. Saurabh Paliwal	Head Investor Relation	Performance	15,000	145.31
		Loyalty	10,000	10

(b) Any other employee who received a grant during the year, options amounting to 5% or more of option granted during the year

Name of the employee	Designation	Type of option	No. of options granted	Exercise Price (in INR)
Mr. Bala N S	Chief Executive Officer - Aster Retail Operations	Performance	9,000	118
		Loyalty	6,000	10
Mr. Brandon Rowberry	Chief Executive Officer - Digital Health	Performance	24,000	118
		Loyalty	16,000	10
Mr. David Boucher	Group Chief of Service Excellence	Performance	24,000	118
		Loyalty	16,000	10
Dr. Shanila Laiju	Chief Executive Officer – Medicare Hospital LLC	Performance	24,000	145.31
		Loyalty	16,000	10
Mr. Saurabh Paliwal	Head Investor Relation	Performance	15,000	145.31
		Loyalty	10,000	10
Mr. Kunwar Vivek Singh	Head of Engineering – Digital Health	Performance	10,800	139
		Loyalty	7,200	10
Mr. Shady Ramadan	Head of Product - Digital Health	Performance	10,800	139
		Loyalty	7,200	10
Mr. Cherian Joseph	Lead PMO - Digital Health	Performance	9,000	139
		Loyalty	6,000	10
Mr. Anubhav Gupta	Deputy General Manager - Digital Transformation	Performance	9,000	139
		Loyalty	6,000	10

(c) Identified employees who were granted options during the year, equal to or exceeding 1% of the issued capital excluding outstanding warrants and conversions of the Company at the time of grant – NIL

E. Disclosures in respect of transactions made by Trust under ESOP Scheme

(a) General information on the scheme

S. No	Particulars	Details
1	Name of the Trust	DM Healthcare Employees Welfare Trust
2	Details of the Trustee(s)	Mr. Sooraj P, Mr. Monu Kurian and Mr. Hariharan M P
3	Amount of loan disbursed by company/any company in the group, during the year	Nil
4	Amount of loan outstanding (repayable to company/ any company in the group) as at the end of the year	INR 11.47 crores
5	Amount of loan, if any, taken from any other source for which company/any company in the group has provided any security or guarantee	Nil
6	Any other contribution made to the Trust during the year	Nil

(b) Brief details of transactions in shares by the Trust

Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
Held at the beginning of the year	24,91,141
Acquired during the year	Nil
Sold during the year	Nil
Transferred to the employees during the year	1,97,038
Held at the end of the year	22,94,103

F. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options. The fair value of the option is calculated using the Black-Scholes Option Pricing model.

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Refer Note 41 of standalone financial statements
(b) the method used and the assumptions made to incorporate the effects of expected early exercise	Refer Note 41 of standalone financial statements
(c) Determination of expected volatility, including an explanation of the extent to which expected volatility was based on historical volatility	Refer Note 41 of standalone financial statements
(d) Other features of the option grant incorporated into the measurement of fair value	Refer Note 41 of standalone financial statements

G. Grants made in three years prior to IPO

Disclosures in respect of grants made in three years prior to IPO under DM Healthcare Employees Stock Option Plan:

Particulars	Milestone	Incentive	Performance	Loyalty	Total
Number of options outstanding at the beginning of the period	13,215	13,090	1,16,667	76,780	2,19,752
Number of options granted during the period	NA	NA	NA	NA	NA
Number of options forfeited / lapsed during the period	7,468	1,000	53,807	15,000	74,875
Number of options vested during the period	-	-	-	16,320	-
Number of options exercised during the period	-	6,718	24,750	21,600	55,468
Number of shares arising as a result of exercise of options	-	6,718	24,750	24,000	55,468
Number of options outstanding at the end of the period	5,747	5,372	38,110	40,180	89,409

For and on behalf of the Board of Directors

Dr. Azad Moopen

Chairman and Managing Director

DIN: 00159403

Date : May 24, 2022

Place : Dubai

Annexure-5

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company:

Aster strongly believes in giving back to the society. With the deeply ingrained values like integrity and compassion, the organisation does not leave a stone unturned to contribute to the community at large. Sustainability and community connect is one of the pillars on which the Mission 2025 of Aster DM is based on. Corporate Social Responsibility (CSR) is not considered to be just a statutory requirement for the organisation, but the logical extension of its core values. Our CSR Policy aims to be committed to all its stakeholders and implement community enablement programmes for sustainable socio-economic development. The Company's governance principles and the leadership has laid a strong foundation of giving back to the society that is imbibed in the culture.

Objectives of Aster's CSR Policy:

- To undertake social projects in designated communities, in a focused manner to generate maximum positive impact.
- The Company is committed to all its stakeholders to conduct business in a socially and environmentally sustainable manner that is transparent and ethical.
- Develop and implement community enablement programmes for sustainable socio-economic development.
- The Company is part of a bigger ecosystem of people, values, organizations, nature and environment, and the Company understands that it is its social responsibility to give back to the world.

2. Composition of CSR committee as on March 31, 2022 is as under

Sl. No	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Azad Moopen	Chairman	2	2
2	Mr. Shamsudheen Bin Mohideen Mammu Haji	Member	2	2
3	Mr. Anoop Moopen	Member	2	2
4	Prof. Biju Varkkey	Member	2	2
5	Dr. Layla Mohamed Hassan Ali Almarzooqi	Member	2	1
6	Mr. Sridar Arvamudhan Iyengar	Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://www.asterdmhealthcare.com/investor/corporate-governance> .

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): This is not applicable as the CSR obligation does not exceed Ten Crore Rupees. However, an impact study of all the CSR activities of the Company is conducted through an internal organisation set-up.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not applicable

6. Average net profit of the Company as per section 135(5): INR 15.09 crores

7. (a) Two percent of average net profit of the Company as per section 135(5) - INR 0.30 crore
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
- (c) Amount required to be set off for the financial year, if any - Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c) - INR 0.30 crore

8. (a) CSR amount spent or unspent for the financial year:

CSR amount spent	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 3.79 crores	NA	NA	NA		

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent on the project (in INR crores)	Mode of implementation - Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number
1	Vidyakiranam project- providing digital gadgets such as laptops and tablets to underprivileged students	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Kerala	Multiple districts	0.15	No	Kerala Infrastructure and Technology for Education (KITE)	(CSR Registration Number- CSR00011888)
2	Aster Homes Project	Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Kerala	Ernakulam, Calicut, Wayanad, Thrissur, Kannur and Malappuram	3.64	No	Aster DM Foundation	(CSR Registration Number - CSR00008601)

(d) Amount spent in Administrative Overheads : INR 0.17 crore (incurred on Aster Homes Project)

(e) Amount spent on Impact Assessment, if applicable : Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : INR 3.79 crores

(g) Excess amount for set off, if any

Sl. No	Particular	Amount (in INR crores)
(i)	Two percent of average net profit of the Company as per Section 135(5)	0.30
(ii)	Total amount spent for the financial year	3.79
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.49
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	3.49

Note: Though there is an excess spending of CSR for FY 2021-2022, the Board of Directors have decided to not set off the amount in the coming years.

9. (a) Details of Unspent CSR amount for the preceding three financial years : Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors

Sd/-

Dr. Azad Moopen

Chairman and Managing Director
and Chairman of CSR Committee
DIN: 00159403

Date : May 24, 2022
Place : Dubai

Annexure-6

Form MR 3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015])

To
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bangalore, Karnataka-560102, India.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aster DM Healthcare Limited** (hereinafter called the Company). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein;

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); including amendment/ re-enactment made thereto;
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) The Management has identified and confirmed compliances with certain laws as specifically applicable to the Company: Refer Annexure- A.

I have also examined compliance with the applicable Regulations/Clauses of the following:

- i. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

- ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) – for General Meeting issued by the Institute of Company Secretaries of India.

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

- a. The Company has complied with regulation 17(1)(b) of SEBI LODR during the period except for 18 days i.e., from September 16, 2021 to October 03, 2021.

I further report that the Board of Directors of the Company is constituted with Executive Directors, Non-executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that during the audit period there was no specific/major events in the Company.

For M DAMODARAN & ASSOCIATES LLP

M. Damodaran

Managing Partner

FCS No.: 5837

COP. No.:5081

FRN: L2019TN006000

PR 1374/2021

ICSI UDIN: F005837D000372390

Place: Chennai

Date: 24.05.2022

DISCLAIMER CERTIFICATE

To
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bangalore, Karnataka-560102, India.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have conducted online verification & examination of records, as facilitated by the Company, due to Covid19 and subsequent lockdown situation for the purpose of issuing this Report.

For M DAMODARAN & ASSOCIATES LLP

M. Damodaran

Managing Partner

FCS No.: 5837

COP. No.:5081

FRN: L2019TN006000

PR 1374/2021

ICSI UDIN: F005837D000372390

Place: Chennai
Date: 24.05.2022

Annexure-6A**SECRETARIAL COMPLIANCE REPORT OF ASTER DM HEALTHCARE LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

(Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019)

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have conducted the Secretarial Compliance Audit of the applicable the Securities and Exchange Board of India Regulations and the circulars / guidelines issued thereunder for the financial year ended March 31, 2022 for Aster DM Healthcare Limited ("the Company"). The audit was conducted in a manner that provided me a reasonable basis for evaluating the statutory compliances and expressing my opinion thereon

I have examined:

- a) the documents and records made available to me and explanation provided by the Company,
- b) the filings/ submissions made by the Company to the stock exchanges,
- c) website of the Company,
- d) any other document(s)/ filing(s), as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of:
 - i. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") whose provisions and the circulars/guidelines issued thereunder, (wherever applicable), have been examined, include:-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

- c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable during the review period.
- e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the review period.
- h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - Not applicable during the review period.
- i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the review period.
- j) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- m) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable.
- n) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable.

Based on my examination and verification of the documents and records produced to me and according to the information and explanations provided to me by the Company, I report that, during the review period:

- a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	As per Regulation 17 (1) (b) of SEBI LODR, where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors	<p>The composition of the Board was 12 directors with 6 independent directors and 6 non independent directors.</p> <p>Mr. Suresh Muthukrishna Kumar, an independent director of the Company, retired from the Board from the closure of business hours on September 15,2021.</p> <p>Due to the retirement of the above director, the total strength of the independent directors on the Board came down from 6 to 5.</p> <p>Subsequently, Mr. Wayne Earl Keathley was appointed as an independent director of the Company w.e.f. October 04,2021.</p>	The Company has complied with regulation 17(1) (b) of SEBI LODR during the period except for 18 days i.e., from September 16, 2021 to October 03, 2021.

The Company has suitably included the conditions as mentioned in Para 6(A) and Para 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019, dated October 18, 2019 in terms of appointment of statutory auditor of the Company.

- b) The Company has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- c) There were no instances for actions taken against the Company / its promoters/ directors/ material subsidiaries either by the SEBI or by Stock Exchanges- (including under the Standard Operating Procedures issued by the SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.
- d) The Company has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended March 31,2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

For M DAMODARAN & ASSOCIATES LLP

M. Damodaran

Managing Partner

FCS No.: 5837

COP. No.:5081

FRN: L2019TN006000

PR 1374/2021

ICSI UDIN: F005837D000372401

Place: Chennai

Date: 24.05.2022

Annexure-6B

Form MR 3

Secretarial Audit Report

FOR THE FINANCIAL YEAR 2021-2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Malabar Institute of Medical Sciences Ltd
Govindapuram P O, Calicut – 673 016, Kerala

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MALABAR INSTITUTE OF MEDICAL SCIENCES LTD (CIN: U85110KL1995PLC008677)** (hereinafter called the Company) for the year ended March 31, 2022. The Secretarial Audit conducted for the year ended March 31, 2022, in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances based on the available books, documents and returns provided by the Company and expressing our opinion thereon.

Based on our verification of the available books, papers, minute books, forms and returns filed and other records maintained by the Company and also with the available information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022 has more over complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the available books, papers, minute books, forms and returns filed and other records maintained by **MALABAR INSTITUTE OF MEDICAL SCIENCES LTD** ("the Company") for the Financial Year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Other applicable Acts and Rules ;
 - (a) Payment of Wages Act, 1936, and rules made thereunder
 - (b) The Minimum Wages Act, 1948, and rules made thereunder
 - (c) Employees State Insurance Act, 1948, and rules made thereunder
- (d) The Employees Provident fund and Miscellaneous Provisions Act, 1952, and rules made thereunder
- (e) The Payment of Bonus Act, 1965, and rules made thereunder
- (f) Payment of Gratuity Act, 1972, and rules made thereunder
- (g) Contract Labour (Regulation & Abolition) Act , 1970
- (h) The Water(Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975
- (i) The Air (Prevention & Control of Pollution) Act, 1981
- (j) Hazardous Waste Handling and Management Act, 1989
- (k) Food Safety and Standard Act, 2006, and rules made thereunder
- (l) The Foreign Exchange Management Act, 1999
- (m) The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (n) Indian Trust Act, 1882
- (o) Depository Act
- (iii) The following Act, Rules and Regulations applicable specifically to the Company;
 - (a) Drugs and Cosmetics Act, 1940
 - (b) Pharmacy Act, 1948
 - (c) Pre-natal Diagnostic Techniques(Regulation & Prevention of misuse) Act, 1994
 - (d) Transplantation of Human Organs Act, 1994

- (e) The Indian Medical Council Act, 1956
 - (f) The Indian Medical Degree Act, 1960
 - (g) The Indian Nursing Council Act, 1947
 - (h) The Dentist Act, 1948
 - (i) Atomic Energy Act, 1962
- (iv) The Company being an unlisted public Company, regulations of Securities and Exchange Board of India (SEBI) are not applicable to it. The Company was also not required to enter in to listing agreements with any stock exchange in India.

We Report That:

During the period under review the Company has moreover complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned.

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit carried out by other designated professionals.

We Further Report That:

The Board of Directors of the Company is constituted with Executive Directors and Non-Executive Directors. However, the appointments of Independent Directors have been made by the Company by change in designation of existing directors in to independent directors. The changes in the composition of the Board of Directors that took place during the period under review were more over complied with the provisions of the Act.

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

For **ASHIQUE SAMEER ASSOCIATES**
Practicing Company Secretaries

CS. ASHIQUE A.M

Membership No: FCS 6900

COP No.: 7377

ICSI UDIN: F006900D000650928

Place: Calicut

Date: July 19, 2022

To
The Members,
Malabar Institute of Medical Sciences Ltd
Govindapuram P O, Calicut – 673 016, Kerala

Note Forming Part of Secretarial Audit Report

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

For **ASHIQUE SAMEER ASSOCIATES**
Practicing Company Secretaries

CS. ASHIQUE A.M
Membership No: FCS 6900
COP No.: 7377
ICSI UDIN: F006900D000650928

Place: Calicut
Date: July 19, 2022

Annexure-7

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A. CONSERVATION OF ENERGY

The Company constantly strives towards conservation of energy and energy optimisation by taking several steps to integrate renewable energy into our operations. At Aster, we have mapped our entire energy footprint and have set strategy to manage the same. Substantial quality interventions have given a new insight and scope for improvements in the engineering infrastructure of the hospitals. Rapid technological advancement has paved way for the growth of intelligent infrastructural designing leading to the stronger infrastructure and effective use of resources that in turn involves in providing quality services. To invoke a sense of a continuous process and creating an environment physically healthy and psychologically appropriate, "Healing Architecture" is adopted by hospitals. This architecture would indirectly contribute to the patient's outcome such as shorter length of stay, reduced stress, increased patient satisfaction, therefore leading to the delivery of quality care.

Proficient hospital design may lead a great business outcome, as patients are looking for quality care in a safe and healthy environment. Aster CMI Hospital is one of the hospitals which has strived to execute the best engineering Infrastructure by adopting to the Green Hospital Concept.

Our hospital has effectively implemented the energy and water conservation initiatives with utilization of Solar, Hydel and Wind Power.

Solar & Wind energy: Aster CMI Hospital in Bangalore is one of the first hospitals to get GREEN POWER tag under Aster DM Healthcare. 90% of our hospital power utilization is from Solar, Hydel and Wind Energy. Our savings by utilizing solar and wind power is about 36.40% of the total power cost for the financial year 2021-22. Savings in terms of INR is 19.33 Lakhs per month i.e INR 2.32 crores per annum.

At Aster RV Hospital, Bangalore we have continued to source energy from green sources that has helped in reducing the cost of the electricity utilized in the hospital. The introduction of Green Power has fetched us a savings of around INR 5.87 Lakhs per month aggregating to INR 70.51 Lakhs per Annum.

Water: At Aster CMI, we have been successful in utilizing 100% recycled water for landscaping and other non-critical utilities with a savings of around INR 1.71 Lakhs per month amounting to INR 20.5 Lakhs per annum.

At Aster Women & Children Hospital Whitefield, Bangalore we have been successful in utilizing 100% recycled water for toilet flushing and other non-critical utilities on an average about 2KL of water is saved and annually 730 KL. Further, we have also installed water aerators on all public restrooms and handwash basin/sinks, by which we are able to save 6 litres water saving per minute/unit leading to total water savings per month is about 1,20,000 litres and 1440 KL approximately.

At Aster RV, we have been successful in utilizing 100% recycled water for landscaping and other non-critical utilities with a savings of around INR 0.18 Lakh per month and 2.22 Lakhs per annum.

B. TECHNOLOGY ABSORPTION

During the financial year 2021-22, the Company has taken the following steps related to technology absorption.

Cryoablation: Cryoablation is a relatively new technique which is employed to treat various cardiac arrhythmias. Cryoenergy is considered to be safe in catheter ablation of arrhythmias—appropriate control of freezing temperature can render myocardial lesion reversible. It is suggested as an alternative to radio frequency ablation in order to minimize injury to the atrioventricular node during ablation. The CryoConsole houses the components and software needed to perform cryoablation procedures stores and controls the delivery of the liquid refrigerant (N2O) through the coaxial umbilical to the catheter. Machine recovers the refrigerant vapor from the catheter under constant vacuum and then disposes of the refrigerant through the hospital scavenging system

High-frequency oscillatory ventilation (HFOV): High Frequency Oscillatory ventilation (HFOV) is a mode of ventilation may be useful in settings where conventional modes are failing to achieve adequate ventilation or may result in significant pulmonary injury, or where HFOV is considered to be better suited to underlying lung pathophysiology. High frequency oscillatory ventilation utilises rapid ventilation rates with small tidal volumes (often less than anatomical dead space) and active inspiratory and expiratory phases. A constant distending airway pressure is applied to the alveoli which aims to maximise

functional residual capacity and ventilation/perfusion matching, over which small tidal volumes are super imposed at a high rate. The aim of using HFOV is to reduce ventilator associated lung injury when high airway pressures and volumes in conventional ventilation modes are required to maintain adequate gas exchange. When initiated early, high frequency oscillatory ventilation may improve oxygenation and reduce risk of lung injury in neonates and infants.

Nitric Oxide Delivery System: The Inosys Nitric Oxide (NO) delivery and monitoring system is specifically designed for use with constant flow type (infant) ventilators used in conjunction with ventilation to treat infant respiratory diseases such as Persistent Pulmonary Hypertension (PPHN). The Inosys maintains a set constant flow into the patient ventilator circuit, to ensure a constant therapeutic dose of Nitric Oxide built in safety monitoring systems ensure the prescribed dose is constantly monitored and maintained.

ERBE CRYO2: The ERBECRYO2 is the next generation of Erbe cryo units which is used for Cryoextraction and Cryodevitalization. During Cryobiopsy procedure the target tissue freezes to the tip of the cryoprobe and can be removed

from the target area by pulling. It uses the Co2 gas to cool the tip of the catheter using an intuitive flow control mechanism. The flow control of the ERBECRYO 2 provides just as much gas as the probe needs to reach its maximum freezing power for every probe size. Furthermore, it saves gas and provides reproducible freezing result.

DBS Programmer: Deep brain stimulation (DBS) is used to treat the advanced stages of Parkinson's disease, medically intractable essential tremor, and complicated segmental and generalized dystonia after successful implantation of the electrodes at STN (Sub thalamic Nucleus). This is done using the patient programmer which consists of two components - a programmer and a communicator.

Apheresis Machine: An apheresis machine is used to separate the various blood components such as plasma, platelets, white blood cells and red blood cells. During Apheresis procedure the whole blood is removed from a donor or patient and then separates the blood into individual components so that one component can be removed and then remaining blood components are re-introduced back into the blood stream of the patient or donor. The same equipment can be used for therapeutic purpose as well.

a. Imported Technology (imported during last three years)

Details of technology imported	Year of import	Whether technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place and reasons
Stroboscope with Laryngoscope	2019 -20	Yes	NA
Intra-Operative MRI	2019 -20	Yes	NA
Anaesthesia Machine-GE	2019 -20	Yes	NA
Surgical Instruments-Medicon	2019 -20	Yes	NA
Karl Storz-Laproscope system and Instruments	2019 -20	Yes	NA
Physiological Patient Monitoring Systems	2020-21	Yes	NA
Anaesthesia Machine	2020-21	Yes	NA
High-frequency Oscillatory Ventilation	2020-21	Yes	NA
Medical Furniture	2020-21	Yes	NA
OT Tables & Lights	2020-21	Yes	NA
Steam Sterilizer	2020-21	Yes	NA
Syringe & Infusion Pumps	2020-21	Yes	NA
Intensive care Ventilators	2020-21	Yes	NA
Ventilators HFO	2021-22	Yes	NA
Nitric Oxide Delivery Unit	2021-22	Yes	NA
Cryoablation	2021-22	Yes	NA
ERBE CRYO2	2021-22	Yes	NA
DBS Programmer	2021-22	Yes	NA
Apheresis Machine	2021-22	Yes	NA

b. Expenditure on Research and Development: INR 0.36 crore

C. Foreign Exchange Earnings and Outgo

Particulars	(in INR crores)	
	2021-22	2020-21
Earnings	80.68	13.48
Expenditure	4.58	13.34
Net Foreign Exchange earnings	76.10	0.14
NFE/earnings (%)	13%	1%

For and on behalf of the Board of Directors

Dr. Azad Moopen

Chairman and Managing Director

DIN: 00159403

Date : May 24, 2022

Place : Dubai

Annexure-8

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on corporate governance

Your Company's philosophy on Corporate Governance is based on holistic approach not only towards its own growth but also towards maximization of benefits to the shareholders, employees, customers, Government and also the general public at large. Transparency and accountability are the fundamental principles of sound Corporate Governance, which ensures that the organization is managed and monitored in a responsible manner for creating and sharing stakeholder's value.

Your Company is committed to good Corporate Governance and its adherence to best practices at all times and its philosophy is based on five basic elements namely, Board's accountability, value creation, strategic-guidance, transparency and equitable treatment to all stakeholders. The Company has adopted a Code of Conduct for its Directors and Senior Management, the Code for Prevention of Insider Trading which strengthens the Company's corporate governance philosophy and through the timely disclosure of various material events through the Exchanges as well as the Company's website, we ensure that the Company strictly adheres to the values of Corporate Governance.

Your Company is not only in compliance with the requirements stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with regard to corporate governance but is also committed to sound corporate governance principles and practice and constantly adopts emerging best corporate governance practises being followed worldwide.

A report on compliance with corporate governance principles as prescribed under the Listing Regulations is given below.

2. Board of Directors

a. Board Procedure

A detailed agenda and notes thereon are sent to each Director at least seven days in advance of Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investments, compliance reports, as well as steps taken by the Company to rectify instances of non-

compliances, if any. The Board also reviews minutes of meeting of various Committees of the Board and subsidiary companies, the significant transactions and arrangements entered into by the subsidiary companies, adoption of financial results, transaction pertaining to purchase or disposal of properties, major accounting provisions and write-offs, details of any joint ventures or collaboration agreement, etc.

The Company Secretary records minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to Board /Committee members within 15 days from the meeting for their comments. Directors communicate their comments (if any) in writing on the draft minutes within seven days from the date of circulation. The Minutes are entered in the Minute Books within thirty days from the conclusion of the meeting and signed by the Chairperson at the subsequent meeting.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/divisions. Action taken Report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committee for noting.

b. Composition and category of Directors, attendance of Directors at meetings and disclosure of relationship between directors inter-se

Your Board consists of an optimal combination of Executive, Non-Executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience. The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of Companies Act, 2013 ("the Act").

As on March 31, 2022, the Board of Directors has 12 Members viz. 10 Non-Executive Directors including 6 Independent Directors, 1 Managing Director and 1 Deputy Managing Director. The profiles of Directors are available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>. Dr. Azad Moopen is related to Ms. Alisha Moopen (Daughter) and Mr. Anoop Moopen (Daughter's Husband). Apart from the said directors, no other Director on our Board is related to each other.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) are given below.

Name of the Director	DIN	Designation	Category	Number of Board meetings entitled to attend during the financial year 2021-22	Number of Board meetings attended during the financial year 2021-22	Attendance at the 13th AGM held on August 13, 2021
Dr. Azad Moopen	00159403	Chairman and Managing Director	Promoter, Executive	7	7	Yes
Ms. Alisha Moopen	02432525	Deputy Managing Director	Executive	7	7	Yes
Mr. T J Wilson	02135108	Director	Non-Executive	7	7	Yes
Mr. Anoop Moopen	02301362	Director	Non-Executive	7	7	Yes
Mr. Shamsudheen Bin Mohideen Mammu Haji	02007279	Director	Non-Executive	7	5	Yes
Mr. Daniel Robert Mintz	00960928	Director	Non-Executive	7	6	Yes
*Mr. Suresh Muthukrishna Kumar	00494479	Director	Non-Executive, Independent	2	2	Yes
Prof. Biju Varkkey	01298281	Director	Non-Executive, Independent	7	7	Yes
Dr. Layla Mohamed Hassan Ali Almarzooqi	08401425	Director	Non-Executive, Independent	7	5	Yes
Mr. Chenayappillil John George	00003132	Director	Non-Executive, Independent	7	7	No
Mr. James Mathew	07572909	Director	Non-Executive, Independent	7	7	Yes
Mr. Sridar Arvamudhan Iyengar	00278512	Director	Non-Executive, Independent	7	7	Yes
**Mr. Wayne Earl Keathley	09331921	Director	Non-Executive, Independent	4	4	NA

Note:

*Mr. Suresh Muthukrishna Kumar retired from the Board of Directors of the Company with effect from September 15, 2021.

**Mr. Wayne Earl Keathley was appointed as a Non-Executive Independent Director of the Company with effect from October 04, 2021

Number of other Board of Directors or Committees in which Director is a member/chairperson:

The number of Directorships and Committee Chairmanships/Memberships held by the Directors in other companies as on March 31, 2022 are given herein below. Other directorships do not include directorships in foreign companies. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

Name of the Director	Number of directorships in other companies* Director	Number of committee positions held in public companies*		Name of the other listed companies	Category of directorship in listed companies
		Chairman	Member		
Dr. Azad Moopen	5	Nil	Nil	Nil	Nil
Ms. Alisha Moopen	1	Nil	Nil	Nil	Nil
Mr. T J Wilson	7	Nil	Nil	Nil	Nil
Mr. Anoop Moopen	3	Nil	Nil	Nil	Nil

Name of the Director	Number of directorships in other companies* Director	Number of committee positions held in public companies*		Name of the other listed companies	Category of directorship in listed companies
		Chairman	Member		
Mr. Shamsudheen Bin Mohideen Mammu Haji	1	Nil	Nil	Nil	Nil
Mr. Daniel Robert Mintz	Nil	Nil	Nil	Nil	Nil
Prof. Biju Varkkey	2	Nil	Nil	V Guard Industries Limited	Non-Executive Independent Director
Dr. Layla Mohamed Hassan Ali Almarzooqi	Nil	Nil	Nil	Nil	Nil
Mr. Chenayappillil John George	6	Nil	3	Geojit Financial Services Limited	Managing Director and CEO
				V Guard Industries Limited	Non-Executive Independent Director
Mr. James Mathew	1	Nil	Nil	Nil	Nil
Mr. Sridar Arvamudhan Iyengar	3	3	3	Mahindra Holidays & Resorts India Limited	Non-Executive Independent Director
				Dr. Reddy's Laboratories Ltd	Non-Executive Independent Director
Mr. Wayne Earl Keathley	Nil	Nil	Nil	Nil	Nil

*Details is as on March 31, 2022 and excludes the directorship and committee positions held in Aster DM Healthcare Limited

c. Number of Board Meetings held:

Seven Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days as provided under the Act, Listing Regulations and Circulars issued by MCA and SEBI from time to time. The dates on which the said meetings were held are as follows:

S. No	Date of meeting	Number of days from previous meeting	Requirement of quorum met
1	June 22, 2021	89	Yes
2	August 11, 2021	50	Yes
3	October 04, 2021	54	Yes
4	November 11, 2021	38	Yes
5	February 08, 2022	89	Yes
6	March 24, 2022	44	Yes
7	March 28, 2022	4	Yes

d. Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

S. No	Name of the Director	Category	Number of equity shares
1.	Dr. Azad Moopen	Promoter, Executive	17,33,536
2.	Ms. Alisha Moopen	Executive	2,15,842
3.	Mr. T J Wilson	Non-Executive	27,08,590
4.	Mr. Anoop Moopen	Non-Executive	12,76,114
5.	Mr. Shamsudheen Bin Mohideen Mammu Haji	Non-Executive	56,61,732
	TOTAL		1,15,95,814

e. Familiarization Programs for Board Members:

Current Executive Directors and Senior Management provide an overview of operations and familiarize the new Directors on matters related to the vision and values of the Company.

Your Company also has a practice of sharing a handbook with the Directors at the time of induction containing informative documents like Annual Report, Memorandum & Articles of Association, Organization Structure, Composition of Board and Committees, Duties and terms of reference of the Committees of the Board, Code of Ethics & Business Conduct, Code for Prevention of Insider Trading, Directors & Officers Insurance policy, contact details of the Senior Management, etc.

Your Company regularly conducts various familiarization programs for the Independent Directors as a part of the quarterly Board and Committee meetings. Various business cluster heads make presentations to the Board periodically pertaining to the Company's performance and future strategy for their respective cluster. Your Board also convenes strategy meetings from time to time to review long term growth/plans of the Company. The Board is regularly apprised on all regulatory and policy changes relevant to the business by the Senior Management and the Auditors of the Company.

The details of the familiarisation programs imparted to the Independent Directors is also available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

f. Core skills/ expertise/ competencies of the Board of Directors

The skill/competencies for the members of the Board as identified by the Board of Directors of the Company that is required in the context of Healthcare Business are as follows:

Areas of Core Skills/Expertise/Competence			
1	Healthcare		Understanding the complexities of the healthcare sector.
2	Finance, Accountancy & Audit		In-depth knowledge in the field of accounts and ability to read, understand and analyse the financial statements, financial controls, risk management and other business projections.
3	Law		Experience in understanding the dynamics of the legal and regulatory aspect at a global level.
4	Technology		Providing support and guidance in relation to information technology up gradation of the organisation as a whole.
5	Risk Management		Experience in mitigation of risk by actively getting involved in the risk management of the organisation.
6	Strategy & Marketing		Exposure in managing the sales and marketing needs of the sector adequately.
7	Board and Governance		Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.
8	Global Business		Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.
9	Leadership		Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.

The details of the Board members are available in the following pages.



Dr. Azad Moopen

Chairman and Managing Director

Age	69
Date of appointment	December 01, 2019
Term ending date	April 14, 2023
Shareholding	17,33,536

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Ms. Alisha Moopen

Deputy Managing Director

Age	41
Date of appointment	August 07, 2019
Term ending date	August 06, 2024
Shareholding	2,15,842

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Mr. T J Wilson

Non-Executive Director

Age	61
Date of appointment	April 20, 2009
Term ending date	NA
Shareholding	27,08,590

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Mr. Anoop Moopen

Non-Executive Director

Age	45
Date of appointment	April 20, 2009
Term ending date	NA
Shareholding	12,76,114

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Mr. Shamsudheen Bin Mohideen Mammu Haji

Non-Executive Director

Age	59
Date of appointment	September 16, 2015
Term ending date	NA
Shareholding	56,61,732

Areas of expertise

- Healthcare
- Finance, Accountancy & Audit
- Risk Management
- Strategy & Marketing
- Board and Governance
- Global Business
- Leadership

Profile available at: www.asterdmhealthcare.com/investors



Mr. Daniel Robert Mintz

Non-Executive Director

Age	60
Date of appointment	January 18, 2012
Term ending date	NA
Shareholding	Nil

Areas of expertise

- Healthcare
- Finance, Accountancy & Audit
- Law
- Strategy & Marketing
- Strategy & Marketing
- Board and Governance
- Global Business
- Leadership

Profile available at: www.asterdmhealthcare.com/investors



Prof. Biju Varkkey

Non-Executive Independent Director

Age	56
Date of appointment	November 12, 2018
Term ending date	November 11, 2022
Shareholding	Nil

Areas of expertise

- Finance, Accountancy & Audit
- Law
- Technology
- Risk Management
- Strategy & Marketing
- Board and Governance
- Leadership

Profile available at: www.asterdmhealthcare.com/investors



Dr. Layla Mohamed Hassan Ali Almarzooqi

Non-Executive Independent Director

Age	48
Date of appointment	March 28, 2019
Term ending date	March 27, 2023
Shareholding	Nil

Areas of expertise

- Healthcare
- Finance, Accountancy & Audit
- Law
- Technology
- Risk Management
- Board and Governance
- Global Business
- Leadership

Profile available at: www.asterdmhealthcare.com/investors



Mr. Chenayappillil John George

Non-Executive Independent Director

Age	63
Date of appointment	April 11, 2020
Term ending date	April 10, 2023
Shareholding	Nil

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Mr. James Mathew

Non-Executive Independent Director

Age	56
Date of appointment	June 23, 2020
Term ending date	June 22, 2023
Shareholding	Nil

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors



Mr. Sridar Arvamudhan Iyengar

Non-Executive Independent Director

Age	74
Date of appointment	July 19, 2020
Term ending date	July 18, 2023
Shareholding	Nil

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors

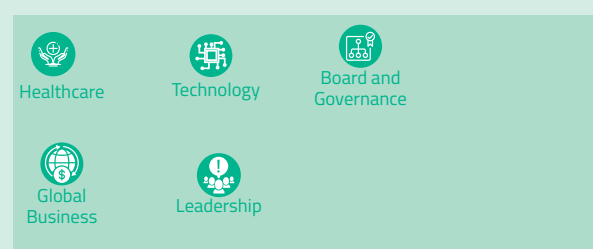


Mr. Wayne Earl Keathley

Non-Executive Independent Director

Age	71
Date of appointment	October 04, 2021
Term ending date	October 03, 2024
Shareholding	Nil

Areas of expertise



Profile available at: www.asterdmhealthcare.com/investors

g. Declaration by Independent Directors

Your Company has received necessary declaration from each Independent Directors under Section 149(7) and Section 150 of the Act and under Regulation 25(8) of Listing Regulations, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board of Directors the Independent Directors fulfils the conditions specified in the Act and Listing Regulations and are Independent of the Management.

h. Reason for resignation of the Independent Directors

None of the Directors have resigned during the period under review.

i. Board member evaluation

The Nomination and Remuneration Committee at their meeting held on February 7, 2022, had formulated the criteria for conducting the performance evaluation of the individual Directors, Committees of Board, Board as a whole, Chairman and the Management. The evaluation was conducted by way of an online questionnaire method which consisted of questions with quantitative parameters. Further, one on one interview with each of the Directors was conducted by an external independent consultant to obtain the qualitative feedback from the Directors. The Independent Directors and the members of Nomination and Remuneration Committee at their meeting on May 16, 2022 and May 23, 2022 respectively discussed the outcome of evaluation. The Directors took note of the constructive feedback received from their counterparts.

The criteria based on which the performance evaluation of the Independent Directors was carried out are:

- Engagement level and participation at the Board/ Committee meetings;
- Commitment, including guidance provided to senior management outside of Board/ Committee meetings;
- Effective deployment of knowledge of the industry, experience and expertise;
- Integrity and maintaining of confidentiality;
- Independence of behaviour and judgment;
- Impact and influence; and
- Adherence to the code of conduct for Independent Directors.

j. Meeting of Independent Directors

During the year, a meeting of the Independent Directors was held on May 06, 2021, to discuss the Board evaluation results for the financial year 2020-21. The Independent Directors also met on May 16, 2022, to discuss the Board evaluation results for the financial year 2021-22.

3. Committees of the Board

Board has constituted Eight committees comprising of the statutory committees as required under the Listing Regulations and the Act and Non-statutory Committees. Details of various committees, its terms of reference, composition and details of meetings held during financial year 2021-22 are as follows:

STATUTORY COMMITTEES

a. Audit Committee



Mr. James Mathew
Chairman

The Audit Committee has been constituted in terms of Section 177 of the Act, read with Regulation 18 of the Listing Regulations. The scope and function of the Audit Committee is in accordance with Section 177 of the Act, read with Regulation 18 and Part C of Schedule II of the Listing Regulations. Brief description of terms of reference of Audit Committee are as follows:

- Overseeing the Company's financial reporting process to ensure transparency, sufficiency, fairness and credibility of financial statements etc;
- Reviewing the quarterly, half yearly and annual financial statements and report of auditor before submission to the Board;
- Reviewing of management discussion and analysis of financial condition and results of operation;
- Approval of any subsequent material modification of transactions of the company with related parties, including omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed;
- Reviewing the effectiveness of Internal Audit function and internal control system;
- Discussion with internal auditors any significant findings and follow up there on;
- Reviewing the actions taken by management to implement the recommendations of internal audit;
- Reviewing and assessing the annual Internal Audit plan to ensure it is aligned to the key risks of the business;
- Recommendation for appointment, remuneration and terms of appointment of auditors;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Monitoring, reviewing, assessing the policies and procedures relating to the proper functioning of the system for prevention of insider trading;
- Reviewing and approving the inter-corporate loans and investments, including that made by the unlisted material subsidiaries;
- Approving the budget and business plan;
- Reviewing the functioning of the Whistle Blower mechanism.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

The composition of the Audit Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Mr. James Mathew	Non-Executive Independent	Chairman
2.	Dr. Layla Mohamed Hassan Ali Almarzooqi	Non-Executive Independent	Member
3.	Mr. Chenayappillil John George	Non-Executive Independent	Member
4.	Ms. Alisha Moopen	Executive	Member

Notes:

- Mr. Suresh Muthukrishna Kumar ceased to be a Member and Chairman of the Committee with effect from September 15, 2021.
- Mr. James Mathew appointed as a Chairman of the Committee with effect from September 15, 2021.
- Mr. T J Wilson ceased to be a Member of the Committee with effect from September 15, 2021.

The Committee met five times during the financial year 2021-22. The said meetings were held on June 21, 2021; August 11, 2021; November 10, 2021; February 07, 2022, and March 24, 2022. The necessary quorum was present for all the meetings.

b. Nomination and Remuneration Committee



Prof. Biju Varkkey
Chairman

The Nomination and Remuneration Committee has been constituted in terms of Section 178 of the Act, read with Regulation 19 of the Listing Regulations. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Act, read with Regulation 19 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Evaluation of skills, knowledge and experience on the Board for appointment of Independent Director and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
6. Deciding to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors;
7. Reviewing and approving remuneration paid for the Managing Director, other Executive Directors on the Board of Directors and Key Managerial Personnel;
8. Determining the succession plan for the Board and the senior management;
9. Overseeing and administrating ESOP of the Company;

The composition of the Nomination and Remuneration Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Prof. Biju Varkkey	Non-Executive Independent	Chairman
2.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member
3.	Dr. Azad Moopen	Promoter, Executive	Member

Notes:

1.Mr. Daniel Robert Mintz ceased to be a Member of the Committee with effect from October 04, 2021

The Committee met thrice times during the financial year 2021-22. The said meetings were held on June 21, 2021; November 10, 2021; February 07, 2022. The necessary quorum was present for all the meetings.

c. Stakeholders Relationship Committee



Mr. James Mathew
Chairman

The Stakeholders Relationship Committee has been constituted in terms of Section 178 of the Act read with Regulation 20 of the Listing Regulations. The scope and function of the Committee is in accordance with Section 178 of the Act read with Regulation 20 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Stakeholders Relationship Committee are as follows:

1. Review various aspects of interest of the security holders;
2. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
3. Review of measures taken for effective exercise of voting rights by shareholders;
4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
6. Oversee the development of and make recommendations to the Board regarding the Group's Overall ESG strategy. Oversee the implementation of ESG policy, BRR policy and codes of practice and their effective implementation, and monitor and review their ongoing relevance, effectiveness, and further development;
7. Identify the relevant ESG matters that do or are likely to affect the operation of the Company and/or its strategy;
8. Ensure that the Company monitors and reviews current and emerging ESG trends, relevant international standards and legislative requirements, identifies how those are likely to impact on the strategy, operations, and reputation of the Company and determines whether and how these are incorporated into or reflected in the Company's ESG policies and objectives;
9. Set appropriate strategic goals, as well as shorter term KPIs and associated targets related to ESG matters and oversee the ongoing measurement and reporting of performance against those KPIs and targets;

10. Work in conjunction with the Risk Management Committee to oversee the identification and mitigation of risks relating to ESG, as well as the identification of opportunities related to ESG matters;
11. Make recommendations to the Board in relation to the required resourcing and funding of ESG-related activity and, on behalf of the Board, oversee the deployment and control of any resources and funds;
12. Ensure that the Company provides appropriate information and is transparent regarding its ESG related policies with the investment community, particularly ethical/socially conscious investment funds, by whatever means are deemed to be most effective;

The composition of the Stakeholders' Relationship Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Mr. James Mathew	Non-Executive Independent	Chairman
2.	Mr. Chenayappillil John George	Non-Executive Independent	Member
3.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member
4.	Mr. T J Wilson	Non-Executive	Member
5.	Mr. Anoop Moopen	Non-Executive	Member

Notes:

1. Mr. Suresh Muthukrishna Kumar ceased to be a Member and Chairman of the Committee with effect from September 15, 2021
2. Mr. James Mathew appointed as the Chairman of the Committee with effect from September 15, 2021.
3. Mr. Sridar Arvamudhan Iyengar and Mr. Chenayappillil John George were appointed as the Members of the Stakeholders' Relationship Committee with effect from November 11, 2021.

The stakeholder's relationship committee met once during the financial year 2021-22. The said meeting was held on June 21, 2021. The necessary quorum was present for the meeting.

The details with regard to Stakeholder's grievances as on March 31, 2022 are as under:

S. No	Particulars	Related Details
1.	Name of the Non-executive Director heading the Committee	Mr. James Mathew (Non-Executive Independent Director)
2.	Name and Designation of Compliance Officer	Mr. Hemish Purushottam Company Secretary and Compliance Officer
3.	Number of shareholders complaints received as on March 31, 2022	2
4.	Number of complaints not solved to the satisfaction of shareholders as on March 31, 2022	0
5.	Number of pending complaints as on March 31, 2022	0

d. Risk Management Committee



Ms. Alisha Moopen
Chairperson

The Risk Management Committee has been constituted in terms of Regulation 21 of the Listing Regulations. Brief description of terms of reference of Risk Management Committee are as follows:

1. Reviewing the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan;
2. Reviewing the risk management plan including the plan on cyber security;
3. Reviewing Management's assessment of risk at least annually;
4. Reviewing of significant business, political, financial and control risks or exposure to such risk;
5. Overseeing and monitoring Management's documentation of the material risks that the Company faces and Company's policy for Risk assessment and risk management;
6. Assessment of the steps implemented by management to manage and mitigate identifiable risk, including the use of hedging and insurance;
7. Advising the Board in relation to its determination of overall risk appetite, tolerance and strategy, taking account Aster DM's values purpose, as well as the current and prospective regulatory, macroeconomic, technological, environmental and social developments and trends that may be relevant for the company's risk policies;
8. Undertaking horizon-scanning of the risk landscape, including material risks, reputational impacts and undertake deep-dive reviews into significant risks at the request of the Board or where, in the Committee's view, further scrutiny is required;

The composition of the Risk Management Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Ms. Alisha Moopen	Executive	Chairperson
2.	Mr. T J Wilson	Non-Executive	Member
3.	Mr. Daniel Robert Mintz	Non-Executive	Member
4.	Prof. Biju Varkkey	Non-Executive	Member
5.	Mr. James Mathew	Independent	Member
6.	Mr. Sridar Arvamudhan Iyengar	Non-Executive	Member
		Independent	

The Risk Management Committee met twice during the financial year 2021-22 on November 02, 2021 and March 04, 2022 and the necessary quorum was present for all the meetings.

e. Corporate Social Responsibility Committee



Dr. Azad Moopen
Chairman

The Committee was constituted under the provisions of Section 135 of the Act and the rules and guidelines framed thereunder. The scope and functions of the Committee is framed as per the said provisions. Brief description of terms of reference of the Corporate Social Responsibility Committee are as follows:

1. Formulation of a corporate social responsibility policy of the Company;
2. Formulate and recommend to the Board, an annual CSR plan in pursuance of its CSR policy;
3. Review the progress made on the implementation of approved CSR activities every six months and report the same to the Board once every six months;
4. The Committee shall monitor the identification and implementation of multi-year projects / programs ("Ongoing Projects");
5. Identification of corporate social responsibility activities;
6. Approving the budget for carrying out corporate social responsibility activities;
7. Monitoring the expenditure and activities relating to corporate social responsibility and recommendation of the same to the Board for approval;
8. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the company;

The composition of the Corporate Social Responsibility Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. Azad Moopen	Promoter, Executive	Chairman
2.	Mr. Shamsudheen Bin Mohideen Mammu Haji	Non-Executive	Member
3.	Mr. Anoop Moopen	Non-Executive	Member
4.	Prof. Biju Varkkey	Non-Executive Independent	Member
5.	Dr. Layla Mohamed Hassan Ali Almarzoogi	Non-Executive Independent	Member
6.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member

The Committee met twice during the financial year 2021-22. The said meetings were held on May 20, 2021 and February 07, 2022 and the necessary quorum was present for all the meetings.

NON-STATUTORY COMMITTEES

f. Investment and Finance Committee



Dr. Azad Moopen
Chairman

The Board of Directors have constituted Investment and Finance Committee in terms of provision of the Act to monitor and review the investments and investment plan and perform such other functions as the Board may deem fit. Brief description of terms of reference of Investment Committee are as follows:

1. To approve investments and acquisitions of securities by the Company within the overall limits approved by the Board and Audit Committee from time to time.
2. To provide approval for opening and closure of bank accounts
3. Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board and Audit Committee, and take necessary actions connected therewith, including refinancing for optimisation of borrowing costs.
4. Give guarantees / issue letters of comfort / providing securities within the limits approved by the Board and Audit Committee;
5. Provide corporate guarantee / performance guarantee by the Company within the limits approved by the Board and Audit Committee;
6. Review and approve Capital Expenditures and expansion projects of the Company as per Annual Operation Plan/ Budget or within the limits approved by the Board and Audit Committee.

The composition of the Investment and Finance Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. Azad Moopen	Promoter, Executive	Chairman
2.	Ms. Alisha Moopen	Executive	Member
3.	Mr. T J Wilson	Non-Executive	Member
4.	Mr. James Mathew	Non-Executive	Member
		Independent	
5.	Mr. Sreenath Reddy	Group Chief	Member
		Financial Officer	

Note:

1. Mr. Suresh Muthukrishna Kumar ceased to be a Member of the Committee with effect from September 15, 2021.
2. Ms. Alisha Moopen and Mr. T J Wilson were appointed as Members of the Committee with effect from February 08, 2022.

The Investment and Finance Committee met five times during the financial year 2021-22 on June 15, 2021, October 18, 2021, February 02, 2022, March 02, 2022, and March 21, 2022 and the necessary quorum was present for the meetings.

g. Medical Excellence Committee



Dr. Azad Moopen
Chairman

The Board of Directors have constituted Medical Excellence Committee to monitor and review the quality of medical services provided and perform such other functions as the Board may deem fit. Brief description of terms of reference of Medical Excellence Committee are as follows:

1. Overseeing culture of safety and adherence to ethical guidelines in clinical practice and research;
2. Reviewing trends of key performance related to patient safety and quality;
3. Overseeing the clinical risk management strategies and preparedness in case of any eventuality;
4. Approving quality & patient safety budget including infection control;
5. Reviewing the road map of accreditations of the various units across the group;

The composition of the Medical Excellence Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. Azad Moopen	Promoter, Executive	Chairman
2.	Ms. Alisha Moopen	Executive	Member
3.	Dr. Layla Mohamed Hassan Ali Almarzoqi	Non-Executive	Member
4.	Mr. Wayne Earl Keathley	Non-Executive	Member
		Independent	

Note:

Mr. Wayne Earl Keathley was appointed as a Member of Medical Excellence Committee with effect from February 08, 2022.

h. Digital Transformation Committee



Dr. Azad Moopen
Chairman

The Board of Directors have constituted Digital Transformation Committee to monitor, evaluate, and approve actions related to technology maturity, fitment, malleability to the current technology landscape, risk, cybersecurity, prioritization of major digital projects and to assist the management team by providing industry expertise to the digital transformation strategy and initiatives. Brief description of terms of reference of Digital Transformation Committee are as follows:

1. Monitor, Evaluate and Prioritize Digital Projects;
2. Provide strategic advice and guidance to the Board on Initiatives currently in place;
3. Recommend investments and allocation of available funds to identified projects;
4. Establish Task Forces/Sub Committees if required to focus on a particular project or business process.

The composition of the Digital Transformation Committee as on March 31, 2022 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. Azad Moopen	Promoter, Executive	Chairman
2.	Ms. Alisha Moopen	Executive	Member
3.	Prof. Biju Varkkey	Non-Executive Independent	Member
4.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member
5.	Mr. Wayne Earl Keathley	Non-Executive Independent	Member

Note:

Mr. Wayne Earl Keathley was appointed as a Member of Digital Transformation Committee with effect from February 08, 2022.

4. Attendance Details of Committee Meetings Attended

SI no.	Name of the Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Investment Committee
Total number of meetings held in the financial year		5	3	1	2	2	5
1	Dr. Azad Moopen	NA	3	NA	2	NA	5
2	Ms. Alisha Moopen	5	NA	NA	NA	2	1
3	Mr. T J Wilson	2	NA	1	NA	2	2
4	Mr. Anoop Moopen	NA	NA	1	2	NA	NA
5	Mr. Shamsudheen Bin Mohideen Mammu Haji	NA	NA	NA	2	NA	NA
6	Mr. Daniel Robert Mintz	NA	0	NA	NA	1	NA
7	Mr. Suresh Muthukrishna Kumar	2	NA	1	NA	NA	1
8	Prof. Biju Varkkey	NA	3	NA	2	2	NA
9	Dr. Layla Mohamed Hassan Ali Almarzoogi	4	NA	NA	1	NA	NA
10	Mr. Chenayappillil John George	5	NA	NA	NA	NA	NA
11	Mr. James Mathew	5	NA	1	NA	2	5
12	Mr. Sridar Arvamudhan Iyengar	NA	3	NA	2	2	NA
13	Mr. Wayne Earl Keathley	NA	NA	NA	NA	NA	NA

5. Remuneration of Directors

a. Remuneration Policy

The Company's remuneration policy is aimed at attracting, motivating and retaining quality talent by creating a high-performance culture. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the Healthcare industry of that geography.

During the financial year under review, your Company paid sitting fees of INR 1,00,000 per sitting to each Non-Executive Independent Director for attending the meetings of Board/ Committees of the Board. The payment to said Directors are within the limits prescribed under the provisions of the Act and Listing Regulations. The Company also reimburses any out-of-pocket expenses incurred by the Directors for attending the meetings of the Company. In the inadequacy of profit on a standalone basis, your Chairman and Managing Director is entitled to a fixed pay of INR 5,00,000 per month as stipulated under the Act and which was agreed by the Shareholders through a resolution passed in the Annual General Meeting of the Company held on August 08, 2019. Further Ms. Alisha Moopen, Deputy Managing Director of the Company is entitled to a fixed pay of INR 30,00,000 per annum as stipulated under the Act and which was agreed by the Shareholders through a resolution passed in the Annual General Meeting of the Company held on August 13, 2021.

b. Details of the remuneration paid to the Directors for the year ended March 31, 2022

Name of the Director	Designation	(amount in INR crores) Sitting fee/ Managerial Remuneration
Executive		
Dr. Azad Moopen*	Chairman and Managing Director	0.60
Ms. Alisha Moopen**	Deputy Managing Director	0.20
Non-Executive		
Mr. T J Wilson***	Non-Executive	Nil
Mr. Anoop Moopen	Non-Executive	Nil
Mr. Daniel Robert Mintz	Non-Executive	Nil
Mr. Shamsudheen Bin Mohideen Mammu Haji	Non-Executive	Nil
Non-Executive Independent		
Mr. Suresh Muthukrishna Kumar	Non-Executive Independent	0.06
Prof. Biju Varkkey	Non-Executive Independent	0.14
Dr. Layla Mohamed Hassan Ali Almarzoogi	Non-Executive Independent	0.10

(amount in INR crores)

Name of the Director	Designation	Sitting fee/ Managerial Remuneration
Mr. Chenayappillil John George	Non-Executive Independent	0.12
Mr. James Mathew	Non-Executive Independent	0.20
Mr. Sridar Arvamudhan Iyengar****	Non-Executive Independent	Nil
Mr. Wayne Earl Keathley	Non-Executive Independent	0.04

* Dr. Azad Moopen also received remuneration of AED 6.48 Million and variable incentive of AED 1.5 Million during financial year 2021-22 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and other benefits as per the policies.

** Ms. Alisha Moopen also received remuneration of AED 2.36 Million and variable incentive of AED 0.4 Million during financial year 2021-22 from Dr. Moopen's Healthcare Management Services LLC. She is entitled to gratuity payments and other benefits as per the policies.

*** Mr. T J Wilson received remuneration of AED 1.68 Million and variable incentive of AED 0.32 Million during financial year 2021-22 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and other benefits as per the policies.

**** Mr. Sridar Arvamudhan Iyengar had waived off sitting fees for attending all the Board and Committee meetings for financial year ended March 31, 2022.

c. Criteria for making payment to Non-Executive Directors

Criteria for making payment to Non-Executive Directors is included in the policy on Nomination and Remuneration and Evaluation and has been made available on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>.

d. Service Contracts, Notice and Severance Fees

As on March 31, 2022, the Board of Directors has 12 Members viz. 10 Non-Executive Directors, including 6 Independent Directors, 1 Managing Director and 1 Deputy Managing Director. The Executive Directors are employees of the Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees to any of the Directors.

e. Stock option details

During the year under review there were no stock options granted to any Directors of the Company.

f. Pecuniary relationship or transactions of the Non-Executive Directors

During the year under review there were no pecuniary transactions with the Non-Executive Directors of the Company.

6. General Body Meetings

a. Annual General Meeting ("AGM")

Details of AGMs held during the last 3 years are as under:

Financial Year	Date	Time	Venue
2018-19	August 08, 2019	10:00 AM-11:30 AM	Registered office at IX/475L, Aster Medcity, Kuttisahib Road, Near Kothad Bridge, South Chittoor P.O, Cheranalloor, Kochi 682027, Kerala, India
2019-20	August 14, 2020	11.00 AM-11.55 AM	Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM')
2020-21	August 13, 2021	11:30 AM-12:45 PM	

b. Extraordinary General Meeting ("EGM")

No Extraordinary General Meeting of the Company was called and convened during the financial year 2021-22.

c. Details of Special Resolutions passed during the last 3 AGMs are as under

Financial Year	Date	Agenda item
2018-19	August 08, 2019	Re-appointment of Dr. Azad Moopen (DIN:00159403) as Managing Director of the Company for a period of five years
2019-20	August 14, 2020	Appointment of Mr. Sridar Arvamudhan Iyengar (DIN:00278512) as Non-Executive Independent Director of the Company for term of three consecutive years
2020-21	August 13, 2021	Reappointment of Mr. Suresh Muthukrishna Kumar (DIN: 00494479) as Non-Executive Independent Director of the Company for a second term of one year

d. Details of Special Resolution passed through postal ballot

The Company has passed the following special resolutions through postal ballot during financial year 2021-22.

S. No	Agenda item	Date of passing the resolution
1	Reappointment of Prof. Biju Varkkey (DIN: 01298281) as Non-Executive Independent Director of the Company for a term of one year	November 08, 2021
2	Reappointment of Dr. Layla Mohamed Hassan Ali Almarzooqi (DIN: 08401425) as an Independent Director of the Company for a second term of one year	March 19, 2022

Mr. Rajiv Balakrishnan, Senior Partner of M Damodaran & Associates LLP, Practicing Company Secretaries, (ICSI Membership No. FCS 6326 COP: 20520) was appointed as the Scrutinizer ("Scrutinizer") for conducting the postal ballot / e-Voting process in a fair and transparent manner and in accordance with the provisions of the Companies Act, 2013 and the rules made there under. The details of voting pattern are given as **Annexure 8A** to this report.

e. There is no Special Resolution proposed to be conducted through postal ballot

f. Procedure for postal ballot

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company provides electronic voting (e-voting) facility to all its Members. The Company engages the services of National Securities Depository Limited for the purpose of providing e-voting facility to all its Members.

With the advent of Pandemic, the Company has dispatched the postal ballot notices and forms to the email addresses registered with depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding) to all the Members whose names appear on the Register of Members / list of beneficiaries as on a cut-off date. The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules. Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members are required to exercise their votes by electronic mode and are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorized officer. The results are also displayed on the Company's website, <https://www.asterdmhealthcare.com/investor/shareholders-services>, besides being communicated to the stock exchanges. The last date for the receipt of duly

completed postal ballot forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

7. Means of Communication

- The quarterly, half-yearly and annual results of the Company are published in newspapers like Vijayavani (Kannada) and Financial Express (English). The results are also displayed on the Company's website at <https://www.asterdmhealthcare.com/investor/financial-information>.
- Press releases made by the Company from time to time and presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are disseminated through the exchanges websites and are also displayed on the Company's website at <https://www.asterdmhealthcare.com/investor/stock-exchange-disclosures>.

8. General shareholder information

a. Annual General Meeting

Annual General Meeting of the Company shall be held through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) (Instruction and general guidelines for participation through VC/OAVM has been given in Notice of the AGM).

Date : Thursday, August 25, 2022

Time : 11.30 AM (IST)

b. Financial Year

Financial Year covers the period from April 01, 2021, to March 31, 2022

c. Dividend payment date

Keeping in view the growth strategy of the Company, the Board of Directors have decided to plough back the profits and thus do not recommended any dividend for the financial year under review and hence dividend payment date is not applicable.

d. Listing on Stock Exchanges

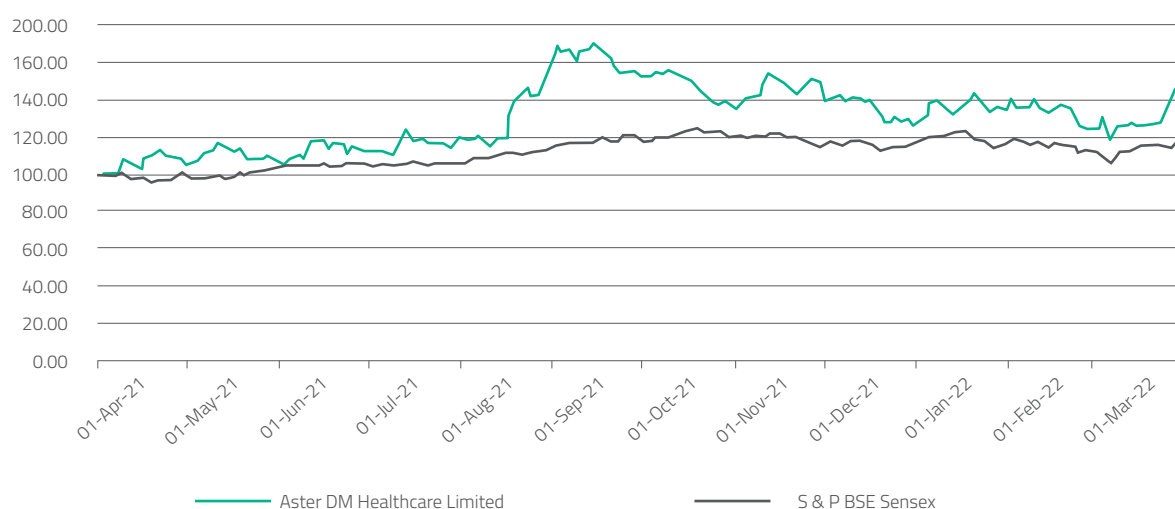
Equity Shares of the Company are listed on following exchanges and the requisite listing fees have been paid in full to the Stock Exchanges.

BSE Limited (BSE) Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Scrip code: 540975 ISIN: INE914M01019	National Stock Exchange of India Limited (NSE) Exchange plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051. Stock Code: ASTERDM
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e. Market price data- high, low during each month in the financial year 2021-22

Month	BSE			NSE		
	High Price	Low Price	No. of Shares	High Price	Low Price	No. of Shares
Apr-21	158.05	132.6	9,82,789	157.95	134.65	2,06,81,000
May-21	163.5	142.3	14,17,408	163.70	142.40	1,88,67,000
Jun-21	164.5	142.1	18,85,335	164.70	142.40	2,47,29,000
Jul-21	172.9	151.0	35,23,085	173.30	150.95	2,49,98,000
Aug-21	227.35	148.7	47,72,510	227.40	148.40	10,40,54,000
Sep-21	237.25	203.8	26,30,066	237.00	206.40	5,34,07,000
Oct-21	217.8	177.15	12,46,216	218.00	176.00	1,17,30,000
Nov-21	214.95	179.35	9,17,478	214.00	179.00	1,51,73,000
Dec-21	198.35	167.95	26,46,258	198.50	167.50	99,75,000
Jan-22	200.2	172.85	13,49,164	200.45	175.05	1,27,33,000
Feb-22	197.9	168.2	8,47,569	198.90	166.20	93,29,000
Mar-22	202.5	158.0	10,29,092	202.05	158.10	1,55,54,000

f. Performance of the share price of the Company in comparison to the Indices: S&P BSE SENSEX



Base 100 – Aster DM Healthcare Limited share price on April 1, 2021 and S&P BSE Sensex (Sensex) value on April 1, 2021 have been baselined to 100.

g. Suspension of Trading

The securities of the Company were not suspended from trading on stock exchanges during the year under review.

h. Registrar and Share Transfer Agents

Name: Link Intime India Pvt Ltd
Address: C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai -400 083
Maharashtra, India
Telephone: +91 2249186200
E-mail: coimbatore@linkintime.co.in
Website: www.linkintime.co.in

i. Share transfer system

Trading in equity shares of the Company through recognized stock exchanges is permitted only in dematerialized form. Pursuant to amended in Regulation 40 of Listing Regulations with effect from April 1, 2019, requests for effecting transfer of Securities shall not be processed unless the Securities are held in the dematerialised form with a Depository hence shares shall be transferred only through demat. However, investors are not barred from holding shares in physical form.

j. Shareholding as on March 31, 2022**i. Distribution of shareholdings as on March 31, 2022**

Shares - Range	Number of Shareholders	Percentage of total shareholders	Total Shares for the Range	Percentage of issued capital
1 - 500	76,858	94.6620	63,30,733	1.27
501 - 1000	2,250	2.7712	17,62,280	0.35
1001 - 2000	980	1.2070	14,35,765	0.29
2001 - 3000	387	0.4766	9,73,592	0.19
3001 - 4000	113	0.1392	4,07,452	0.08
4001 - 5000	108	0.1330	5,10,988	0.10
5001 - 10000	180	0.2217	13,54,170	0.27
10000 - above	316	0.3892	48,67,38,080	97.44
Grand Total	81,192	100.00%	49,95,13,060	100.00%

ii. Category of Equity Shareholders as on March 31, 2022

Sl no.	Category	Number of shares	% of holding
1	Alternate Investment Funds – ii	24,86,900	0.4979
2	Alternate Investment Funds – iii	1,28,980	0.0258
3	Body Corporate - Ltd Liability Partnership	65,653	0.0131
4	Clearing Members	3,34,128	0.0669
5	Directors	1,13,79,972	2.2782
6	Employee Welfare Trust / ESOP's	22,94,103	0.4593
7	Foreign Company	15,89,46,797	31.8203
8	Foreign Portfolio Investors (Corporate)	4,20,85,346	8.4253
9	Foreign Portfolio Investors (Individual)	952	0.0002
10	Foreign Promoter Company	18,68,53,810	37.4072
11	Foreign Venture Capital	1,29,99,534	2.6024
12	Hindu Undivided Family	5,44,111	0.1089
13	Mutual Funds	4,05,35,983	8.1151
14	NBFC's Registered with RBI	4,500	0.0009
15	Non -Resident Indians (Non Repatriable)	37,21,221	0.7450
16	Non-Resident Indians	1,58,25,878	3.1683
17	Other Bodies Corporate	10,61,277	0.2125
18	Public	1,96,05,462	3.9249
19	Relatives of Director [NRI]	6,38,453	0.1278
	Total	49,95,13,060	100.00%

k. Dematerialization of Shares & Liquidity

As on March 31, 2022, INR 3,44,66,670 Paid-up Equity Share Capital is held in physical form and INR 4,96,06,63,930 Paid-up Equity Share Capital is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

l. Outstanding GDR's/ ADR's or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR's/ ADR's or warrants or any convertible instruments, hence as on March 31, 2022, the Company does not have any outstanding GDR's / ADR's or Warrants or any convertible instruments.

m. Demat suspense account

The Company does not have any equity shares in the suspense account.

n. Transfer of unclaimed/unpaid amount to the Investor Education and Provident Fund

The Company does not have any instances of transferring any amount to the Investor Education and Provident Fund.

o. Commodity price risk or foreign exchange risk and hedging activities

Refer Note No 37 of the standalone financial statements for details on commodity price risk, foreign exchange risk and hedging activities.

p. Unit locations

Your Company operates various hospitals and clinics in India. It also operates hospitals, clinics and pharmacies through various subsidiaries in GCC Countries. Details of various hospitals are available in the MDA report as well as the on the website of the Company.

q. Address for correspondence

Hemish Purushottam
Company Secretary and Compliance Officer
Aster DM Healthcare Limited
#1785,19th Main, Sector 1,
HSR Layout, Bangalore -560102 India
Contact : 0484 6699999
Email : cs@asterdmhealthcare.com
Website : www.asterdmhealthcare.com

r. Credit Rating

The following ratings assigned by the ICRA Limited and reaffirmed the ratings during the year under review:

Type of Facility/ Programme	Ratings assigned on August 26, 2020		Revised Ratings assigned on August 02, 2021	
	Amount (₹ Crores)	Rating	Amount (₹ Crores)	Rating
Bank loan facility (Long term)	236	A-(Stable)	274	A-(Stable)
Bank loan facility (Short term)	30	A2+	30	A2+

9. Other Disclosures**a. Materially significant related party transactions**

All transactions entered into with related parties during the financial year were in the ordinary course of business and approved by the Audit Committee. During the year under review there were no materially significant transactions entered into between the Company and its promoters, Directors or the Management, or their relatives or Holding Company, Subsidiaries, Associates that may have potential conflict with the interest of the Company at large. The policy for related party transactions, which has been approved by the Board, is uploaded on the website of the Company at <https://www.asterdmhealthcare.com/investor/corporate-governance>. Reference to the related party transactions entered during the year under review is attached as an annexure to the Boards report in form AOC-2 as stipulated under the Act.

b. Details of non-compliance with respect to Capital Markets and penalties

There were no instances of non-compliances by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets during the last three years.

c. Whistle blower policy and vigil mechanism

The Company believes in conducting its affairs in a transparent manner and adopts highest standards of professionalism and ethical behaviour. Integrity is one of the key values of the Company that it strictly abides by. Keeping that in view, the Company has established a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics. The Whistle Blower Policy is available on the website of the Company <https://www.asterdmhealthcare.com/investor/corporate-governance>.

The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against whistle blowers and provides adequate safeguard measures. It also provides a direct access to the Chairman of the Audit Committee under extraordinary circumstances.

In addition to this, the Company has also engaged an independent agency called 'Integrity Matters' that provides an electronic and digital platform to report any unethical practices or harassment/injustice at the workplace confidentially and, if desired, anonymously by any employees or vendors of the Company or any of its subsidiaries anywhere in the world to ensure fairness and transparency in the process.

d. Compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements to the extent applicable to the Company. Apart from complying with the mandatory requirements prescribed by the Listing Regulations, your Company has complied with a few non-mandatory requirements such as:

- i. During the year under review, there is no audit qualification in your Company's Financial Statements. Your Company continues to adopt best practices to ensure regime of unqualified Financial Statements.
- ii. Submission of Internal Auditors report directly to the Audit Committee.

e. Subsidiary Companies

All subsidiary companies are managed by their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders. Pursuant to Regulation 24(1) of Listing regulations at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary.

As per the audited financial statements of financial year 2020-21, the following subsidiaries have been considered as material and the Company has appointed following Independent Directors on the Board of material subsidiary companies:

S. No	Name of the Subsidiary	Independent Director
1	Affinity Holdings Private Limited	Dr. Layla Mohamed Hassan Ali Almarzooqi
2	Aster DM Healthcare FZC	Dr. Layla Mohamed Hassan Ali Almarzooqi
3	Medcare Hospital LLC	Mr. James Mathew

Note:

Mr. Suresh Muthukrishna Kumar ceased to be Director of Medcare Hospital LLC with effect from September 15, 2021

and Mr. James Mathew has been appointed with effect from September 16, 2021.

Audit Committee reviews the financial statements of the unlisted subsidiary. The minutes of meetings of the Board of Directors and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company for their review.

Pursuant to Regulation 24(4) of Listing Regulations, the following Companies shall be considered as material subsidiaries as per the audited financial statements of financial year 2020-21:

S. No	Name of the Subsidiary Company
1	Affinity Holdings Private Limited
2	Aster DM Healthcare FZC
3	Medcare Hospital LLC
4	Sanad Al Rahma for Medical Care LLC
5	Malabar Institute of Medical Sciences Ltd
6	DM Healthcare LLC
7	Aster Pharmacies Group LLC

The Company has a Policy for determining material subsidiaries which is uploaded on the website of the Company at www.asterdmhealthcare.com/investors.

f. Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the year under review the Company has not raised any funds through the preferential allotment or Qualified Institutions Placement.

g. Certificate from a Company Secretary in practice

A certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure 8B**.

h. Recommendation of any committee of the board which was not accepted

The Board had accepted all the recommendations made by its committee during the financial year.

i. Total fees to Statutory Auditors

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part amounts to is as under:

(amount in ₹ crores)

Type of Service	India Entities	GCC Entities*	Total
Audit	1.52	3.29	4.81
Tax Audit	0.02	-	0.02
Others	0.06	0.04	0.10
Total	1.60	3.33	4.93

*All numbers have been converted from foreign currency to INR at the average rate.

Note: The above fees exclude out-of-pocket expenses and taxes.

j. Disclosure in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

- Number of complaints filed during the financial year - 5
- Number of complaints disposed of during the financial year - 5
- Number of complaints pending as on end of the financial year - Nil

Note: The above information is based on standalone

k. Secretarial Audit Report

Pursuant to Regulation 24A of the Listing Regulations, every listed entity shall undertake secretarial audit and shall annex with its Annual Report, a Secretarial Audit Report, given by a Company Secretary in Practice. The Company in this regard, has received the Secretarial Audit report from M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000] and the said report is annexed to this Annual Report.

l. Code for Prevention of Insider Trading Practices

During the year under review, the Company adhered to comprehensive Code of Conduct for prevention of Insider Trading for its Promoters, Directors, Key Managerial Personnel and Connected Persons. The Code aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the Promoters, Directors, Key Managerial Personnel and Connected Persons of Aster DM Healthcare Limited. It also aims to bring transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations This Code lays down the guidelines, through which it advises on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

During the year under review, the Company has revised its Code for Insider Trading and the same was approved and adopted by the Company on February 08, 2022 which has been made available on the website of the Company at www.asterdmhealthcare.com/investors.

m. Accounting treatment in preparation of financial statements

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS"), as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant amended rules prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder. On March 24, 2021 the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from April 01, 2021. The Company has evaluated the effect of the amendments on its financial statements and complied with the same. The significant accounting policies which are consistently applied have been set out in the notes to the financial statements.

n. Other Policies

The Company has adopted various policies prescribed under the Act and Listing Regulation i.e a Policy on Determination of Materiality for Disclosures, a Policy on Archival and Preservation of Documents, a Dividend Distribution Policy etc which are made available on the website of the Company at www.asterdmhealthcare.com/investors.

10. Discretionary requirements (Schedule II Part E of the SEBI Listing Regulations)

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

Also, Grant Thornton Bharat LLP, the Internal Auditors of the Company, makes presentations directly to the Audit Committee on their reports.

The Company has been filing quarterly, half yearly results with stock exchanges within the stipulated timeline and also publishes in widely circulated newspapers and on the website of the Company at www.asterdmhealthcare.com/investors.

11. Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and all other mandatory provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

12. Compliance with Code of Conduct

The Code of Conduct ("the Code") for Board members and Senior Management personnel as adopted by the Board, is a comprehensive code applicable to Directors and Senior Management personnel. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and Senior Management personnel. A copy of the Code has been made available on the website of the Company at www.asterdmhealthcare.com/investors. The Code has been circulated to Directors and Senior management personnel and its compliance is affirmed by them annually. A declaration signed by the Managing Director to this effect is annexed to this report as **Annexure 8C**.

13. CFO Certification

Mr. Sreenath Reddy, Group Chief Financial Officer (CFO) of the Company has furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2022 and is annexed to this report as **Annexure 8D**.

14. Compliance Certificate on Corporate Governance

Certificate received from M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000], confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V(E) of the Listing Regulations is annexed to this report as **Annexure 8E**.

For and on behalf of the Board of Directors

Dr. Azad Moopen

Chairman and Managing Director
DIN: 00159403

Date: May 24, 2022
Place : Dubai

Annexure-8A

Date of the Postal Ballot			Notice dated October 04, 2021					
			Voting start date - October, 10, 2021					
			Voting end date - November 08, 2021					
			Results declared on-November 09, 2021					
Total no of shareholders as on the record date			88,471					
No. of shareholders present in the meeting either in person or through proxy:			Not applicable					
Promoters and Promoter Group								
Public								
Resolution Required : (Ordinary)			Appointment of Mr. Wayne Earl Keathley (DIN:09331921) as Non-Executive Independent Director of the Company for a term of three consecutive years					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]=[2]/[1]*100	[4]	[5]	[6]=[4]/[2]*100	[7]=[5]/[2]*100
Promoter and Promoter Group	E-Voting	189225799	189225799	100.0000	189225799	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		189225799	100.0000	189225799	0	100.0000	0.0000
Public Institutions	E-Voting	96289836	77832074	80.8310	77832074	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		77832074	80.8310	77832074	0	100.0000	0.0000
Public Non Institutions	E-Voting	213997425	53352393	24.9313	53350513	1880	99.9965	0.0035
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		53352393	24.9313	53350513	1880	99.9965	0.0035
Total		499513060	320410266	64.1445	320408386	1880	99.9994	0.0006
Resolution Required : (Special)			Reappointment of Prof. Biju Varkkey (DIN: 01298281) as Non-Executive Independent Director of the Company for a second term of one year					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]=[2]/[1]*100	[4]	[5]	[6]=[4]/[2]*100	[7]=[5]/[2]*100
Promoter and Promoter Group	E-Voting	189225799	189225799	100.0000	189225799	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		189225799	100.0000	189225799	0	100.0000	0.0000
Public Institutions	E-Voting	96289836	77832074	80.8310	77628449	203625	99.7384	0.2616
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		77832074	80.8310	77628449	203625	99.7384	0.2616
Public Non Institutions	E-Voting	213997425	53352624	24.9314	53349786	2838	99.9947	0.0053
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal		0	0.0000	0	0	0.0000	0.0000
	Ballot							
	Total		53352624	24.9314	53349786	2838	99.9947	0.0053
Total		499513060	320410497	64.1446	320204034	206463	99.9356	0.0644

Date of the Postal Ballot	Notice dated February 08, 2022 Voting start date - February 18, 2022 Voting end date - March 19, 2022 Results declared on-March 21, 2022
Total no of shareholders as on the record date	84,370
No. of shareholders present in the meeting either in person or through proxy:	Not applicable
Promoters and Promoter Group	
Public	

Resolution Required : (Special)			Reappointment of Dr. Layla Mohamed Hassan Ali Almarzooqi (DIN: 08401425) as an Independent Director of the Company for a second term of one year					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	No. of shares held [1]	No. of votes polled [2]	% of Votes Polled on outstanding shares [3]={[2]/[1]}*100	No. of Votes – in favour [4]	No. of Votes –Against [5]	% of Votes in favour on votes polled [6]={[4]/[2]}*100	% of Votes against on votes polled [7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	189225799	189225799	100.0000	189225799	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		189225799	100.0000	189225799	0	100.0000	0.0000
Public Institutions	E-Voting	96547602	74516361	77.1810	73967159	549202	99.2630	0.7370
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		74516361	77.1810	73967159	549202	99.2630	0.7370
Public Non Institutions	E-Voting	213739659	53392516	24.9802	53386278	6238	99.9883	0.0117
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		53392516	24.9802	53386278	6238	99.9883	0.0117
Total		499513060	317134676	63.4888	316579236	555440	99.8249	0.1751

Annexure-8B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,

Aster DM Healthcare Limited

(CIN: L85110KA2008PLC147259)

No.1785, Sarjapur Road, Sector -1,

HSR Layout, Ward No.174, Agara Extension,

Bangalore-560102, Karnataka, India

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ASTER DM HEALTHCARE LIMITED** having CIN-L85110KA2008PLC147259 and having registered office at No.1785, Sarjapur Road, Sector -1, HSR Layout, Ward No. 174, Agara Extension, Bangalore - 560102, Karnataka, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl no.	Name of the Director	DIN	Original Date of appointment
1	Dr. Mandayapurath Azad Moopen	00159403	18/01/2008
2	Mr. Daniel Robert Mintz	00960928	18/01/2012
3	Prof. Biju Varkkey	01298281	12/11/2018
4	Mr. Shamsudheen Bin Mohideen Mammu Haji	02007279	16/09/2015
5	Mr. Wilson Joseph Thadathil	02135108	20/04/2009
6	Mr. Anoop Moopen	02301362	20/04/2009
7	Ms. Alisha Moopen	02432525	20/09/2013
8	Dr. Layla Mohamed Hassan Ali Almarzooqi	08401425	28/03/2019
9	Mr. Chenayappillil John George	00003132	11/04/2020
10	Mr. Sridar Arvamudhan Iyengar	00278512	19/07/2020
11	Mr. James Mathew	07572909	23/06/2020
12	Mr. Wayne Earl Keathley	09331921	04/10/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

M. Damodaran

Managing Partner

Membership No.: 5837

COP. No.:5081

FRN: L2019TN006000

PR: 1374/2021

ICSI UDIN: F005837D000372346

Date : May 24, 2022

Place : Chennai

Annexure-8C**DECLARATION ON CODE OF CONDUCT**

To
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bangalore-560102, Karnataka, India

I, Dr. Azad Moopen, Chairman and Managing Director of the Company, declare that all the Members of the Board of Directors and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2021-22.

For Aster DM Healthcare Limited

Date: May 24, 2022
Place : Dubai

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Annexure-8D

CFO CERTIFICATION

As per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bangalore-560102, Karnataka, India

Dear Sir/Madam,

I, Sreenath Reddy, Group Chief Financial Officer of the Company certify to the Board that:

- a. I have reviewed Financial Statements and Cash Flow Statements for the year ended March 31, 2022 and that to the best of my knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year under review which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the Auditors and the Audit Committee:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. There are no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : May 24, 2022
Place : Dubai

Sreenath Reddy
Group Chief Financial Officer
PAN: AFFPR3902Q

Annexure-8E

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector - 1,
HSR Layout, Ward No.174, Agara Extension,
Bangalore-560102, Karnataka, India

- A.** I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP have examined the compliance of conditions of Corporate Governance by **ASTER DM HEALTHCARE LIMITED** (CIN: L85110KA2008PLC147259) ("the Company"), for the financial year ended March 31, 2022 as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ["SEBI (LODR)"].

Management Responsibility

- B.** The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI (LODR).

Certifier's Responsibility

- C.** My responsibility and examination was limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the company.
- D.** I have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company and also obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

Opinion

- E.** In my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except regulation 17(1)(b) for 18 days i.e., from September 16, 2021 to October 03, 2021 during the period.
- F.** I, further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

M. Damodaran

Managing Partner
Membership No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR: 1374/2021
ICSI UDIN: F005837D000372379

Date : May 24, 2022
Place : Chennai

Annexure-9

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING**SECTION A: GENERAL DISCLOSURES****I. Details of the listed entity**

1. Corporate Identity Number (CIN) of the Listed Entity: L85110KA2008PLC147259
2. Name of the Listed Entity: Aster DM Healthcare Limited
3. Year of incorporation: 2008
4. Registered office address: No. 1785, Sarjapur Road, Sector-1, HSR Layout, Ward No. 174, Agara Extension, Bangalore- 560102, Karnataka, India
5. Corporate address: Awfis, 2nd Floor, Renaissance Centra, 27 & 27/1, Mission Rd, Rama Nagar, Bengaluru, Karnataka 560027
6. E-mail: cs@asterdmhealthcare.com
7. Telephone: +91 484 669 9999
8. Website: www.asterdmhealthcare.com
9. Financial year for which reporting is being done: 2021-2022
10. Name of the Stock Exchange(s) where shares are listed: National Stock Exchange of India Limited and BSE Limited
11. Paid-up Capital: INR 499.51 crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Mr. Hemish Purushottam, Company Secretary and Compliance Officer, Tel: +91 484 669 9999, Email: hemish.purushottam@asterdmhealthcare.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) : Consolidated basis unless otherwise specified.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Revenue from hospital and medical services*	Healthcare services through hospitals and clinics	80.14
2	Revenue from pharmacy	Sale of pharma, non-pharma products and opticals	19.64

*includes sale of pharmacy products to the in patients

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Revenue from hospital and medical services*	86110	80.14
2	Revenue from pharmacy	4772	19.64

*includes sale of pharmacy products to the in patients.

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Hospitals - 14 Clinics- 11 Pharmacies - 131 * Labs & patient experience centers - 114 (2 Reference labs, 12 Satellite labs, 100 Patient experience centers)	2	272
International	Hospitals-13 Clinics-109 Pharmacies- 240	1	363

* (operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster)

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Six
International (No. of Countries)	Six

b. What is the contribution of exports as a percentage of the total turnover of the entity?- 2.98% (Standalone)

c. A brief on types of customers: Patients requiring medical assistance and healthcare services.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	20,780	8,165	39%	12,615	61%
2.	Other than Permanent (E)	5,026	2,855	57%	2,171	43%
3.	Total employees (D + E)	25,806	11,020	43%	14,786	57%

Note: The Company has no workers on rolls of the Company

b. Differently abled Employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	83	58	70%	25	30%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	83	58	70%	25	30%

19. Participation/Inclusion/Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	17%
Key Management Personnel	4	1	25%

20. Turnover rate for permanent employees

Particulars	FY 2021-22 (Turnover rate in current FY)			FY 2020-21 (Turnover rate in previous FY)			FY 2019-20 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25%	34%	30%	24%	33%	29%	21%	32%	28%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Refer to Annexure 1 to the Board's Report for information on holding / subsidiary / associate companies / joint ventures, page no. 107.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in Rs.): INR 746.54 crores (Standalone)
(iii) Net worth (in Rs.): INR 2,503.10 crores (Standalone)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	https://www.asterdmhealthcare.com/investor/corporate-governance	2	Nil	-	5	Nil	-
Employees	https://www.asterdmhealthcare.com/about-us/corporate-governance	Please refer principle 5 point no 6 of the report.					
Customers	*Information on the Litigations filed by the Customers (Patients) are sent by the Courts to the registered office or to the concerned hospital	12 (Litigations)	65 (Litigations - including those accumulated from previous years)	For Notices, we have responded appropriately and therefore it is deemed closed.	16 (Litigations)	55 (Litigations - including those accumulated from previous years)	-
	*Legal Notices are sent by the Customers (Patients) to the registered office or to the concerned hospital directly	21 (Notices)	0 (Notices)				
	**Legal notices/litigation shall be sent to registered office of the subsidiaries in the GCC	7 Litigations 73 Notices	76 Litigations (including those accumulated from previous years) 246 Notices	-	18 Litigations 141 Notices (including patient complaints)	43 Litigations 159 Notices (including patient complaints)	-
	Complaints received on Ethics line https://www.asterdmhealthcare.com/about-us/corporate-governance	3	Nil	-	7	Nil	-
Value Chain Partners	https://www.asterdmhealthcare.com/about-us/corporate-governance	3	2	-	2	Nil	-

*Details pertaining to India

**Details pertaining to GCC

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Please refer to the Risk management section of Management Discussion and Analysis on page no. 96.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
Policy and management processes																		
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	√	√	√	√	√	√	√	√	√									
b. Has the policy been approved by the Board? (Yes/No)	√	√	√	√	√	√	√	√	√									
c. Web Link of the Policies, if available	https://www.asterdmhealthcare.com/investors																	
2. Whether the entity has translated the policy into procedures. (Yes / No)	√	√	√	√	√	√	√	√	√									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	√	√	√	√	√	√	√	√	√									
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI standard, Section 135 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Not applicable																	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable																	
Governance, leadership and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:	At Aster, we believe that our responsibility of ensuring sustained growth goes beyond our operations to ensuring societal growth through spearheading ESG activities. We consider environmental leadership as a long-term strategic imperative and are involved very deeply in community connect through the Aster Volunteers program in many geographies including India, the GCC and Africa, among others. Aster has been ranked 94th among Global 100 sustainable companies by Corporate Knights after rigorous assessment of over 6,000 companies with more than USD 1 billion revenue. Aster is the only company from India and the Middle East to accomplish this remarkable feat, taking a place among global giants like Apple, Intel, Tesla, and Unilever. We also received the Golden Peacock Global CSR Award from the Institute of Directors, India for CSR, and Sustainability this year. -Dr. Azad Moopen, Chairman and Managing Director																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Stakeholders Relationship Committee of the Board oversees the Business Responsibility and progress on our ESG ambitions.																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Stakeholder Relationship Committee of the Board oversees the ESG related matters.																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes.									Annually								
Compliance with statutory requirements of relevance to the principles	We comply with all applicable laws of the land we operate in.																	

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.									
The Company is in the process of obtaining assurance from KPMG Assurance and Consulting Services LLP.									

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									
Not applicable									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Every employee as part of new-hire onboarding and every employee is expected to undergo mandatory training awareness on the Aster Code of Conduct which is available for all employees. Every Director of the Board is provided with Handbook which contains Code of Conduct and major policies of the Company including whistle blower policy, Insider Trading Code. For employees trainings etc., please refer principle 3 sno.8 of the report.
- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): None
- Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed- Not applicable
- Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. As Asterians, we are committed to doing business in a honest and ethical manner. We follow all applicable laws, treaties and regulations that prohibit bribery and other corruption in every country in which we do business. This is covered under section 9 of the Code of Conduct – Asterian Ethos and in whistle blower policy. The same is available on our website at. https://aster.integritymatters.in/cases/case_instructions?locale=en
- Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: None
- Details of complaints with regard to conflict of interest: None
- Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest- None

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	Aster Code of Conduct- Improving Supply Chain Resilience	30%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.-

Yes. The Company receives an annual declaration (changes from time to time) from its Board members and KMP on the entities they are interested in and ensures requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities / individuals. Directors recuse themselves from participation and discussion on the agenda where they are interested. All related party transactions are entered on arm's length and CFO presents certificate on the same to the Audit Committee and Board.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

These details will be made available in our Business Responsibility and Sustainability Report from FY 2022-23 onwards.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)-

The Company is in healthcare business and products have to be sourced as per regulatory and patient safety requirements. Hence, this is not applicable to the Company. However, the Company is reducing its carbon footprint through increase sourcing of green energy such as solar and wind energy.

b. If yes, what percentage of inputs were sourced sustainably? -Not applicable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste- Not applicable as we are in healthcare services.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same- Not applicable.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?- Not applicable as we are in healthcare services
2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.- Not applicable.
3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).-Not applicable as we are in healthcare services.
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: .Not applicable as we are in healthcare services.
5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category - Not applicable as we are in healthcare services.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Male	8,165	8,165	100%	8,165	100%	-	-	5,092	62%	-	-
Female	12,615	12,615	100%	12,615	100%	7,788	62%	-	-	-	-
Total	20,780	20,780	100%	20,780	100%	7,788	37%	5,092	25%	-	-

- b. Details of measures for the well-being of workers: Not applicable
2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2021-22			FY 2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	20%	NA	Yes	25%	NA	Yes

Note: This information is provided for employees in India only

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard-

Yes. Considering that the Rights of Persons with Disabilities Act 2016 is specific to India, our hospitals in India are in line with the law and are accessible to differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. As an organization, the Company does not discriminate and has zero tolerance against behaviours that are against the ethics and Code of Conduct. This is covered under our Code of Conduct – the 'Asterian Ethos'.

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent employees
	Return to work rate
Male	89%
Female	88%
Total	88%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, the give details of the mechanism in brief)
Permanent employees	We have multiple channels for employees to raise concerns. These range from unit level grievance committees, whistle blower channel, anti-sexual harassment channel, to the corporate employee wellbeing and grievances channel. These are governed by the whistle blowing policy, anti-sexual harassment policy, anti-discrimination policy and the code of conduct policy of the Company.
Other than Permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2021-22			FY 2020-21		
	Total employees in respective category (A)	No of employees in respective category, who are part of association(s) or union (B)	% B/A	Total employees in respective category (C)	No of employees in respective category, who are part of association(s) or union (D)	%D/C
Total permanent Employees						
Male	546	66	12%	477	57	12%
Female	1,567	188	12%	1,367	164	12%
Total permanent Workers						
Male	500	60	12%	393	47	12%
Female	395	47	12%	311	37	12%

Note: This information is only for Aster Aadhar & Aster Medcity Hospitals where there are Unions.

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2021-21				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		No. (B)	%. (B/A)	No. (c)	%(C/A)		No. (E)	%. (E/D)	No. (F)	%(F/D)
Employees										
Male	6,012	2,902	48.2%	3,243	53.8%	2,686	1,935	72.04%	1,180	43.9%
Female	7,128	4,843	68%	4,169	58.4%	4,377	3,336	76.22%	2,049	46.8%
Total	13,149	7,755	58.9%	7,412	56.3%	7,063	5,271	74.63%	3,229	45.7%

9. Details of performance and career development reviews of employees and worker:

	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	& B/A	Total (C)	No. (D)	& D/C
Employees						
Male	8,165	5,595	68.5%	7,154	5,539	77%
Female	12,615	7,528	59.7%	10,393	7,625	73%
Total	20,780	13,123	63.2%	19,322	13,164	68%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the

coverage such system?-

Yes, All facility related activities and subcontractors activities are covered under the H & S management system for clinical services

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Integrated method of statement and risk assessment procedure to identify work related hazards, Risk and opportunities process for business risk identification.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)-

Yes, Reporting of hazards and HSE observations are integrated in Facilio software.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

(Yes/ No)- Yes, This is covered under the group insurance policies and all employees have access to medical services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related Injuries	Employees	0	5 (First aid cases)
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- Effective HSE plan and procedures implementation
- Periodic trainings to the staff
- Regular HSE inspections
- Appointment of safety officers in the hospitals.
- Compliance to all local regulations.

13. Number of Complaints on the following made by employees:

	FY 2021-22		FY 2020-21	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Working Conditions	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	95%
Working conditions	95%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions-

The Company has a policy in place for incident reporting and investigation process is to collect accurate, comprehensive and relevant information about an incident, to establish the true facts and root causes that contributed to the cause of the incident and to recommend

and develop corrective actions to prevent recurrences.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N). -Yes, to all permanent employees.
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.- The Company obtains confirmation from various vendors on the compliance with statutory dues.
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment: Nil
4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)- No
5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners-

The Company has policy in place to establish, document, implement a documented procedure for performance / quality control of service provider or contractor with regard to quality, health, safety and environment. To ensure that services are delivered as per agreed terms with compliance to EHS requirements and legal compliances.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

Across different locations, we have identified specific functions and departments to address the concerns of a particular set of stakeholders. We engage proactively and continuously with our stakeholders, using formal and informal approaches such as performance reviews meetings, surveys, feedback systems, media, events etc.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder groups

Our stakeholders are important to us, and engaging with them is key to our business strategy. Ongoing engagement with our stakeholders informs our materiality process and helps us identify important sustainability issues central to our sustainability strategy. Details of stakeholder groups identified and frequency of engagement is provided in page no. 22 of the Annual Report.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.-

Consultation with stakeholders on Environmental, Social, and Governance topics are delegated to the departments within the organization who are also responsible for engaging with stakeholders continually.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Aster DM Foundation was set up along with our Aster Volunteers program through which the Company continuously engages with local communities and social groups for receiving inputs.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.-

The details can be accessed on our Aster Volunteers website: at <https://www.asterdmhealthcare.com/aster-volunteers>

PRINCIPLE 5 Businesses should respect and promote human rights**Essential Indicators**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:
Every employee is part of new-hire onboarding and every employee is expected to undergo mandatory training awareness on the Aster Code of Conduct which is available for all employees. Please refer principle 3 sno.8 of the Report.
- Details of minimum wages paid to employees in the following format:

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	%. (B/A)	No. (c)	%. (C/A)		No. (E)	%. (E/D)	No. (F)	%. (F/D)
Employees										
Permanent										
Male	3,919	2,351	60%	1,568	40%	3,133	1,879	60%	1,254	40%
Female	6,677	4,006	60%	2,671	40%	5,438	3,262	60%	2,176	40%
Other										
Permanent										
Male	1,130	1,130	100%	0	0%	920	920	100%	0	0%
Female	1,083	1,083	100%	0	0%	883	883	100%	0	0%

Note: This information is provided for employees in India only.

- Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category

Board of Directors (BoD)

Key Managerial Personnel

Employees other than BoD and KMP

Refer Particulars of Employees section of Annual report on page no. 116

- Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)-

Yes, an Ethics Committee comprising of senior members of staff that meet on a monthly basis to oversee group employees grievance related escalations.

- Describe the internal mechanisms in place to redress grievances related to human rights issues -

Aster DM Healthcare strives to create and maintain an inclusive environment where all employees feel heard, empowered and respected. We encourage our employees to share their concerns & grievances with us through the appropriate channels and forums to help us address them in a timely manner without fear of reprisal while continuing to improve our people practices. Employee grievance can be defined as any concern or challenge that an employee is facing at the workplace including dissatisfaction, behavioral concerns, psychological concerns and/or any issues pertaining to power dynamics. Being a listening organization, we have multiple channels for employees to raise concerns. These range from unit level grievance committees, whistle blower channel, anti-sexual harassment channel, to the corporate employee wellbeing and grievances channel. These are governed by the whistle blowing policy, anti-sexual harassment policy,

anti-discrimination policy and the code of conduct policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment*	16	0		10	0	
Discrimination at workplace	134	0		108	0	
Child Labour	0	0		0	0	
Forced Labour / Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	14 (involuntary separation)			16 (involuntary separation)		

Note: Total employee grievances from April 2021-March 2022 that came to the whistle blower channel were : 20

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

As stated in our anti sexual harassment policy: Regardless of the outcome of a complaint made in good faith, the Employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the Employee or the witness are not victimized or discriminated against by the Respondent. Any unwarranted pressures, retaliatory or any other type of unethical behavior from the Respondent against the Employee while the investigation is in progress should be reported by the complainant to the Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)-Yes
9. Assessment for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company has an Ethics Committee which regularly reviews these issues and provides corrective action if necessary.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above- There are no significant risks/concern that have been identified by the Ethics Committee.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints- None
- Details of the scope and coverage of any Human rights due-diligence conducted. Not applicable
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? -Yes
- Details on assessment of value chain partners:
During the year the Company has not conducted any assessment of value chain partners.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.- Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A)	93,692.10 MWH	110.65 GWh
Total fuel consumption (B)	Diesel: 312 KL Petrol: 73 KL LPG: 211,085 KG	Diesel: 63 KL Petrol: 4 KL LPG: 106,882 KG
Energy consumption through other sources (C)	41,700	53,860
Total energy consumption (A+B+C)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	9.14 (MWh/crores of INR)	12.86 (MWh/crores of INR)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company is in the process of obtaining assurance from KPMG Assurance and Consulting Services LLP.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.- No
3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	8,807	1,825
(ii) Groundwater	115,326	43,800
(iii) Third party water	282,095	
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	406,228	45,625
Total volume of water consumption (in kilolitres)	1,001,019	920,360
Water intensity per rupee of turnover (Water consumed / turnover)	97.63	106.919

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company is in the process of obtaining assurance from KPMG Assurance and Consulting Services LLP.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.- No
5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:
This will be made available in the BRSR report from financial year 2022-23
6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if	tonnes of CO2 equivalent	Petrol: 176 Diesel: 956 LPG: 380	Petrol: 9.952 Diesel: 192.521 TOTAL: 202.473
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if	tonnes of CO2 equivalent	59,755	64,589
Total Scope 1 and Scope 2 emissions per rupee of turnover		5.975	7.526

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company is in the process of obtaining assurance from KPMG Assurance and Consulting Services LLP.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Our commitment to waste management is reflected in several activities we undertake to reduce the impact of waste generated from our operations. In order to effectively treat the sewage generated at our hospitals, we have installed several sewage treatments plants (STPs).

The aim was not only to treat our sewage before disposal but to cut down our water consumption at these hospitals. Further, we have identified means to reuse our treated water for the following purposes:

- 13 STPs at Aster
- Total capacity of 3,405 KLD
- 268,982 Kiloliters of water recycled at Aster

8. Provide details related to waste management by the entity

These details will be made available in our Business Responsibility and Sustainability Report from FY 2022-23 onwards.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.-

Aster DM Healthcare has well established waste management practices adopted by the whole organization. The main intention of these practices is to identify, segregate and further recycle the waste generated as part of our operations. Currently we have a network of different vendors and various procedures for the collection and recycling of recyclable materials like metals, old newspapers, plastic cans, plastics and waste cartons.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Aster Medcity, Cheranalloor Village, Kanayannur Taluk, Ernakulam District, Kerala State, India – 682027	Hospital, Healthcare Industry	Yes

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details

of all such non-compliances, in the following format: Yes

Leadership Indicators

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources.
These details will be made available in our Business Responsibility and Sustainability Report from FY 2022-23 onwards.
- Provide the following details related to water discharged:
These details will be made available in our Business Responsibility and Sustainability Report from FY 2022-23 onwards.
- Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):
These details will be made available in our Business Responsibility and Sustainability Report from FY 2022-23 onwards.
- Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tonnes of CO ₂ equivalent	417.33	439.93
Total Scope 3 emissions per rupee of turnover		0.04 (tCO ₂ e/crores of INR)	0.05 (tCO ₂ e/crores of INR)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. The Company is in the process of obtaining assurance from KPMG Assurance and Consulting Services LLP.

- With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
There has been no significant direct or indirect impact on biodiversity.
- If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Sewage Treatment Plant Installed	As part of our commitment to SDG Goal 6 – Clean Water and Sanitation, we have installed 13 Sewage Treatment Plants and further reuse this treated water for Flushing, Horticulture and Cooling Tower purposes.	The following breakup shows the treated water utilized for various purposes: - Flushing: 6,122,130 Liters - Horticulture: 229,865,660 Litres - Cooling Tower: 32,995,000 Litres

- Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.-
Each facility has a Disaster Recovery Plan (DRP) for addressing facility related disasters such as earthquakes, sandstorms, flood, explosions, power outages etc. Vertical risk assessment register is aligned with HVA and Risks against all hazards identified shall be identified in the Vertical Risk Assessment Register. Disaster Management Plan and related policy is periodically reviewed and updated for recommendation made by DHA. Half yearly process of risk assessment and risk register in place to review and update with last review and next review date.
- Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation

measures have been taken by the entity in this regard- Not applicable.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.- Nil.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. Six
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ Associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Healthcare Providers – India (AHPI)	National
2	Healthcare Federation of India (NATHEALTH)	National
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Confederation of Indian Industry (CII)	National
5	Kerala Private Hospital Association (KPHA)	State
6	Private Hospitals & Nursing Homes Association (PHANA)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities. Not applicable.

Leadership Indicators

1. Details of public policy positions advocated by the entity: Nil

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA Notification No.	Date of Notification	Whether conducted by Independent external agency (Yes/ No)	Results Communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of the project for which R & R is ongoing	State	District	No of project affected families (PAF's)	% of PAF's covered by R & R	Amounts paid to PAF's in the FY (in INR)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community

Aster DM Healthcare strives to create and maintain an inclusive environment where all stakeholders feel heard and respected. Being a listening organization, we have whistle blower channel to receive and redress grievances of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2021-22	FY 2020-21
Directly sourced from MSMEs/ small producers	3.56%	3.09%
Sourced directly from within the district and neighbouring districts	85.70%	93.79%

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not applicable
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Please refer CSR Report of this Annual Report at page no 121.
- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)-
No. The Company has a procurement policy. In healthcare setup quality compliance is the only parameter that is adhered to.
- Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Nil
- Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. Nil
- Details of beneficiaries of CSR Projects: Please refer CSR Report of this Annual Report page no. 66.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Consumer Complaints received in the form of legal notices or litigations which is sent to the registered office of the Company. A peer review of the allegations made by the Patients/Consumers is done with the help of the Clinical Excellence Team and based on the outcome of the peer review, response to the legal notice is provided within the framework of law.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: Not applicable
- Number of consumer complaints in respect of the following:

	FY 2021-22		FY 2020-21	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy				
Advertising				
Cyber-security		Nil		Nil
Delivery of essential services				
Restrictive trade practices				

- Details of instances of product recalls on account of safety issues: Nil
- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
Yes, cyber security and risks related to data privacy are part of Risk Management Policy and reviewed and monitored by the Risk Management Committee.
- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.-Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).-
<https://www.asterdmhealthcare.com/about-us/>
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
Not applicable as we are in healthcare services.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services-
All communications will be made via the Public Relations team in Corporate head quarters and key messages to consumers will be passed on via them.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. -No.
Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) -Yes.
5. Provide the following information relating to data breaches:
 - a. Number of instances of data breaches along-with impact- Nil
 - b. Percentage of data breaches involving personally identifiable information of customers- Nil

Independent Auditor's Report

To
The Members of
Aster DM Healthcare Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aster DM Healthcare Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Evaluation of Impairment Assessment of Investment in Subsidiaries and Associates</p> <p>As at 31 March 2022, the Company had INR 2,166.03 crores of investments in subsidiaries and associates. The management tests such investments for impairment annually or more frequently, if there is a trigger for assessing impairment. The Company's evaluation of impairment of its investments in subsidiaries and associates involves a comparison of its expected recoverable values against its carrying values. The recoverable amount of the investment is based on Value in Use (VIU) calculations determined based on a discounted cash flow model. Determination of VIU involves significant estimates, assumptions and judgements as regards reasonableness of assumptions involved in developing projections of financial performance and discount rates to be considered, including possible impacts of the pandemic.</p>	<p>Principal audit procedures performed:</p> <p>We tested the design, implementation and operating effectiveness of internal controls over the Company's impairment evaluation by testing on a sample basis:</p> <ul style="list-style-type: none"> The forecasting process including controls related to the development of the revenue growth rates and EBITDA margins The impairment review specifically the assumptions used to develop the terminal growth rate, the discount rates and the mathematical accuracy of the workings and basis for final conclusion. <p>We received the managements evaluation of the impairment assessment for sample investments and evaluated reasonableness of management's assumptions related to revenue growth rates, EBITDA margins and discount rates by considering (i) the current and past performance of each of the investments, (ii) the consistency of internal assumptions with external market information and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit and also (iv) subjected the various assumptions to certain sensitivity to key inputs and (v) testing the integrity and mathematical accuracy of the impairment models.</p>

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Given the above complexities, the determination of recoverable amount is subjective as it involves specific assumptions applicable to each investment which includes revenue growth rates, Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) margins, terminal growth rates and discount rates applied to estimated future cash flows.</p> <p>Refer note 3.4 for policy on "Impairment of financial assets"- Investments, note 2.4 on "Use of estimates and judgements" related to impairment reviews and note 6 "Investments" for disclosures related to impairment review of investments in the standalone financial statements.</p>	<p>We involved our internal fair value specialists to assist in the evaluation of the appropriateness of the Company's model for calculating value in use for each of the investments and reasonableness of certain significant assumptions, such as terminal growth rate and discount rate. We reviewed the investments disclosed in the standalone financial statements in accordance with the Companies Act, 2013.</p>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, Management Discussion & Analysis, Business Responsibility Report and Corporate Governance Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration No. 0080725)

Jaideep S. Trasi

(Partner)

(Membership No. 211095)

(UDIN: 22211095AJMZLY3283)

Bengaluru, 24 May 2022

ANNEXURE “A” to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of Aster DM Healthcare Limited (“the Company”) as of 31 March 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting

to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components

of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration No. 0080725)

Jaideep S. Trasi

(Partner)

(Membership No. 211095)

(UDIN: 22211095AJMZLY3283)

Bengaluru, 24 May 2022

ANNEXURE “B” to the Independent Auditor’s Report

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, and right-of-use assets so to cover all the items in a phased manner over a period of 2 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment, capital work-in-progress, and right-of-use assets were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022, for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion

and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of INR 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets.
- (iii) The Company has made investments in, provided guarantee and unsecured granted loans to companies and Limited Liability Partnerships during the year, in respect of which:

- (a) The Company has provided unsecured loans and stood guarantee during the year and details of which are given below:

Class of assets	Loans (INR crores)	Guarantees (INR crores)
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	47.08	55.00
- Associates	27.66	-
B. Balance outstanding as at balance sheet date: *		
- Subsidiaries	194.81	319.50
- Associates	28.07	-

* The amounts reported are at gross amounts, without considering provisions made.

- (b) The investments made, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company’s interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) of the Order is not applicable.

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

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of healthcare services rendered. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and

Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2022, for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022, on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (financial year)	Amount involved (INR crores)	Amount remaining unpaid (INR crores)
Income Tax Act, 1961	Income tax	Commissioner of Income Tax Appeals	2011-12	0.18	0.14
Income Tax Act, 1961	Income tax	Commissioner of Income Tax Appeals	2013-14	19.78	14.63
Income Tax Act, 1961	Income tax	Commissioner of Income Tax Appeals	2014-15	4.58	2.29

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken

- any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and the draft of the internal audit reports issued after the balance sheet date for the period under audit.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of its subsidiary or associate companies or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 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. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**

Chartered Accountants
(Firm's Registration No. 008072S)

Jaideep S. Trasi

(Partner)

(Membership No. 211095)

(UDIN: 22211095AJMZLY3283)

Bengaluru, 24 May 2022

Standalone Balance Sheet as at 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	759.60	813.56
Right-of-use assets	39	251.51	192.08
Capital work-in-progress	4	22.91	9.31
Other intangible assets	5	2.15	3.26
Intangible assets under development	5	-	1.59
Financial assets			
Investments	6	2,166.03	2,150.65
Loans	11	209.39	89.72
Other financial assets	12	60.69	53.13
Income tax assets (net)	31	68.67	64.27
Other non-current assets	13	21.27	12.80
Total non-current assets		3,562.22	3,390.37
Current assets			
Inventories	7	23.63	19.53
Financial assets			
Trade receivables	8	61.55	42.92
Cash and cash equivalents	9	18.27	6.79
Other bank balances	10	6.75	10.80
Loans	11	-	44.94
Other financial assets	12	76.15	56.63
Other current assets	13	13.43	16.64
Total current assets		199.78	198.25
Total assets		3,762.00	3,588.62
Equity and liabilities			
Equity			
Equity share capital	14	497.22	497.04
Other equity	15	2,457.99	2,367.07
Equity attributable to the owners of the company		2,955.21	2,864.11
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	105.05	115.08
Lease liabilities	39	315.84	237.41
Provisions	19	7.40	6.72
Deferred tax liabilities (net)	30	16.35	16.35
Other non-current liabilities	20	19.31	21.14
Total non-current liabilities		463.95	396.70
Current liabilities			
Financial liabilities			
Borrowings	16	92.76	52.81
Lease liabilities	39	6.87	11.84
Trade payables	17	-	-
- Total outstanding dues of micro and small enterprises		1.10	0.94
- Total outstanding dues of creditors other than micro and small enterprises		128.72	136.37
Other financial liabilities	18	99.62	114.07
Other current liabilities	20	12.54	10.79
Provisions	19	1.23	0.99
Total current liabilities		342.84	327.81
Total equity and liabilities		3,762.00	3,588.62

The accompanying notes form an integral part of these standalone financial statements - Note 1 to 47

As per our report of even date attached

for **Deloitte Haskins and Sells**
Chartered Accountants
Firm registration number: 0080725

Jaideep S. Trasi
Partner
Membership No.: 211095
Bengaluru
24 May 2022

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Dr. Azad Moopen
Chairman and Managing Director
DIN 00159403
Dubai
24 May 2022

Sreenath Reddy
Chief Financial Officer
Dubai
24 May 2022

T J Wilson
Director
DIN 02135108
Dubai
24 May 2022

Hemish Purushottam
Company Secretary
Membership No : A24331
Dubai
24 May 2022

Standalone Statement of Profit and Loss for the period ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	21	1,116.47	746.54
Other income	22	82.20	21.63
Total income		1,198.67	768.17
Expenses			
Purchases of medicines and consumables	23	277.64	181.66
Changes in inventories	24	(4.10)	4.22
Professional fee paid to doctors	25	248.24	177.18
Laboratory outsourcing charges	26	44.74	28.54
Employee benefits expense	27	172.09	143.78
Finance costs	28	44.02	36.50
Depreciation and amortisation expenses	29	98.72	95.00
Other expenses	30	227.36	169.33
Total expenses		1,108.71	836.21
Profit / (Loss) before tax		89.96	(68.04)
Tax expense	31		
Current tax		-	-
Current tax for earlier years		-	-
Deferred tax		(0.22)	0.74
Total tax expense		(0.22)	0.74
Profit / (Loss) for the year		90.18	(68.78)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability		0.68	0.01
Income tax relating to items that will not be reclassified to profit or loss		(0.22)	-
Total comprehensive income / (loss) for the year		90.64	(68.77)
Earnings/ (Loss) per share (equity share of face value of INR 10 each)	33		
Basic		1.81	(1.38)
Diluted		1.81	(1.38)

The accompanying notes form an integral part of these standalone financial statements - Note 1 to 47

As per our report of even date attached

for **Deloitte Haskins and Sells**

Chartered Accountants

Firm registration number: 0080725

Jaideep S. Trasi

Partner

Membership No.: 211095

Bengaluru

24 May 2022

for and on behalf of the Board of Directors of

Aster DM Healthcare Limited

CIN : L85110KA2008PLC147259

Dr. Azad Moopen

Chairman and Managing Director

DIN 00159403

Dubai

24 May 2022

Sreenath Reddy

Chief Financial Officer

Dubai

24 May 2022

T J Wilson

Director

DIN 02135108

Dubai

24 May 2022

Hemish Purushottam

Company Secretary

Membership No : A24331

Dubai

24 May 2022

Standalone Statement of Cash Flows

for the period ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities		
Profit / (Loss) for the year	90.18	(68.78)
Adjustments for		
Tax expense	(0.22)	0.74
Depreciation and amortisation expenses	98.72	95.00
Finance costs	44.02	36.50
Loss on fair valuation of put option (net)	-	14.55
Dividend on non-current investments	(54.84)	-
Interest income under the effective interest method	(19.96)	(14.73)
Interest income	(0.77)	(0.93)
Allowances for credit losses on financial assets	5.15	0.55
Equity settled share based payment expense	(0.94)	0.59
Loss on disposal of property, plant and equipment (net)	0.12	0.36
Operating cash flows before movements in working capital	161.46	63.85
Movements in working capital		
(Increase)/decrease in trade receivables	(23.78)	1.31
(Increase)/decrease in inventories	(4.10)	4.22
(Increase)/decrease in other financial assets and other assets	(77.02)	(46.48)
Increase/(decrease) in trade payables	(7.49)	21.03
Increase/(decrease) in provisions	1.60	0.79
Increase/(decrease) in other liabilities	(14.33)	6.41
Cash generated from operating activities	36.34	51.13
Taxes paid, net of refund received	(4.40)	(9.47)
Net cash generated from operating activities (A)	31.94	41.66
Cash flows from investing activities		
Movement in other bank balances and restricted deposits	3.14	6.52
Investments in subsidiaries	(15.38)	(0.23)
Interest received	0.88	1.52
Dividend received	54.84	-
Acquisition of intangible assets	(1.01)	(1.67)
Acquisition of property, plant and equipment	(45.99)	(44.50)
Proceeds on disposal of property, plant and equipment	0.17	0.29
Net cash (used in) investing activities (B)	(3.35)	(38.07)
Cash flows from financing activities		
Proceeds from issue of equity shares	0.58	0.79
Expenses for buyback of equity shares	-	(0.97)
Payment of lease liabilities	(30.95)	(18.39)
Finance cost	(16.66)	(16.50)
Long term secured loans availed	-	86.00
Long term secured loans repaid	(0.26)	(4.49)
Current borrowings (repaid)/availed, net	30.18	(58.79)
Net cash (used in) financing activities (C)	(17.11)	(12.35)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	11.48	(8.76)
Cash and cash equivalents at the beginning of the year	6.79	15.55
Cash and cash equivalents at the end of the year (Refer Note 9)	18.27	6.79

Standalone Statement of Cash Flows for the period ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Changes in liabilities arising from financing activities for the year ended 31 March 2022

Particulars	As at 1 April 2021	Cash flows	Non cash changes		As at 31 March 2022
			Fair value/ other changes	Foreign exchange	
Non-current borrowings (including current maturities)	129.18	(0.26)	-	-	128.92
Current borrowings	38.71	30.18	-	-	68.89
Lease liabilities	249.25	(30.95)	104.41	-	322.71
Total	417.14	(1.03)	104.41	-	520.52

Changes in liabilities arising from financing activities for the year ended 31 March 2021

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 1 April 2021
			Fair value/ other changes	Foreign exchange	
Non-current borrowings (including current maturities)	47.67	81.51	-	-	129.18
Current borrowings	97.50	(58.79)	-	-	38.71
Lease liabilities	203.82	(18.39)	63.82	-	249.25
Total	348.99	4.33	63.82	-	417.14

The accompanying notes form an integral part of these standalone financial statements - Note 1 to 47

As per our report of even date attached

for **Deloitte Haskins and Sells**

Chartered Accountants

Firm registration number: 0080725

Jaideep S. Trasi

Partner

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Bengaluru

24 May 2022

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24 May 2022

Hemish Purushottam

Company Secretary

Membership No : A24331

Dubai

24 May 2022

Standalone Statement of Changes in Equity

for the period ended 31 March 2022

All amounts in INR crores, unless otherwise stated

A Equity share capital

Particulars	Note	No. of equity shares (In Crores)	Amount
Balance as at 1 April 2020		49.68	496.80
Changes in equity share capital during 2020-21	14	0.02	0.24
As at 31 March 2021		49.70	497.04
Changes in equity share capital during 2021-22	14	0.02	0.18
As at 31 March 2022		49.72	497.22

B Other equity

Particulars	Reserves and surplus (refer Note 15)				Equity component of compulsorily convertible preference shares (refer Note 15)	Items of other comprehensive income (refer Note 15)	Total other equity attributable to equity holders of the Company
	Securities premium	Capital redemption reserve	General reserve	Share options outstanding account			
Balance as at 1 April 2020	374.38	2,198.79	5.71	7.04	10.76	(162.88)	2,433.80
Total comprehensive income for the year ended 31 March 2021	-	-	-	-	-	(68.78)	(68.78)
(Loss) for the year	-	-	-	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	-	-	-	0.01	0.01
Total comprehensive income / (loss)	-	-	-	-	-	(68.78)	(68.77)
Transferred to retained earnings	-	-	-	-	-	0.01	-
Transactions recorded directly in equity	-	-	-	-	-	-	-
Equity settled share based payment expense	-	-	-	2.46	-	-	2.46
Allotment of equity shares by ESOP Trust	-	1.26	-	-	-	-	1.26
Buyback expenses	-	-	-	-	-	(0.97)	(0.97)
Issue of equity shares	-	-	-	(0.71)	-	-	(0.71)
Total transactions recorded directly in equity	-	1.26	-	1.75	(0.96)	(0.01)	2.04
Balance as at 31 March 2021	374.38	2,200.05	5.71	7.04	12.51	(232.62)	2,367.07

Standalone Statement of Changes in Equity

for the period ended 31 March 2022

All amounts in INR crores, unless otherwise stated

B Other equity

Particulars	Equity component of compulsorily convertible preference shares (refer Note 15)		Reserves and surplus (refer Note 15)				Items of other comprehensive Income (refer Note 15)		Total other equity attributable to equity holders of the Company
	Securities premium	Capital redemption reserve	General reserve	Share options outstanding account	Retained earnings	Remeasurement of net defined benefit liability/(asset), net of tax			
Balance as at 1 April 2021	374.38	2,200.05	5.71	7.04	12.51	(232.62)	-	2,367.07	
Total comprehensive income for the year ended 31 March 2022	-	-	-	-	-	90.18	-	90.18	
Profit for the year	-	-	-	-	-	90.18	-	90.18	
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	0.46	0.46	
Total comprehensive income	-	-	-	-	-	90.18	0.46	90.64	
Transferred to retained earnings	-	-	-	-	-	0.46	(0.46)	-	
Transactions recorded directly in equity	-	-	-	-	-	-	-	-	
Equity settled share based payment expense	-	-	-	-	(0.12)	-	-	(0.12)	
Allotment of equity shares by ESOP Trust	-	0.40	-	-	-	-	-	0.40	
Issue of equity shares	-	-	-	-	-	-	-	-	
Total transactions recorded directly in equity	-	0.40	-	-	(0.12)	0.46	(0.46)	0.28	
Balance as at 31 March 2022	374.38	2,200.45	5.71	7.04	12.39	(141.98)	-	2,457.99	

The accompanying notes form an integral part of these standalone financial statements - Note 1 to 47

As per our report of even date attached

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24 May 2022

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Membership No : A24331
Dubai
24 May 2022

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

1. Company overview

Aster DM Healthcare Limited ("the Company") primarily carries on the business of rendering healthcare and allied services in India. The Company is a public limited company and is listed on the BSE Limited (Formerly known as Bombay Stock Exchange Limited) and National Stock Exchange Limited. The registered office of the Company was moved from Kochi, Kerala, India to Bangalore, Karnataka, India with effect from 10 May 2021.

The Company is primarily involved in the operations of healthcare facilities, retail pharmacies, and providing consultancy in areas relating to healthcare. The Company has subsidiaries in United Arab Emirates ('UAE'), Kingdom of Saudi Arabia (KSA), Oman, Qatar, Jordan, Bahrain, Cayman Islands and India.

2. Basis of preparation

2.1 Statement of compliance

These standalone financial statements (the 'financial statements') have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant amended rules prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder.

On 24 March 2021 the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from 1 April 2021. The Company has evaluated the effect of the amendments on its financial statements and complied with the same.

These financial statements were authorised for issuance by the Company's Board of Directors on 24 May 2022.

The Company's significant accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are presented in Indian Rupees in crores, unless otherwise stated.

2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities (including derivatives instruments);
- ii. Liabilities for equity-settled share-based payment arrangements; and
- iii. Net defined benefit (asset)/ liability.

2.4 Use of estimates and judgements

In preparing these financial statements, the Management has made judgements, 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 by the Management on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year ended 31 March 2022 is included in the following notes:

- Note 4 and 5 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 6 - Impairment of investment in subsidiaries and associates;
- Note 38 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 31 - Recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;
- Note 32 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 37 - Impairment of financial assets;
- Note 39 - Leases;
- Note 40 - Employee share-based payment expenses.

Estimation uncertainties relating to COVID-19

The Company adopted various measures to ensure business continuity with minimal disruption and has considered available internal and external information upto the date of approval of the financial statements by the Board of Directors. The Company has used the principles of prudence in applying judgements,

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

estimates and assumptions including sensitivity analysis and the Company has evaluated impact of the pandemic in assessing the recoverability of property plant and equipment (including capital work-in-progress), investments, intangibles, inventories, receivables and other assets based on its review of current indicators of future economic conditions. Based on current estimates, including the availability of financing facilities for maintaining liquidity, the Company expects to fully recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from that which has been estimated as on the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any, and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Company's audit committee. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:

- Share-based payment arrangements;
- Financial instruments; and
- Fair value of property, plant and equipment and intangible assets.

2.6 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

- a) Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.
- b) Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any significant impact in its recognition of its property, plant and equipment in its financial statements.
- c) Ind AS 37 – Onerous Contracts - Costs of fulfilling a contract
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.
- d) Ind AS 109 – Annual improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Company does not expect the amendment to have any significant impact in its financial statements.

3. Significant accounting policies

3.1 Property, plant and equipment

i. Recognition and measurement

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

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under other non-current assets. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii. Subsequent expenditure and derecognition

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

iii. Depreciation

Depreciation on property, plant and equipment are provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. The estimated useful lives of items of property, plant and equipment for the current and comparative years are as follows:

Class of assets	Useful life (in years)
Buildings	60
Plant and equipment	15
Medical equipment*	10-13
Motor vehicles *	5
Computer equipment	3
Servers and networks	6
Furniture and fixtures *	5-10
Electrical equipment	10

* For the above-mentioned classes of assets, the Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice, where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

3.2 Intangible assets

Intangible assets – acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use and is included in depreciation and amortisation expenses in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

The estimated useful lives for the current and comparative years are as follows:

Class of assets	Useful life (in years)
Software	3
Trademarks	3

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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

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

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises purchase price, and other cost incurred in bringing the inventories to their present location and condition. The Company uses the weighted average method to determine the cost of inventory consisting of medicines and medical consumables.

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

3.4 Impairment

i. Impairment of financial assets

The Company recognises loss allowances for expected credit losses ('ECL') on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost 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.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

of both the current as well as the forecast direction of conditions at the reporting date.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the standalone balance sheet:

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

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

ii. Impairment of non- financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment loss, if any.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) 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 pre-tax discount rate that reflects current market assessments of

the time value of money and the risks specific to the CGU (or the asset).

Intangible assets, intangible assets under development and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount i.e., the higher of the fair value less cost to sell and the value-in-use is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3.5 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts.

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The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Defined Benefit plans

Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income (OCI) in the period in which they occur. Remeasurements of the net defined benefit liability (asset) recognised in other comprehensive income shall not be reclassified to statement of profit and loss in a subsequent period. However, the Company transfers those amounts recognised in other comprehensive income within equity. The Company determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

Other long term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in other comprehensive income in the period in which they arise.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the

estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

3.6 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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 recognises any impairment loss on the assets associated with that contract.

3.7 Revenue

The Company generates revenue from rendering of medical and healthcare services, sale of medicines and other related activities. Ind AS 115, Revenue from Contracts with Customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. In calculating the variable considerations, the Company considers the nature and coverage through insurance and other parties, the history of adjustments and rejections, and the probability of rejections, discounts, rebates, price concessions, or other similar items.

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Disaggregation of revenue

The Company disaggregates revenue from hospital services (medical and healthcare services), sale of medicines and other operating income. The Company believes that this disaggregation best depicts how the nature, amount, timing and certainty of Company's revenues and cash flows are affected by industry, market and other economic factors.

Contract balances

The Company classifies the right to consideration in exchange for sale of services where invoice is raised as trade receivables, where invoice has not been raised as unbilled revenue and advance consideration as advance from customers.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. The following details provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

(a) Medical and healthcare services

The Company's revenue from medical and healthcare services comprises of income from hospital services.

Revenue from hospital services to patients is recognised as revenue when the related services are rendered unless significant future uncertainties exist. Revenue is also recognised in relation to the services rendered to the patients who are undergoing treatment/observation on the balance sheet date to the extent of the services rendered. Revenue is recognised net of discounts, concessions given to the patients and estimated disallowances for patients covered under insurance.

Unbilled receivable represents value to the extent of medical and healthcare services are rendered to the patients who are undergoing treatment/observation on the balance sheet date and is not billed as at the balance sheet date.

(b) Sale of medicines

Revenue from sale of medical consumables and medicines within the hospital premises is recognised when the control in the goods are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount of revenue

recognised is net of sales returns, taxes and duties, wherever applicable.

(c) Other operating income

The Company's revenue from other operating income comprises primarily of canteen sales (sales of food and beverages), revenue from courses conducted at the hospital, income from revenue sharing agreements.

Revenue from services rendered is based on the agreements/arrangements with the customers as the service is performed. Income from sale of food and beverages is recognised at a point in time when control is transferred.

3.8 Foreign currency transactions

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the statement of profit and loss.

3.9 Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

i. Company as a lessee

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

The Company recognises right-of-use asset representing

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its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

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

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

ii. Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

iii. Impact of COVID-19

The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors are long term in nature and changes in terms of those leases expected due to the COVID-19 are not expected to have impact in the financial statements for the year ended 31 March 2022.

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The Company has adopted the amendments to Ind AS 116 for the first time in the previous year (FY 2020-21). The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022); and
- (c) There is no substantive change to other terms and conditions of the lease.

The Company has applied the practical expedient retrospectively to all eligible rent concessions and has not restated prior period figures.

3.10 Recognition of dividend income, interest income or interest expense

Dividend income is recognised in the standalone statement of profit and loss on the date on which the right to receive payment is established.

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the transactional interest rates.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

3.11 Income tax

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

i. Current tax

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

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

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable

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All amounts in INR crores, unless otherwise stated

profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

3.12 Borrowing cost

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

3.13 Financial instruments

i. Recognition and initial 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 or financial liability is initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets

and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss – FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as either at amortised cost, FVTPL or fair value through other comprehensive income (FVOCI).

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

A financial asset is measured at amortised cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI equity investment). This election is made on an investment-by-investment basis.

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

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way

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the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice. These include whether Management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets: Subsequent measurement and gains and losses

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

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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

iv. Offsetting

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

v. Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in the statement of profit and loss.

3.14 Earnings / (Loss) per share

The basic earnings / (loss) per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive, i.e., which reduces earnings per share or increases loss per share are included. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

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3.15 Cash-flow statement

Cash flows are reported using the indirect method, whereby 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 regular revenue generating, investing and financing activities of the Company are segregated.

3.16 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Company receives grants relating to assets, including non-monetary grants, the asset and the related grants are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

3.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.18 Operating segments

The Company publishes the standalone financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

3.19 Operating cycle

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

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4 Property, plant and equipment and capital work-in-progress

4.1 Property, plant and equipment

Particulars	Freehold land	Buildings*	Leasehold improvements	Furniture and fixtures	Electrical equipment	Plant and equipment	Computer equipment	Medical equipment	Servers and networks	Motor vehicles	Total
Gross carrying value											
Balance as at 1 April 2020	109.86	264.50	96.46	56.41	32.34	68.14	14.40	514.26	8.64	4.15	1,169.16
Additions	0.14	0.48	23.88	1.12	0.04	3.59	2.52	12.02	0.20	-	43.99
Disposals	-	0.12	0.84	0.11	0.02	0.07	0.26	0.34	-	-	1.76
Balance as at 31 March 2021	110.00	264.86	119.50	57.42	32.36	71.66	16.66	525.94	8.84	4.15	1,211.39
Balance as at 1 April 2021	110.00	264.86	119.50	57.42	32.36	71.66	16.66	525.94	8.84	4.15	1,211.39
Additions	0.11	0.29	3.24	1.86	0.79	1.04	2.56	14.81	0.59	0.05	25.34
Disposals	-	0.03	-	0.03	-	-	-	0.46	-	0.01	0.53
Balance as at 31 March 2022	110.11	265.12	122.74	59.25	33.15	72.70	19.22	540.29	9.43	4.19	1,236.20
Accumulated depreciation											
Balance as at 1 April 2020	-	16.88	44.80	35.35	20.68	31.43	10.82	150.50	7.39	3.05	320.90
Charge for the year	-	4.14	14.86	4.74	2.25	3.90	1.75	45.17	0.77	0.47	78.05
Eliminated on disposals	-	0.01	0.57	0.09	0.01	0.05	0.21	0.18	-	-	1.12
Balance as at 31 March 2021	-	21.01	59.09	40.00	22.92	35.28	12.36	195.49	8.16	3.52	397.83
Balance as at 1 April 2021	-	21.01	59.09	40.00	22.92	35.28	12.36	195.49	8.16	3.52	397.83
Charge for the year	-	3.60	15.07	4.65	2.28	3.94	2.47	46.32	0.42	0.27	79.02
Eliminated on disposals	-	0.03	-	0.03	-	-	-	0.19	-	-	0.25
Balance as at 31 March 2022	-	24.58	74.16	44.62	25.20	39.22	14.83	241.62	8.58	3.79	476.6
Net carrying value											
As at 31 March 2022	110.11	240.54	48.58	14.63	7.95	33.48	4.39	298.67	0.85	0.40	759.60
As at 31 March 2021	110.00	243.85	60.41	17.42	9.44	36.38	4.30	330.45	0.68	0.63	813.56

* The Company has entered into joint development agreement on 1 April 2014, with its subsidiary, DM Medcity Hospitals (India) Private Limited ('DM Medcity'), for construction and development of its Medcity hospital project (Phase I and Phase II). Under the agreement, the Company is required to make certain payments / deposits to the subsidiary based on which the Company has been given the right to enter into and construct part of the Phase I of the project on lands owned by DM Medcity. The agreement also states that DM Medcity is required to make certain payments / deposits to the Company based on which DM Medcity has been given the right to enter into and construct part of the Phase II of the project on lands owned by the Company. The agreement envisages that Phase I of the project will be owned by the Company and Phase II of the project will be owned by DM Medcity.

Notes:

For details of property, plant and equipment pledged, refer Note 16.

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4.2 Capital work-in-progress (CWIP)

4.2.1 Ageing schedule of CWIP

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
Projects in progress	14.01	0.86	1.02	7.02	22.91
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2022	14.01	0.86	1.02	7.02	22.91
Balance as at 31 March 2021					
Projects in progress	1.27	1.03	0.83	6.18	9.31
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021	1.27	1.03	0.83	6.18	9.31

4.2.2 As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost compared to its revised plan.

5 Other intangible assets and intangible assets under development

5.1 Other intangible assets

Particulars	Computer software	Trade Marks	Total
Gross carrying value			
Balance as at 1 April 2020	14.55	0.11	14.66
Additions	1.67	-	1.67
Disposals	-	-	-
Balance as at 31 March 2021	16.22	0.11	16.33
Balance as at 1 April 2021	16.22	0.11	16.33
Additions	1.00	0.01	1.01
Disposals	0.02	-	0.02
Balance as at 31 March 2022	17.20	0.12	17.32
Accumulated amortisation			
Balance as at 1 April 2020	11.31	0.10	11.41
Amortisation for the year	1.65	0.01	1.66
Eliminated on disposals	-	-	-
Balance as at 31 March 2021	12.96	0.11	13.07
Balance as at 1 April 2021	12.96	0.11	13.07
Additions	2.11	-	2.11
Disposals	0.01	-	0.01
Balance as at 31 March 2022	15.06	0.11	15.17
Net carrying value			
As at 31 March 2022	2.14	0.01	2.15
As at 31 March 2021	3.26	-	3.26

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

5.2 Intangible assets under development

5.2.1 Ageing schedule of intangible assets under development

Particulars	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	
Balance as at 31 March 2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2022	-	-	-	-	-
Balance as at 31 March 2021					
Projects in progress	1.59	-	-	-	1.59
Projects temporarily suspended	-	-	-	-	-
Balance as at 31 March 2021	1.59	-	-	-	1.59

5.2.2 As on the date of the balance sheet, there are no intangible assets under development projects whose completion is overdue or has exceeded the cost compared to its revised plan.

6 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current investments, unquoted		
Investments in equity instruments of subsidiaries (at cost)		
Aster DM Healthcare (Trivandrum) Private Limited, India**	33.97	33.97
8,009,999 (31 March 2021: 8,009,999) equity shares of INR 10 each		
DM Med City Hospitals (India) Private Limited, India**	5.29	5.29
9,999 (31 March 2021: 9,999) equity shares of INR 10 each		
Prerana Hospital Limited, India	42.94	42.94
3,600,991 (31 March 2021: 3,600,991) equity shares of INR 10 each		
Ambady Infrastructure Private Limited, India**	20.84	20.84
1,501,000 (31 March 2021: 1,501,000) equity shares of INR 100 each		
Affinity Holdings Private Limited, Mauritius	*	*
1,000 (31 March 2021 : 1,000) equity shares of USD 1 each		
Sri Sainatha Multispeciality Hospitals Private Limited, India	0.01	0.01
1,000 (31 March 2021 : 1,000) Class A Equity shares of INR 10 each		
Sri Sainatha Multispeciality Hospitals Private Limited, India	58.23	58.23
5,423,062 (31 March 2021 : 5,423,062) Class B Equity shares of INR 10 each		
Malabar Institute Of Medical Sciences Limited, India	259.64	259.64
74,078,010 (31 March 2021 : 74,078,010) equity shares of INR 10 each		
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited, India	272.68	272.68
5,500,771 (31 March 2021 : 5,500,771) equity shares of INR 10 each		
Hindustan Pharma Distributors Private Limited	15.38	-
86,000 (31 March 2021 : Nil) equity shares of INR 10 each		

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	As at 31 March 2022	As at 31 March 2021
Investments in preference shares of subsidiaries (at cost)		
Affinity Holdings Private Limited, Mauritius	1,455.82	1,455.82
219,324,675 (31 March 2021 : 219,324,675) non-cumulative redeemable preference shares of USD 1 each		
Investments in equity instruments of associates (at cost)		
Alfaone Medicals Private Limited	0.23	0.23
228,572 (31 March 2021 : 228,572) equity shares of INR 10 each		
Mindriot Research and Innovation Foundation	-	-
4,900 (31 March 2021: Nil) equity shares of INR 10 each		
Capital contribution in subsidiaries (at cost)		
Aster Clinical Lab LLP	1.00	1.00
Total	2,166.03	2,150.65

* Amount is below the rounding off norms adopted by the Company.

** The investment amount includes the following deemed capital contribution on account of interest-free/lower than market interest loan provided to subsidiaries

Particulars	As at 31 March 2022	As at 31 March 2021
Aster DM Healthcare (Trivandrum) Private Limited, India	25.96	25.96
DM Med City Hospitals (India) Private Limited, India	5.28	5.28
Ambady Infrastructure Private Limited, India	1.67	1.67
Total	32.91	32.91
Aggregate carrying amount of unquoted investments	2,166.03	2,150.65

7 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
(Valued at lower of cost and net realisable value)		
Medicines and medical consumables	23.58	18.88
Stores and spares	0.05	0.65
Total	23.63	19.53
For details of inventories pledged, refer Note 16.		

8 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Current (Unsecured)		
Considered good- unsecured	70.85	51.60
Less: Loss allowance	(9.30)	(8.68)
Net trade receivables	61.55	42.92

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables from related parties	0.04	0.39
Less: Loss allowance	-	-
Net trade receivables from related parties	0.04	0.39

For details of trade receivables pledged, refer Note 16.

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 37.

8.1 Trade receivables ageing schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Undisputed trade receivables- considered good, unsecured		
Outstanding for following periods from due date of payment		
Not due	21.15	23.31
Less than 6 months	36.60	15.63
6 months - 1 year	6.90	3.37
1-2 years	2.58	2.27
2-3 years	0.80	6.21
More than 3 years	2.82	0.81
Total	70.85	51.60

8.2 Loss allowance provision matrix- default rates applied at each reporting date

Particulars	As at 31 March 2022	As at 31 March 2021
Due date to 1 year	7%-27%	7%-15%
1-2 years	27%-55%	41%-51%
More than 2 years	100%	50% - 100%

8.3 Movement of loss allowance

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	8.68	8.13
Provision of loss allowance (net)	0.62	0.55
Balance at the end of the year	9.30	8.68

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

9 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks	17.81	6.11
Cash on hand	0.46	0.68
Total	18.27	6.79

10 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balance in banks for margin money	5.60	10.39
In deposit accounts (with original maturity of more than 3 months but less than 12 months)	1.15	0.41
Total	6.75	10.80

11 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Unsecured, considered good		
Dues from related parties (refer Note 35)	209.39	89.72
Total	209.39	89.72
Current		
Unsecured, considered good		
Dues from related parties (refer Note 35)	-	44.94
Credit impaired		
Dues from related parties (refer Note 35)	13.48	13.48
Less : Loss allowance	(13.48)	(13.48)
Total	-	44.94
Total	209.39	134.66

12 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Fixed deposits	3.27	2.36
Rent and other deposits*	57.42	48.77
Advance against investment	-	2.00
Total	60.69	53.13
* Includes deposits given to related parties. Refer Note 35.		
Current		
Unsecured, considered good		
Unbilled receivables	6.24	4.21
Rent and other deposits ^	1.73	-
Dues from related parties (refer Note 35)	67.62	51.75
Interest accrued on fixed deposits with banks	0.56	0.67
Total	76.15	56.63
Total	136.84	109.76

^ The above deposits are maintained against guarantees issued by Banks and are restricted for periods exceeding 12 months as at the Balance Sheet date.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

13 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Prepaid rent*	8.89	9.81
Prepaid expenses	0.98	0.06
Advances for capital goods	11.40	2.93
Total A	21.27	12.80
Current		
Prepaid expenses	8.21	5.29
Prepaid rent*	0.94	1.85
Balance with statutory / government authorities	0.16	0.16
Advance for supply of goods and services	4.12	4.14
Insurance claim receivable	-	5.20
Total B	13.43	16.64
Total A+B	34.70	29.44

* Includes prepaid rent recognised on rent deposits given to related parties. Refer Note 35.

14 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Authorised				
Equity shares of INR 10 each	55.00	550.00	55.00	550.00
Compulsory convertible preference shares (CCPS) of INR 10 each	6.62	66.20	6.62	66.20
Total	61.62	616.20	61.62	616.20
Issued, subscribed and fully paid-up				
Equity shares of INR 10 each	49.95	499.51	49.95	499.51
Less: Equity shares of INR 10 each fully paid up issued to ESOP trust but not yet allotted to employees	(0.23)	(2.29)	(0.25)	(2.47)
Total	49.72	497.22	49.70	497.04

The Company does not have any CCPS as on 31 March 2022 and 31 March 2021.

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Equity shares of INR 10 each fully paid-up				
Balance as at the beginning of the year	49.95	499.51	49.95	499.51
Issue of equity shares	-	-	-	-
Balance as at the end of the year	49.95	499.51	49.95	499.51

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time and subject to dividend payable to preference shareholder. The voting rights of an equity shareholder on a poll (not on show of hands) is in proportion to the shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

14.3 Employee stock options

Terms attached to stock options granted to employees are described in Note 4.1 regarding employee share based payments.

14.4 Details of shareholders holding more than 5% shares of the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	%	Number of shares (in crores)	%
Equity shares of INR 10 each fully paid -up held by				
Union Investments Private Limited, Mauritius	18.69	37.41%	18.69	37.41%
Olympus Capital Asia Investments Limited, Mauritius	11.47	22.96%	11.51	23.04%
Rimco (Mauritius) Limited	5.06	10.13%	5.06	10.13%

14.5 Details of shareholding of Promoters

Promoter Name	Shares held as at 31 March 2022		Percentage change during the year ended 31 March 2022
	Number of shares (in crores)	% of total shares	
Union Investments Private Limited, Mauritius	18.69	37.41%	Nil
Dr.Azad Moopen	0.17	0.35%	
Alisha Moopen	0.02	0.04%	
Ziham Moopen	0.02	0.03%	
Naseera Azad	0.01	0.03%	
Zeba Azad Moopen	0.01	0.02%	

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.6 Shares reserved for issue under options and contracts

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Under Employee Stock Option Scheme, 2013: 49,229 (31 March 2021: 1,42,972) equity shares of INR 10 each, at an exercise price of INR 50 per share (refer Note 4.1)	0.00	0.25	0.01	0.71
Under Employee Stock Option Scheme, 2013: 4,13,380 (31 March 2021: 5,30,030) equity shares of INR 10 each, at an exercise price of INR 10 per share (refer Note 4.1)	0.04	0.41	0.05	0.53
Under Employee Stock Option Scheme, 2013: 71,145 (31 March 2021: 74,011) equity shares of INR 10 each, at an exercise price of INR 116 per share (refer Note 4.1)	0.01	0.83	0.01	0.86
Under Employee Stock Option Scheme, 2013: 4,38,539 (31 March 2021: 6,01,865) equity shares of INR 10 each, at an exercise price of INR 89 per share (refer Note 4.1)	0.04	3.90	0.06	5.36
Under Employee Stock Option Scheme, 2013: 10,800 (31 March 2021: 10,800) equity shares of INR 10 each, at an exercise price of INR 107 per share (refer Note 4.1)	0.00	0.12	0.00	0.12
Under Employee Stock Option Scheme, 2013: Nil (31 March 2021: 30,000) equity shares of INR 10 each, at an exercise price of INR 91.85 per share (refer Note 4.1)	-	-	0.00	0.28
Under Employee Stock Option Scheme, 2013: 15,000 (31 March 2021: 15,000) equity shares of INR 10 each, at an exercise price of INR 115 per share (refer Note 4.1)	0.00	0.17	0.00	0.17
Under Employee Stock Option Scheme, 2013: 57,000 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 118 per share (refer Note 4.1)	0.01	0.67	-	-
Under Employee Stock Option Scheme, 2013: 39,000 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 145.31 per share (refer Note 4.1)	0.00	0.57	-	-
Under Employee Stock Option Scheme, 2013: 39,600 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 139 per share (refer Note 4.1)	0.00	0.55	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.7 Details of bonus shares issued during the past 5 years immediately preceding 31 March 2022:

The Company has not issued bonus shares during the period of five years immediately preceding 31 March 2022.

14.8 Details of shares issued for consideration other than for cash during the past 5 years immediately preceding 31 March 2022:

The Company has not allotted any equity shares as fully paid-up without consideration being received in cash during the past 5 years immediately preceding 31 March 2022.

14.9 Details of buyback of shares during the past 5 years immediately preceding 31 March 2022:

The Company bought back 57,14,285 equity shares for an aggregate amount of INR 120 crores at INR 210 per equity share. The equity shares bought back were extinguished on 18 March 2020.

15 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021
Equity component of compulsorily convertible preference shares	374.38	374.38
- Represents the equity component of compulsorily convertible preference shares.		
Reserves and surplus		
Securities premium	2,200.45	2,200.05
- Used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.		
Capital redemption reserve	5.71	5.71
- Created out of the Securities Premium/General Reserve, a sum equal to nominal value of the share capital extinguished on buy back of fully paid up own equity shares of the Company. The amount credited to such account may be applied in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.		
General reserve	7.04	7.04
- Used from time to time to transfer profits from retained earnings for appropriate purposes.		
Share options outstanding account	12.39	12.51
- The Company has established share based payment for eligible employees of the Company and its subsidiaries. Also refer Note 4.1 for further details on these plans.		
Retained earnings	(141.98)	(232.62)
- Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Items of other comprehensive Income		
Remeasurement of net defined benefit liability/ (asset), net of tax	-	-
- Pertains to the remeasurement of the net defined benefit liability/ (asset) recognised net of tax		
Total	2,457.99	2,367.07

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

16 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Secured - at amortised cost		
Term loans from bank	105.05	115.08
Total	105.05	115.08
Current		
Unsecured - at amortised cost		
Cash credit and overdraft facilities from banks	-	1.67
Secured - at amortised cost		
Cash credit and overdraft facilities from banks	68.89	37.04
Current maturities of long term borrowings	23.87	14.10
Total	92.76	52.81
Total	197.81	167.89

Information about the Company's exposure to interest rate and liquidity risks are included in Note 37.

A Secured bank loans

Note 1: The term loans from bank (including current portion) includes Indian rupee term loan taken from Federal Bank, which carries interest at 7.25% to 8.35% p.a (linked to 1 year MCLR). These loans are originally repayable in 96 instalments (75 instalments remaining as at 31 March 2022). The term loans is secured by:

- Hypothecation of all movable fixed assets relating to Aster Medcity Hospital, Kochi (comprising plant and machinery, furniture fixture, vehicles and other movable assets), present and future;
- Equitable mortgage of 8.50 acres of landed property of the Company and 8.81 acres of landed property of DM Med City Hospitals (India) Private Limited, a wholly owned subsidiary of the Company;
- First charge on entire cashflows of the Aster Medcity Hospital, Kochi; and
- Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bonds that may be provided by any counter party under project agreement or contract and insurance policies in favour of the borrower, related to Aster Medcity, Kochi.

Note 2: The term loans from bank (including current portion) includes Indian rupee term loan taken from Federal Bank, which carries interest at 7.25% to 8.35% (linked to 1 year MCLR). These loans are originally repayable in 60 instalments (40 instalments remaining as at 31 March 2022). The term loans is secured by:

- Exclusive first charge by way of hypothecation on all movable fixed assets of the Company relating to Aster Medcity Hospital, Kochi including plant & machinery, furniture, fixture, vehicles and other movable assets, both present and future;
- Exclusive first charge by way of equitable mortgage on 13.43 acres of commercial landed property at Kochi owned by DM Medcity Hospitals (India) Private Limited and 13.82 acres of commercial landed property at Kochi owned by Aster DM Healthcare Limited. (Collateral); First charge on current assets of the Company;
- margin of 5% and
- Assignment of insurance policies in favour of the borrower, related to Aster Medcity Kochi.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Note 3: The term loans from bank (including current portion) includes Indian rupee term loan taken from HDFC Bank, which carries interest at 7.25% to 8.55% (linked to 1 year MCLR). These loans are originally repayable in 20 instalments (15 instalments remaining as at 31 March 2022). The loans is secured by:

- a) First pari passu charge by way of hypothecation on all movable fixed assets of the Company relating to Aster Medcity Hospital, Kochi; Aster CMI, Bangalore and RV Hospital, Bangalore including plant & machinery, furniture, fixture, vehicles and other movable assets, both present and future;
- b) Exclusive first charge by way of equitable mortgage on 11.68 acres in Cheranellor belonging to Ambady Infrastructure Private Limited, a wholly owned subsidiary of Aster DM Healthcare Limited (Collateral);
- c) First charge on current assets, operating cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future of the Aster DM Healthcare Limited;
- d) Fixed Deposit- DSRA for 1 quarter for the Term Loan of INR 35 crores for INR 3 crores; and
- e) Margin of 25%

Note 4: The term loans from bank (including current portion) includes Indian rupee term loan taken from Axis Bank, which carries interest at 8.00% (linked to 1 year MCLR). These loans are originally repayable in 24 instalments (24 instalments remaining as at 31 March 2022). The loans is secured by:

- a) Exclusive first charge on all movable fixed assets of the project.
- b) Extension of first charge by way of equitable mortgage on 13.43 acres of commercial landed property at Kochi owned by DM Medcity Hospitals (India) Private Limited and 13.82 acres of commercial landed property at Kochi owned by Aster DM Healthcare Limited with hospital building. (Currently charged to Federal Bank)
- c) Minimum collateral coverage of 100% to be maintained during the currency of the facility
- d) Corporate Guarantee of DM Medcity Hospitals Private Limited

Note 5: The term loans from bank (including current portion) includes Indian rupee term loan taken from Axis Bank, which carries interest at 8.00% (linked to 1 year MCLR). These loans are originally repayable in 28 instalments (28 instalments remaining as at 31 March 2022). The loans is secured by:

- a) Exclusive first charge on all movable fixed assets of the project;
- b) Extension of first charge by way of equitable mortgage on 13.43 acres of commercial landed property at Kochi owned by DM Medcity Hospitals (India) Private Limited and 13.82 acres of commercial landed property at Kochi owned by Aster DM Healthcare Limited with hospital building. (Currently charged to Federal Bank);
- c) Minimum collateral coverage of 100% to be maintained during the currency of the facility;
- d) Corporate Guarantee of DM Medcity Hospitals Private Limited and Ambady Infrastructure Private Limited;
- e) First paripasu charge by way of equitable mortgage on land commensuring 11.68 acres in Cheranelloor belonging to Ambady Infrastructure Private Limited, a wholly owned subsidiary of Aster DM Healthcare Limited; and
- f) Exclusive first charge on leasehold rights of the project building.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Note 6: The term loans from bank (including current portion) includes Indian rupee term loan taken from Federal Bank, which carries interest at 7.25% to 8.35% (linked to 1 year MCLR). These loans are originally repayable in 48 instalments (48 instalments remaining as at 31 March 2022). The loans is secured by:

- a) Exclusive first charge by way of hypothecation on all movable fixed assets of the Company created out of the said loan;
- b) Exclusive first charge by way of equitable mortgage on 13.43 acres of commercial landed property at Kochi owned by DM Medcity Hospitals (India) Private Limited and 13.82 acres of commercial landed property at Kochi owned by Aster DM Healthcare Limited;
- c) Second charge on current assets of the Company;
- d) Hypothecation of machinery entire unencumbered movable fixed assets of the hospital; and
- e) Cash margin @10% (Letter of Credit/ Bank Guarantee)

Note 6: There are no continuing defaults in the repayment of the principal loan and interest amounts.

B Secured overdraft/cash credit facilities from bank

Note 1: Cash credit facility from Federal bank availed and carries and interest of 7.25% to 8.35% per annum. The facility is secured by way of exclusive first charge on the current assets of the Company (present and future). Second charge on all primary and collateral securities, which includes:

- a. Hypothecation of current assets;
- b. Hypothecation of machinery entire unencumbered movable fixed assets of the hospital; and
- c. Equitable mortgage of land & building charged to the existing limit.

Note 2: Cash credit facility from Axis bank availed and carries and interest of 7.25% to 8.35% per annum. The facility is secured by way of exclusive first charge on the current assets of the Company (present and future).

Note 3: Short term loan from a Bank represents buyers credit facility availed from Federal Bank and secured by 10% cash margin and additional charge on current assets and movable fixed assets with interest of 1.5%-3.22%. The loan amount were closed in FY 2020-21.

C Unsecured overdraft facilities from bank

Overdraft facility from Yes Bank availed and carries interest at 9.30% - 9.65% (linked to 1 month MCLR).

D For the year ended 31 March 2021, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed banks and financial institutions to provide moratorium of 3 months to borrowers on all payments falling due between 1 March 2020 and 31 May 2020 and vide circular RBI/2019-20/244 DOR.No.BP.BC.71/ 21.04.048/ 2019-20 for all payments falling due between 1 June 2020 and 31 August 2020 to all eligible borrowers classified as standard. Accordingly, the Company has availed moratorium with respect to the principal and interest.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

17 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	1.10	0.94
Total outstanding dues of creditors other than micro and small enterprises	128.72	136.37
Total	129.82	137.31

All trade payables are 'current'. The average credit period taken is 30-60 days.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 37.

17.1 Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
Micro, small and medium enterprises	0.99	0.09	0.02	-	1.10
Others	127.22	0.10	0.64	0.76	128.72
Total	128.21	0.19	0.66	0.76	129.82
Balance as at 31 March 2021					
Micro, small and medium enterprises	0.91	0.02	-	0.01	0.94
Others	133.80	0.76	0.93	0.88	136.37
Total	134.71	0.78	0.93	0.89	137.31

* Includes unbilled dues of INR 57.15 as at 31 March 2022 (INR 38.88 as at 31 March 2021).

17.2 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
The principal amount remaining unpaid to any supplier at the end of the year	0.99	0.81
The interest due on the principal remaining outstanding as at the end of the year	-	0.13
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the 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 Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	0.11	0.13
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 the Act	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

18 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Interest accrued but not due on borrowings*	0.22	0.24
Dues to related party (refer Note 35)	2.21	15.80
Derivatives-put option	91.20	91.20
Dues to creditors for capital goods	5.99	6.83
Total	99.62	114.07

* The details of interest rates, repayment and other terms are disclosed in Note 16.

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 37.

19 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Provision for employee benefits		
Net defined benefit liability - Gratuity (refer Note 38)	7.38	6.71
Compensated absences	0.02	0.01
Total	7.40	6.72
Current		
Provision for employee benefits		
Net defined benefit liability - Gratuity (refer Note 38)	1.23	0.98
Compensated absences	-	0.01
Total	1.23	0.99

20 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Deferred government grant*	19.31	21.14
Total	19.31	21.14
Current		
Unearned income	3.25	2.42
Statutory dues payables	6.55	5.57
Deferred government grant*	2.74	2.80
Total	12.54	10.79

*Represents government grant under Export Promotion Capital Goods (EPCG) accounted at fair value as per Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

21 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from hospital and medical services	1,053.04	712.28
Revenue from consultancy services	2.16	1.43
Revenue from pharmacy	32.86	12.06
Revenue from canteen	6.51	4.72
Other operating income	21.90	16.05
Total	1,116.47	746.54

The Company's revenue from other operating income comprises primarily of canteen sales (sales of food and beverages), revenue from courses conducted at the hospital, income from revenue sharing agreements.

Refer notes below

(i) Category of Customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash	631.56	448.12
Credit	484.91	298.42
Total	1,116.47	746.54

(ii) Nature of treatment

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
In- patient	836.90	572.14
Out- patient	216.14	140.14
Total	1,053.04	712.28

22 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income under the effective interest method on:		
Lease deposits	2.74	2.57
Fixed deposits with banks	0.77	0.93
Loan to related parties	17.22	12.16
Dividend on non-current investments	54.84	-
Interest on income tax refund	1.59	1.72
Other non-operating income	5.04	4.25
Total	82.20	21.63

23 Purchases of medicines and consumables

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Medicines and consumables	277.64	181.66
Total	277.64	181.66

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

24 Changes in inventories

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock	19.53	23.75
Closing stock	(23.63)	(19.53)
Total	(4.10)	4.22

25 Professional fees to consultant doctors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Professional fees to consultant doctors*	248.24	177.18
Total	248.24	177.18

* Amount includes Nil (31 March 2021: INR 0.04 crore) paid to a doctor performing medical services relating to CSR activities.

26 Lab outsourcing charges

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lab outsourcing charges	44.74	28.54
Total	44.74	28.54

27 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and allowances	156.19	130.32
Contribution to provident and other funds (refer Note 38)	8.15	7.15
Staff welfare expense	6.15	3.47
Expenses related to post employment defined benefit plans (refer Note 38)	2.54	2.25
Equity settled share based payment expense* (refer Note 41)	(0.94)	0.59
Total	172.09	143.78

* Net of amounts cross-charged to subsidiaries

28 Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on bank borrowings	15.75	15.34
Less : Amounts included in the cost of qualifying assets	-	(0.05)
	15.75	15.29
Interest on lease liabilities (refer Note 39)	27.38	20.76
Other borrowing costs	0.89	0.45
Total	44.02	36.50

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

29 Depreciation and amortisation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment (refer Note 4)	79.02	78.05
Depreciation on right-of-use assets (refer Note 39)	17.59	15.29
Amortisation on intangible assets (refer Note 5)	2.11	1.66
Total	98.72	95.00

30 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Food and beverage	12.11	9.51
Power and fuel	22.04	18.72
Housekeeping, security and others	52.38	36.45
Legal, professional and other consultancy	12.13	8.19
Auditors remuneration (refer Note 34)	1.19	1.65
Rent (refer Note 39)	12.21	6.06
Hospital operational and management fees	17.19	9.72
Loss on fair valuation of put option (net)	-	14.55
Repairs and maintenance - plant and equipment	27.11	22.69
Repairs and maintenance - building	0.76	0.08
Advertising and promotional	24.75	12.01
Rates and taxes	2.03	1.71
Allowances for credit losses on financial assets	5.15	0.55
Travelling and conveyance	3.26	1.35
Loss on disposal of property, plant and equipment (net)	0.12	0.36
Net loss on account of foreign exchange fluctuations	0.01	-
Water charges	2.34	2.24
Corporate social responsibility (refer Note 30.1)	3.80	0.04
Insurance	3.06	3.02
Communication	1.62	1.71
Office expenses	5.26	9.73
Donation & charity*	2.35	1.46
Miscellaneous expenses	16.49	7.53
	227.36	169.33

* Amount contributed to political party

0

1.00

30.1 Details of corporate social responsibility (CSR)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Amount required to be spent by the Company during the year	0.30	0.15
- Amount of expenditure incurred #	3.80	0.16
- Shortfall at the end of the year	NA	NA
- Total of previous year shortfall	NA	NA
- Reason for shortfall	NA	NA

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

30.1 Details of corporate social responsibility (CSR)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Nature of CSR activities	a) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. b) Disaster management, including relief, rehabilitation and reconstruction activities	Creating health awareness and providing basic medical treatment.
- Details of related party transactions	INR 3.64 crores (Aster DM Foundation)	NA
- Whether provision is made with respect to a liability incurred by entering into a contractual obligation	No	No
- Amount spent during the year on:		
Construction/acquisition of an asset	-	-
On purposes other than above	3.80	0.16
Total	3.80	0.16

INR- Nil (31 March 2021: INR 0.12 crore relates to Aster Mobile Medical Service for creating health awareness and providing basic medical treatment.)

31 Income tax assets (net)

(a) Income tax assets/(liability)

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax payments, including taxes withheld	75.02	70.62
Less: Provision made towards tax liabilities	(6.35)	(6.35)
Net income tax assets/(liability) at the end	68.67	64.27

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(b) Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	-	-
Current tax for earlier years	-	-
Deferred tax (including MAT credit entitlement)	(0.22)	0.74
Tax expense for the year	(0.22)	0.74

(c) Amount recognised in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	-	-
Current tax for earlier years	-	-
Deferred tax (including MAT credit entitlement)	(0.22)	-
Tax expense for the year	(0.22)	-

(d) Reconciliation of effective tax rate

The standard rate of corporation tax applied to reported profit is 31.20 per cent (2020-21: 31.20 per cent). The Company has not opted for concessional tax rate regime effective from financial year 2019-20.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	89.96	(68.04)
Statutory income tax rate	31.20%	31.20%
Tax expenses /(asset)	28.07	(21.23)
Income chargeable at special rates	(14.80)	-
Non-deductible expenses/ permanent differences	0.47	(0.88)
Additional deduction on investment allowance	(3.50)	(2.10)
Other temporary differences	20.67	17.21
Un-recognised deferred tax assets	(30.91)	7.74
Income tax expense	(0.00)	0.74

(e) Recognised deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset		
Unabsorbed business loss including from specified business	176.94	189.48
Total deferred tax asset	176.94	189.48
Deferred tax liability		
On account of fair valuation of land *	(16.35)	(16.35)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	(176.94)	(189.48)
Total deferred tax liability	(193.29)	(205.83)
Deferred tax liability (net)	(16.35)	(16.35)

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

The Company offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities related to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The Company has recognised deferred tax assets arising out of tax losses (unabsorbed depreciation) to the extent of net deferred tax liability on account of taxable temporary differences.

(ii) Movement in temporary differences

Particulars	Balances as at 1 April 2020	Recognised in Profit and loss during 2020-21	Recognised in OCI during 2020-21	Balances as at 31 March 2021	Recognised in Profit and loss during 2021-22	Recognised in OCI during 2021-22	Balances as at 31 March 2022
Unabsorbed business loss including from specified business	180.50	8.98	-	189.48	(12.54)	-	176.94
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	(180.50)	(8.98)	-	(189.48)	12.54	-	(176.94)
MAT credit entitlement receivable	0.74	(0.74)	-	-	-	-	-
On account of fair valuation of land *	(16.35)	-	-	(16.35)	-	-	(16.35)
Provision for employee benefits	-	-	-	-	(0.22)	0.22	-
Net deferred tax liabilities	(15.61)	(0.74)	-	(16.35)	(0.22)	0.22	(16.35)

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

(iii) Unrecognised deferred tax assets

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deferred tax asset				
Tax losses (business loss)	879.10	274.28	579.87	180.92
Tax losses (long term capital loss)	37.75	7.78	41.78	8.61
Tax losses (unabsorbed depreciation)	65.05	20.30	107.99	33.69
Total deferred tax asset	981.90	302.36	729.64	223.22

(iv) Tax losses carried forward

Particulars	As at 31 March 2022	Expiry date	As at 31 March 2021	Expiry date
Brought forward losses	210.86	Various dates from FY 2022-23 to 2028-29	219.04	Various dates from FY 2021-22 to 2027-28
Brought forward losses from specified business	882.93	Infinite period	1,009.94	Infinite period
Brought forward losses	65.05	Infinite period	107.99	Infinite period
Total tax losses carried forward	1,158.84		1,336.97	

Deferred tax assets have not been recognized in respect of the above items, because it is not probable that future taxable profit will be available against which the Company can use the benefits. The above is arrived basis the balances as on date. The deductible temporary difference do not expire under the current tax legislation.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

32 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities		
Claims against the Company not acknowledged as debts - Income tax related matters (Note 1)	22.06	22.06
Export commitments under EPCG scheme (Note 2)	12.80	17.86
Corporate guarantees to various subsidiaries	319.50	264.50
Letter of credit	2.06	4.42
Additional salary payable under minimum wages act for retrospective periods (Note 3)	6.84	6.84
Bank guarantees	2.36	2.34
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	40.82	7.65

Note 1: The Company has received income tax assessment orders for AY 2014-15 & 2015-16 wherein the assessing officer has raised net demand of INR 20.08 crores (net of taxes paid amounting to INR 4.28 crores) on account of disallowance of Foreign Tax Credit claimed as per provisions of Section 90/90A of Income Tax Act 1961 and the disallowance under section 14A. The Company had provision in the books pertaining to the AY 2014-15 & 2015-16, amounting to INR 2.48 crores. The Company has also received income tax demand order of INR 0.18 crore for AY 2012-13 where in assessing officer denied legal and professional fee and business promotion expenses. The Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made on the financial statements. The Company has filed an appeal against the demand received.

Note 2: The Company has obtained duty free / concessional duty licenses for import of capital goods by undertaking export obligations under the EPCG scheme. As at 31 March 2022, the export obligations remaining to be fulfilled amounts to INR 12.80 crores (31 March 2021: INR 17.86 crores). In the event that export obligations are not fulfilled, the Company would be liable to pay the levies. The Company's bankers have provided bank guarantees aggregating INR 3.80 crores (31 March 2021: INR 24.55 crores) to the customs authorities in this regard.

Note 3: On 23 April 2018, the Government of Kerala issued an order revising the minimum wages of medical and nursing staff. The order mentions that the changes would be effective retrospectively from 1 October 2017. Since the legislation was issued in April 2018, Management has started paying the revised salary with effect from 1 April 2018. The Company filed an appeal against the retrospective application of this order with the High Court of Kerala which has issued an interim stay order on 26 July 2018. The Writ Petition WP (c) No. 25109/2018 challenging the retrospective effect of minimum wage order passed by the Government of Kerala is pending before the Hon'ble High Court of Kerala in hearing list. Based on the stay order and legal advise, Management believes that their position will be upheld and therefore has not provided for the incremental cost for the period October 2017 to March 2018.

Note 4: On 28 February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Company has re-computed its liability towards PF from the month of March 2019 and has paid PF as per Supreme Court judgement. In respect of the earlier periods/years, the Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the Management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.

Note 5: The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note 6: The Company has given bank guarantee in respect of certain contingent liabilities listed above.

Note 7: The Company does not have any long-term commitments or material non-cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

33 Earnings/ (Loss) per share

A. Basic earnings / (loss) per share

The calculation of profit/(loss) attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings / (loss) per share calculations are as follows:

i) Net profit/(loss) attributable to equity share holders (basic)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit / (loss) for the year, attributable to the equity share holders	90.18	(68.78)

ii) Weighted average number of equity shares (basic)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance (refer Note 14)	49.70	49.68
Effect of share options exercised	0.01	0.01
Weighted average number of equity shares of INR 10 each for the year	49.71	49.69
Earnings / (Loss) per share, basic	1.81	(1.38)

B. Diluted earnings/(loss) per share

The calculation of profit/ (loss) attributable to equity share holders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares is as follows:

i) Net profit/ (loss) attributable to equity share holders diluted

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit / (loss) for the year, attributable to the equity share holders	90.18	(68.78)

ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Weighted average number of equity shares of INR 10 each for the year (basic)	49.71	49.69
Effect of exercise of share options	0.07	0.08
Weighted average number of equity shares of INR 10 each for the year (diluted)	49.78	49.77
Earnings / (loss) per share, diluted	1.81	(1.38)

34 Payment to auditors (net of goods and services tax)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
For audit (including limited reviews)*	1.11	1.60
For other services	0.06	-
For reimbursement of expenses	0.02	0.05
Total	1.19	1.65

*amount paid to predecessor auditor includes INR- Nil (31 March 2021: INR 0.47 crore)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 A. Related parties (as per Ind AS)

Related Party relationships

Names of related parties and description of relationship with the Company:

i) Enterprises where control / significant influence exists

(a) Enterprises exercising significant influence	Union Investments Private Limited, Mauritius
(b) Subsidiaries and step down subsidiaries	
1. Aster DM Healthcare (Trivandrum) Private Limited	38. Al Rafa Investments Limited
2. DM Med City Hospitals (India) Private Limited	39. Harley Street Dental LLC
3. Prerana Hospital Limited	40. Al Rafa Holdings Limited
4. Ambady Infrastructure Private Limited	41. Harley Street LLC
5. Affinity Holdings Private Limited	42. Harley Street Pharmacy LLC
6. Sri Sainatha Multispeciality Hospitals Private Limited	43. Harley Street Medical Centre LLC
7. Malabar Institute of Medical Sciences Ltd	44. Al Raffah Hospital LLC **
8. Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	45. Dr. Moopen's Healthcare Management Services WLL
9. Aster Ramesh Duhita LLP	46. Welcare Polyclinic W.L.L
10. Sanghamitra Hospitals Private Limited	47. Dr. Moopens Aster Hospital WLL
11. Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	48. Sanad Al Rahma for Medical Care LLC
12. Ezhimala Infrastructure LLP	49. Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L.**
13. EMED Human Resources India Private Limited	50. Orange Pharmacies LLC
14. Aster Clinical Lab LLP	51. Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)
15. Hindustan Pharma Distributors Private Limited (16 September 2021)	52. Aster DM Healthcare INC **
16. Warseps Healthcare LLP	53. Al Raffah Pharmacies Group LLC
17. Aster DM Healthcare FZC	54. Aster DCC Pharmacy LLC
18. Aster Day Surgery Centre LLC	55. Zahrat Al Shefa Medical Center L.L.C
19. Dar Al Shifa Medical Centre LLC	56. Samary Pharmacy LLC
20. DM Healthcare LLC	57. Alfa Investments Limited #
21. DM Pharmacies LLC **	58. Active Holdings Limited.
22. Dr. Moopens Healthcare Management Services LLC	59. E-Care International Medical Billing Services Co. LLC
23. Eurohealth Systems FZ LLC	60. Aster Primary Care LLC
24. Med Shop Drugs Store LLC	61. Metro Medical Center L.L.C
25. Medcare Hospital LLC	62. Metro Meds Pharmacy L.L.C
26. Modern Dar Al Shifa Pharmacy LLC	63. Aster Hospital Sonapur L.L.C
27. Rafa Pharmacy LLC	64. Oman Al Khair Hospital L.L.C.
28. Aster Pharmacies Group LLC	65. Radiant Healthcare L.L.C
29. Alfa Drug Store LLC	66. Grand Optics LLC
30. Aster Al Shafar Pharmacies Group LLC	67. Premium Healthcare Limited
31. New Aster Pharmacy DMCC	68. Wahat Al Aman Home Health Care L.L.C.
32. Symphony Healthcare Management Services LLC	69. Alfaone FZ-LLC
33. Al Shafar Pharmacy LLC, AUH **	70. Aster Pharmacy LLC, AUH
34. Aster Grace Nursing and Physiotherapy LLC	73. Aster Caribbean Holdings Limited
35. Aster Medical Centre LLC**	74. Aster Cayman Hospital Limited
36. Aster Opticals LLC	75. Al Rafa Medical Centre LLC
37. Alfa One Drug store LLC	

During the year ended 31 March 2022, Noor Al Shefa Clinic LLC, Zahrat Al Shefa Pharmacy LLC and Medshop Garden Pharmacy LLC have been converted as branches.

** Represents companies that are in the process of being wound up

Although the percentage of voting rights as a result of legal holding by the Group is Nil, the Group has the power to appoint/replace all members of the Board of Directors. Consequently Group has control over the entity.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Related Party relationships

Names of related parties and description of relationship with the Company:

I) Enterprises where control / significant influence exists

(c) Associates	MIMS Infrastructure and Properties Private Limited, India
	Aries Holdings FZC, UAE
	Aries Investments LLC
	Al Mutamaizah Medicare Healthcare Investment Co.LLC
	AAQ Healthcare Investments LLC
	Alfaone Medicals Private Limited (Feb 01,2021)
	Alfaone Retail Pharmacies Private Limited (Feb 01,2021)
	Mindriot Research and Innovation Foundation

II) Other related parties with whom the group had transactions during the year

(a) Entities under common control/ Entities over which the Company has significant influence (Others)	DM Education and Research Foundation
	Aster DM Foundation
	Aster MIMS Academy Trust
	Wayanad Infrastructure Private Limited
(b) Key managerial personnel and their relatives (KMP)	Dr. Azad Moopen (Chairman and Managing Director)
	Alisha Moopen (Deputy Managing Director)
	Mr. Sreenath Reddy (Chief Financial Officer)
	Puja Aggarwal (Company Secretary & Compliance Officer) (upto 14 August 2021)
	Hemish Purushottam(Company Secretary & Compliance Officer) (from 11 November 2021)
	Biju Varkkey (Independent Director)
	Dr. Layla Mohamad Hassan Ali Almarzooqi (Independent Director)
	James Mathew (Independent Director)
	Chenayappillil John George (Independent Director)
	Sridar Arvamudhan Iyengar (Independent Director)
	Suresh M. Kumar (Independent Director) (upto 15 September 2021)
	Wayne Earl Keathley (Independent Director) (from 4 October 2021)
	T J Wilson (Director)
	Anoop Moopen (Director)
	Mintz Daniel Robert (Non Executive Director)
	Shamsudheen Bin Mohideen Mammu Haji (Director)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

II) Other related parties with whom the group had transactions during the year

a) Related party transactions

Nature of transactions	Related party transactions	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Short term loans and advance repayment received		
Aster DM Healthcare (Trivandrum) Private Limited	-	0.25
Aster Clinical Lab LLP	7.00	7.00
Hindustan Pharma Distributors Private Limited	5.00	-
DM Med City Hospitals (India) Private Limited	-	0.72
EMED Human Resources India Private Limited	-	0.00
Short-term loans and advances given		
Ambady Infrastructure Private Limited	0.49	0.22
DM Med City Hospitals (India) Private Limited	-	0.77
Alfaone Medicals Private Limited	26.37	0.40
Hindustan Pharma Distributors Private Limited	10.62	-
Aster Clinical Lab LLP	27.74	38.73
Aster DM Healthcare (Trivandrum) Private Limited	0.17	0.03
Expenses incurred on behalf of subsidiaries / associates		
DM Med City Hospitals (India) Private Limited	2.36	0.90
Ambady Infrastructure Private Limited	0.08	0.02
Aster DM Healthcare FZC	0.26	0.98
Aster Clinical Lab LLP	0.88	0.58
Aster DM Healthcare (Trivandrum) Private Limited	1.00	0.11
EMED Human Resources India Private Limited	0.20	0.20
Dr. Moopens Healthcare Management Services LLC	9.08	3.68
Al Raffah Hospital LLC	-	0.06
DM Education and Research Foundation	-	0.03
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	0.17	0.20
Sri Sainatha Multispeciality Hospitals Private Limited	0.66	0.36
Prerana Hospital Limited	1.37	0.68
Malabar Institute of Medical Sciences Limited	7.47	4.05
Repayment from subsidiaries		
Malabar Institute of Medical Sciences Limited	20.23	1.49
Alfaone Retail Pharmacies Private Limited	0.03	-
Alfaone Medicals Private Limited	0.14	-
Ambady Infrastructure Private Limited	0.00	0.00
Aster DM Healthcare (Trivandrum) Private Limited	0.00	-
DM Med City Hospitals (India) Private Limited	0.61	0.00
Dr. Moopens Healthcare Management Services LLC	4.18	0.39
Hindustan Pharma Distributors Private Limited	0.02	-
Aster DM Healthcare FZC	0.78	0.11
EMED Human Resources India Private Limited	0.40	0.06
DM Education and Research Foundation	6.31	-
Prerana Hospital Limited	4.25	0.02
Sri Sainatha Multispeciality Hospitals Private Limited	1.30	0.63
Sanad Al Rahma for Medical Care Center LLC	0.02	-
Aster Clinical Lab LLP	0.51	0.24
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	0.15	0.00

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

a) Related party transactions

Nature of transactions	Related party transactions	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Repayment to subsidiaries		
Malabar Institute of Medical Sciences Limited	0.48	-
Aster Clinical Lab LLP	55.84	4.78
Hindustan Pharma Distributors Private Limited	4.11	-
Sri Sainatha Multispeciality Hospitals Private Limited	0.25	-
Aster DM Healthcare (Trivandrum) Private Limited	0.09	0.00
Ambady Infrastructure Private Limited	0.26	0.00
Aster DM Healthcare FZC	0.28	-
DM Med City Hospitals (India) Private Limited	0.03	0.01
DM Education and Research Foundation	14.51	4.04
EMED Human Resources India Private Limited	0.00	0.02
Expenses incurred by subsidiaries / associates on behalf of Company		
Dr. Moopens Healthcare Management Services LLC	1.97	0.01
Aster DM Healthcare FZC	0.04	1.66
Collection by subsidiaries on behalf of Company		
Dr. Moopens Healthcare Management Services LLC	2.28	3.09
Aster DM Healthcare FZC	-	0.82
DM Education and Research Foundation	5.27	6.24
Investments / capital contribution		
Hindustan Pharma Distributors Private Limited	15.38	-
Alfaone Medicals Private Limited	-	0.23
Sale of medical consumables		
Malabar Institute of Medical Sciences Limited	4.74	0.03
Prerana Hospital Limited	0.50	-
Sri Sainatha Multispeciality Hospitals Private Limited	0.76	-
Aster Clinical Lab LLP	4.40	3.51
Sale of property, plant and equipment		
DM Med City Hospitals (India) Private Limited	-	0.22
Other Income		
DM Med City Hospitals (India) Private Limited	-	0.00
Prerana Hospital Limited	-	0.01
Alfaone Retail Pharmacies Private Limited	0.31	-
Sanad Al Rahma for Medical Care Center LLC	0.03	-
Sri Sainatha Multispeciality Hospitals Private Limited	-	0.01
Aster DM Healthcare (Trivandrum) Private Limited	0.03	-
Aster Clinical Lab LLP	-	0.06
Dr.Ramesh Cardiac and Multi- Speciality Hospital Private Limited	-	0.00
Malabar Institute of Medical Sciences Limited	-	0.04
Income from consultancy services		
DM Education and Research Foundation	2.55	1.45
Dividend received		
Malabar Institute of Medical Sciences Limited	7.41	-
Affinity Holdings Private Limited	47.44	-
Managerial remuneration		
Short term employee benefits	1.70	1.60

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

II) Other related parties with whom the group had transactions during the year

a) Related party transactions

Nature of transactions	Related party transactions	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Donation given		
Aster DM Foundation	5.60	-
Lease rental for land and equipments		
DM Med City Hospitals (India) Private Limited	1.06	1.00
DM Education and Research Foundation	0.74	0.74
Aster DM Healthcare (Trivandrum) Private Limited	0.06	0.06
Guarantee commission expense		
Ambady Infrastructure Private Limited	0.16	0.09
DM Med City Hospitals (India) Private Limited	0.34	0.27
Guarantee commission received		
Prerana Hospital Limited	0.23	0.26
Sri Sainatha Multispeciality Hospitals Private Limited	-	0.00
Hindustan Pharma Distributors Private Limited	0.02	-
Aster Clinical Lab LLP	0.08	0.04
Malabar Institute of Medical Sciences Limited	0.63	0.78
Interest on loan from related parties		
EMED Human Resources India Private Limited	0.00	0.00
Ambady Infrastructure Private Limited	0.03	0.01
Hindustan Pharma Distributors Private Limited	0.18	-
Alfaone Medicals Private Limited	1.44	0.01
Aster Clinical Lab LLP	4.64	2.26
Purchase of consumables		
Malabar Institute of Medical Sciences Limited	0.05	-
Hindustan Pharma Distributors Private Limited	4.00	-
Sri Sainatha Multispeciality Hospitals Private Limited	1.18	-
Other expenses		
Malabar Institute of Medical Sciences Limited	0.81	0.36
EMED Human Resources India Private Limited	0.00	0.02
Wayanad Infrastructure Private Limited	-	0.00
Aster Clinical Lab LLP	39.70	22.86
Ambady Infrastructure Private Limited	0.12	-
Dr. Moopens Healthcare Management Services LLC	-	0.01
DM Education and Research Foundation	9.11	6.75
Interest income under Ind AS 109		
Ambady Infrastructure Private Limited	0.55	0.50
Aster DM Healthcare (Trivandrum) Private Limited	8.62	7.79
DM Med City Hospitals (India) Private Limited	1.76	1.59
Revenue from operations		
Malabar Institute of Medical Sciences Limited	5.92	-
Sri Sainatha Multispeciality Hospitals Private Limited	0.96	-
Prerana Hospital Limited	0.59	-
Interest income under the effective interest method on lease deposit		
DM Education and Research Foundation	0.75	0.70
DM Med City Hospitals (India) Private Limited	0.97	0.89
Employee stock option expense recharged		
Aster DM Healthcare FZC	0.82	1.88

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

b) Balance receivable / (payable) as at the year end

Nature of transactions	As at 31 March 2022	As at 31 March 2021
Financial assets - Other financial assets (current) - Dues from related parties		
Prerana Hospital Limited	0.23	1.36
Aster DM Healthcare FZC	25.58	25.05
Aster Pharmacies Group LLC	0.39	0.39
Alfaone Retail Pharmacies Private Limited	0.28	-
Sri Sainatha Multispeciality Hospitals Private Limited	0.25	0.08
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	0.27	0.24
Hindustan Pharma Distributors Private Limited	0.13	-
Aster DM Healthcare (Trivandrum) Private Limited	1.32	0.10
Ambady Infrastructure Private Limited	0.76	0.19
Aster Clinical Lab LLP	2.49	-
Sanad Al Rahma for Medical Care Center LLC	0.02	-
DM Med City Hospitals (India) Private Limited	3.05	1.75
EMED Human Resources India Private Limited	0.25	0.45
DM Education and Research Foundation	14.46	7.57
Dr. Moopens Healthcare Management Services LLC	13.92	8.71
Malabar Institute of Medical Sciences Limited	4.23	5.86
Financial assets - loans (Non current) - Dues from related parties		
Aster DM Healthcare (Trivandrum) Private Limited**	89.71	81.08
Ambady Infrastructure Private Limited	5.77	5.21
Aster Clinical Lab LLP	75.27	44.92
Hindustan Pharma Distributors Private Limited	5.78	-
EMED Human Resources India Private Limited	0.02	0.02
DM Med City Hospitals (India) Private Limited	18.26	16.50
Alfaone Medicals Private Limited	28.07	0.41
Other financial liabilities (Current) - Dues to related party		
Union Investments Private Limited	(1.04)	(1.04)
Other financial liabilities (Current) - Dues to subsidiaries		
Al Raffah Hospital LLC	(1.17)	(1.17)
Aster Clinical Lab LLP	-	(13.37)
Other financial liabilities (Current) - Dues to creditors for expenses		
Wayanad Infrastructure Private Limited	(0.09)	(0.05)
Trade receivables		
Prerana Hospital Limited	-	0.35
EMED Human Resources India Private Limited	0.00	-
Dr. Moopen's Healthcare Management Services W.L.L, Qatar	0.04	0.04
Other non current assets - Deferred lease expenses		
DM Education and Research Foundation	2.16	2.89
DM Med City Hospitals (India) Private Limited	4.78	5.73
Other current assets - Deferred lease expenses		
DM Education and Research Foundation	0.74	0.74
DM Med City Hospitals (India) Private Limited	0.95	0.95

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

b) Balance receivable / (payable) as at the year end

Nature of transactions	As at 31 March 2022	As at 31 March 2021
Financial assets loans - (Non current) Rent and other deposits		
DM Education and Research Foundation	11.50	10.75
DM Med City Hospitals (India) Private Limited	12.09	11.11
Managerial remuneration payable		
Short term employee benefits	0.04	0.05
Guarantee given		
Prerana Hospital Limited	72.50	72.50
Hindustan Pharma Distributors Private Limited	20.00	-
Sri Sainatha Multispeciality Hospitals Private Limited	2.00	2.00
Malabar Institute of Medical Sciences Limited	174.00	174.00
Aster Clinical Lab LLP	51.00	16.00
Guarantee received		
Ambady Infrastructure Private Limited	125.00	35.00
DM Med City Hospitals (India) Private Limited	125.00	75.00

** The amount disclosed is before loss allowance

35 B. Investments, loans, guarantees and security

(a) The Company has made investment in the following companies:

Particulars	As at 1 April 2021	Allotment/ Purchases during the year	Sold during the year	Impairment/ Write off during the year	As at 31 March 2022
Investment in equity instruments					
Sri Sainatha Multispeciality Hospitals Private Limited	54.57	-	-	-	54.57
Prerana Hospital Limited	42.94	-	-	-	42.94
Aster DM Healthcare (Trivandrum) Private Limited	8.01	-	-	-	8.01
DM Med City Hospitals (India) Private Limited	0.01	-	-	-	0.01
Ambady Infrastructure Private Limited	19.17	-	-	-	19.17
Affinity Holdings Private Limited	0.01	-	-	-	0.01
Malabar Institute of Medical Sciences Limited	259.64	-	-	-	259.64
Dr.Ramesh Cardiac and Multispeciality Hospitals Private Limited	186.55	-	-	-	186.55
Hindustan Pharma Distributors Private Limited	-	15.38	-	-	15.38
Aster Clinical Labs LLP	1.00	-	-	-	1.00
Alfaone Medicals Private Limited	0.23	-	-	-	0.23
Total	572.13	15.38	-	-	587.51
Investment in preference shares					
Affinity Holdings Private Limited, Mauritius	1,455.82	-	-	-	1,455.82
Total	1,455.82	-	-	-	1,455.82
Total Investments	2,027.95	15.38	-	-	2,043.33

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(a) The Company has made investment in the following companies:

Particulars	As at 1 April 2020	Allotment/ Purchases during the year	Sold during the year	Impairment/ Write off during the year	As at 31 March 2021
Investment in equity instruments					
Sri Sainatha Multispeciality Hospitals Private Limited	54.57	-	-	-	54.57
Prerana Hospital Limited	42.94	-	-	-	42.94
Aster DM Healthcare (Trivandrum) Private Limited	8.01	-	-	-	8.01
DM Med City Hospitals (India) Private Limited	0.01	-	-	-	0.01
Ambady Infrastructure Private Limited	19.17	-	-	-	19.17
Affinity Holdings Private Limited	0.01	-	-	-	0.01
Malabar Institute of Medical Sciences Limited	259.64	-	-	-	259.64
Dr.Ramesh Cardiac and Multispeciality Hospitals Private Limited	186.55	-	-	-	186.55
Aster Clinical Labs LLP	1.00	-	-	-	1.00
Alfaone Medicals Private Limited	-	0.23	-	-	0.23
Total	571.90	0.23	-	-	572.13
Investment in preference shares					
Affinity Holdings Private Limited, Mauritius	1,455.82	-	-	-	1,455.82
Total	1,455.82	-	-	-	1,455.82
Total Investments	2,027.72	0.23	-	-	2,027.95

(b) The Company has given unsecured loans to the following entities:

Entity	As at 1 April 2021	Movement	As at 31 March 2022	Purpose of loans
Subsidiaries				
Aster DM Healthcare (Trivandrum) Private Limited	81.08	8.63	89.71	Financial assistance
DM Med City Hospitals (India) Private Limited	16.50	1.76	18.26	Financial assistance
Ambady Infrastructure Private Limited	5.21	0.56	5.77	Financial assistance
EMED HR (India) Private Limited	0.02	0.00	0.02	Financial assistance
Aster Clinical Labs LLP	44.92	30.35	75.27	Financial assistance
Hindustan Pharma Distributors Private Limited	-	5.78	5.78	Financial assistance
Alfaone Medicals Private Limited	0.41	27.66	28.07	Financial assistance
Total	148.14	74.74	222.88	

Entity	As at 1 April 2020	Movement	As at 31 March 2021	Purpose of loans
Subsidiaries				
Aster DM Healthcare (Trivandrum) Private Limited	73.29	7.79	81.08	Financial assistance
DM Med City Hospitals (India) Private Limited	14.91	1.59	16.50	Financial assistance
Ambady Infrastructure Private Limited	4.71	0.50	5.21	Financial assistance
EMED HR (India) Private Limited	0.02	0.00	0.02	Financial assistance
Aster Clinical Labs LLP	11.09	33.83	44.92	Financial assistance
Alfaone Medicals Private Limited	-	0.41	0.41	Financial assistance
Total	104.02	44.12	148.14	

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(c) The Company has given guarantees to the following entities:

Entity	As at 1 April 2021	Movement	As at 31 March 2022	Purpose of guarantees
Sri Sainatha Multispeciality Hospitals Private Limited	2.00	-	2.00	Corporate guarantee given to Federal Bank to give Cash Credit Facility to Sri Sainatha Multispeciality Hospitals Private Limited
Prerana Hospital Limited	6.07	-	6.07	Corporate guarantee given to HDFC Bank to give working capital loan to Prerana Hospital Limited
Prerana Hospital Limited	66.43	-	66.43	Corporate guarantee given to HDFC Bank to give term loan to Prerana Hospital Limited
Malabar Institute of Medical Sciences Limited	145.00	-	145.00	Corporate guarantee given to HDFC Bank to give term loan to Malabar Institute of Medical Sciences Limited
Malabar Institute of Medical Sciences Limited	29.00	-	29.00	Corporate guarantee given to Axis Bank to give working capital to Malabar Institute of Medical Sciences Limited
Aster Clinical Labs LLP	1.00	-	1.00	Corporate guarantee given to Federal Bank to give Cash Credit Facility to Aster Clinical Labs LLP
Aster Clinical Labs LLP	15.00	35.00	50.00	Corporate guarantee given to Federal Bank to give term loan to Aster Clinical Labs LLP
Hindustan Pharma Distributors Private Limited	-	20.00	20.00	Corporate guarantee given to Federal Bank to give term loan to Hindustan Pharma Distributors Private Limited
Total	264.50	55.00	319.50	

Entity	As at 1 April 2020	Movement	As at 31 March 2021	Purpose of guarantees
Sri Sainatha Multispeciality Hospitals Private Limited	2.00	-	2.00	Corporate guarantee given to Federal Bank to give Cash Credit Facility to Sri Sainatha Multispeciality Hospitals Private Limited
Prerana Hospital Limited	-	6.07	6.07	Corporate guarantee given to HDFC Bank to give working capital loan to Prerana Hospital Limited
Prerana Hospital Limited	-	66.43	66.43	Corporate guarantee given to HDFC Bank to give term loan to Prerana Hospital Limited
Prerana Hospital Limited	47.19	(47.19)	-	Corporate guarantee given to YES Bank to give working capital loan to Prerana Hospital Limited
Malabar Institute of Medical Sciences Limited	112.85	32.15	145.00	Corporate guarantee given to HDFC Bank to give term loan to Malabar Institute of Medical Sciences Limited
Malabar Institute of Medical Sciences Limited	26.99	(26.99)	-	Corporate guarantee given to ICICI Bank to give working capital to Malabar Institute of Medical Sciences Limited
Malabar Institute of Medical Sciences Limited	-	29.00	29.00	Corporate guarantee given to Axis Bank to give working capital to Malabar Institute of Medical Sciences Limited
Aster Clinical Labs LLP	-	1.00	1.00	Corporate guarantee given to Federal Bank to give Cash Credit Facility to Aster Clinical Labs LLP
Aster Clinical Labs LLP	-	15.00	15.00	Corporate guarantee given to Federal Bank to give term loan to Aster Clinical Labs LLP
Total	189.03	75.47	264.50	

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

36 Segment reporting

In accordance with Ind AS 108, Operating Segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in the standalone financial statements.

37 Financial Instruments - Fair values and risk management

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2021

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Investments	6	2,150.65	-	-	2,150.65	-	-	-	-
Loans	11	134.66	-	-	134.66	-	-	-	-
Other financial assets	12	109.76	-	-	109.76	-	-	-	-
Trade receivables	8	42.92	-	-	42.92	-	-	-	-
Cash and cash equivalents	9	6.79	-	-	6.79	-	-	-	-
Other bank balances	10	10.80	-	-	10.80	-	-	-	-
Total		2,455.58	-	-	2,455.58	-	-	-	-
Liabilities									
Financial liabilities not measured at fair value									
Borrowings	16	-	-	167.89	167.89	-	-	-	-
Lease liabilities	39	-	-	249.25	249.25	-	-	-	-
Trade payables	17	-	-	137.31	137.31	-	-	-	-
Other financial liabilities	18	-	91.20	22.87	114.07	-	-	91.20	91.20
Total		-	91.20	577.32	668.52	-	-	91.20	91.20

31 March 2022

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value									
Investments	6	2,166.03	-	-	2,166.03	-	-	-	-
Loans	11	209.39	-	-	209.39	-	-	-	-
Other financial assets	12	136.84	-	-	136.84	-	-	-	-
Trade receivables	8	61.55	-	-	61.55	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	9	18.27	-	-	18.27	-	-	-	-
Other bank balances	10	6.75	-	-	6.75	-	-	-	-
Total		2,598.83	-	-	2,598.83	-	-	-	-
Liabilities									
Financial liabilities not measured at fair value									
Borrowings	16	-	-	197.81	197.81	-	-	-	-
Lease liabilities	39	-	-	322.71	322.71	-	-	-	-
Trade payables	17	-	-	129.82	129.82	-	-	-	-
Other financial liabilities	18	-	91.20	8.42	99.62	-	-	91.20	91.20
Total		-	91.20	658.76	749.96	-	-	91.20	91.20

B Measurement of fair values

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

The fair value of the derivative put option is determined using Monte Carlo simulation. The significant unobservable inputs used in the fair value measurement are risk free rate, volatility and management projected EBITDA growth rates.

Level 3 fair values

The significant unobservable inputs used in the fair value measurement of the level 3 fair values together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values of derivative put option.

Particulars	Amount
Balance as at 1 April 2020	76.65
Net change in fair value (unrealised)	14.55
Addition during the year	-
Balance as at 31 March 2021	91.20
Net change in fair value (unrealised)	-
Addition during the year	-
Balance as at 31 March 2022	91.20

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

B Measurement of fair values

Sensitivity analysis

For the fair values of put option, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects on the profit or loss.

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Volatility (1% movement)	(0.57) to 0.20	(0.19) to 0.56	(0.6) to 0.12	(0.12) to 0.7
EBITDA growth rates (1% movement)	(0.06) to 3.59	(3.44) to 0.06	2.18 to 68.6	(67.2) to (2.02)
Risk free rate (1% movement)	0.09 to 63.90	(0.09) to (62.83)	(69.1) to (1.52)	1.6 to 71.8

C Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Company's audit and risk management committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk management committee.

ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to INR 61.55 crores (31 March 2021: INR 42.92 crores) and unbilled receivables amounting to INR 6.24 crores (31 March 2021: INR 4.21 crores).

The movement in lifetime ECL in respect of trade and other receivables during the year was as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	8.68	8.13
Impairment loss recognised	0.62	0.55
Balance at the end	9.30	8.68

No single customer accounted for more than 10% of the revenue as of 31 March 2022 and 31 March 2021. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent and other bank balances is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Company's short, medium and long-term funding and liquidity management requirements. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	129.82	-	129.82
Current borrowings	68.89	-	68.89
Non current borrowings (including current maturities)	23.87	105.05	128.92
Lease liabilities	6.87	315.84	322.71
Other financial liabilities	99.62	-	99.62
Total	329.07	420.89	749.96

The Company is using the cash inflows from the financial assets and the available bank facilities to manage the liquidity. The table below provides the cash inflows from significant financial assets as of 31 March 2022:

Particulars	Less than 1 year	More than 1 year	Total
Cash and cash equivalents	18.27	-	18.27
Other bank balances	6.75	-	6.75
Investments	-	2,166.03	2,166.03
Trade receivables	61.55	-	61.55
Loans	-	209.39	209.39
Other financial assets	76.15	60.69	136.84
Total	162.72	2,436.11	2,598.83

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2021:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	137.31	-	137.31
Current borrowings	38.71	-	38.71
Non current borrowings (including current maturities)	14.10	115.08	129.18
Lease liabilities	11.84	237.41	249.25
Other financial liabilities	114.07	-	114.07
Total	316.03	352.49	668.52

The Company is using the cash inflows from the financial assets and the available bank facilities to manage the liquidity. The table below provides the cash inflows from significant financial assets as of 31 March 2021:

Particulars	Less than 1 year	More than 1 year	Total
Cash and Cash equivalents	6.79	-	6.79
Other bank balances	10.80	-	10.80
Investments	-	2,150.65	2,150.65
Trade receivables	42.92	-	42.92
Loans	44.94	89.72	134.66
Other financial assets	56.63	53.13	109.76
Total	162.08	2,293.50	2,455.58

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Financial assets of INR 2,598.83 crores (including restricted deposits of INR 3.27 crores) as at 31 March 2022 carried at amortised cost is in the form of cash and cash equivalents, deposits, etc. where the Company has assessed the counterparty credit risk. Trade receivables of INR 61.55 crores as at 31 March 2022 carried at amortised cost and is valued considering provision for allowance using expected credit loss method (if any). In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the impact immediately seen in the demand outlook and the financial strength of the customers in respect of whom amounts are receivable. The Company has specifically evaluated the potential impact with respect to Healthcare service sector. The Company closely monitors its customers who are being impacted. Also a substantial portion of the financial asset is related to investments in subsidiary companies (INR 2,166.03 crores) and loans and advances to subsidiary companies (INR 209.33 crores, net of provision of INR 13.48 crores) wherein Management has considered the impact of COVID -19 on the projections while doing its assessment for impairment testing.

iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company is mainly exposed to AED, EUR, OMR and US dollar.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

As at 31 March 2022	AED	EUR	OMR	USD
Other current financial liabilities	-	-	1.17	-
Other financial assets	-	-	-	-
Cash and cash equivalents	0.07	-	-	0.12
Net assets/(liabilities)	0.07	-	(1.17)	0.12

As at 31 March 2021	AED	EUR	OMR	USD
Other current financial liabilities	-	-	1.17	-
Other financial assets	-	-	-	-
Cash and cash equivalents	0.07	-	-	0.01
Net assets/(liabilities)	0.07	-	(1.17)	0.01

Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments. One per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a one per cent change in foreign currency rates. A positive number below indicates an increase in profit and other equity where currency units strengthens one per cent against the relevant currency. For a one per cent weakening of currency units against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

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All amounts in INR crores, unless otherwise stated

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
AED Sensitivity				
INR/ AED - Increase by 1%	*	*	*	*
INR/ AED - Decrease by 1%	*	*	*	*
EUR Sensitivity				
INR/ EUR - Increase by 1%	-	-	-	-
INR/ EUR - Decrease by 1%	-	0.02	-	0.02
OMR Sensitivity				
INR/ OMR - Increase by 1%	(0.01)	(0.01)	(0.01)	(0.01)
INR/ OMR - Decrease by 1%	0.01	0.01	0.01	0.01
USD Sensitivity				
INR/ USD - Increase by 1%	0.00	0.00	0.00	0.00
INR/ USD - Decrease by 1%	(0.00)	(0.00)	(0.00)	(0.00)

* Amount is below the rounding off norms adopted by the Company.

Interest rate risk

The Company is exposed to interest rate risk because the Company borrows funds at both fixed and floating interest rates. The Company's significant interest rate risk arises from long-term borrowings with variable interest rates, which expose the Company to cash flow interest rate risk. The interest rate on the Company's financial instruments is based on market rates. The Company monitors the movement in interest rates on an ongoing basis. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Financial liabilities (bank borrowings)	As at 31 March 2022	As at 31 March 2021
Variable rate long term borrowings including current maturities	128.92	129.18

Sensitivity analysis

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Sensitivity				
1% increase in MCLR rate	(1.29)	(1.29)	(1.29)	(1.29)
1% decrease in MCLR rate	1.29	1.29	1.29	1.29

The analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A one per cent 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. The Company's sensitivity to interest rates has increased in the current year due to the additional variable rate long term borrowings taken during the year.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

38 Employee benefits

- A** The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act'). Under the Gratuity Act, employee who has completed five years of service is entitled to specific benefit. The gratuity benefit provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 / 30 days' salary payable for each completed year of service.

Based on an actuarial valuation, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation liability	8.61	7.69
Plan assets	-	-
Net defined benefit liability	8.61	7.69

B Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at beginning of the year	7.69	5.99
Benefit paid	(1.33)	(0.40)
Current service cost	2.05	1.93
Past service cost	-	-
Interest cost	0.49	0.35
Actuarial gain/(loss) recognised in other comprehensive income		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(0.37)	-
- experience adjustments	(0.31)	(0.01)
Transfers in/(out)	0.39	(0.17)
Balance at the end of the year	8.61	7.69
Net defined benefit obligation (liability)	8.61	7.69

C (i) Expenses recognised in the statement of profit & loss account

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	2.05	1.93
Past service cost	-	-
Interest cost	0.49	0.35
Gratuity cost	2.54	2.28

(ii) Remeasurements recognised in other comprehensive income

Particulars	As at 31 March 2022	As at 31 March 2021
Actuarial gain/(loss) on defined benefit obligation	(0.68)	(0.01)
Remeasurements recognised in other comprehensive income	(0.68)	(0.01)

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

D Actuarial valuation

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The defined benefit plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest rate risk	A decrease in the bond interest rate will increase the plan liability
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(i) Assumptions used to determine benefit obligations:

Principal actuarial assumptions at the reporting date (expressed as weighted average)

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	6.60%	6.10%
Future salary growth	6.00%	6.00%
Attrition rate	Below 35 years : 35% p.a 35 yrs. & above : 6% p.a.	Below 35 years : 35% p.a 35 yrs. & above : 6% p.a.
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)

The weighted-average assumptions used to determine net periodic benefit cost for the year ended 31 March 2022 and year ended 31 March 2021 as set out below:

Particulars	As at 31 March 2022	As at 31 March 2021
Weighted average duration of defined benefit obligation	6.5	6

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(ii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rate. Reasonably possible changes at the reporting date to one of the actuarial assumptions, holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.65)	0.75	(0.57)	0.64
Future salary growth (1% movement)	0.75	(0.66)	0.64	(0.57)
Withdrawal rate (1% movement)	(0.04)	0.03	(0.07)	0.07

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

E Defined contribution plan

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contribution to Provident Fund	7.54	6.50
Employee State Insurance	0.52	0.56
National Pension System	0.05	0.05
Labour Welfare Fund	0.04	0.04
Components recognised in the statement of profit and loss	8.15	7.15

39 Leases

The Company has taken hospital premises on lease from various parties from where healthcare and management services are rendered. The leases typically run for a period of 1 year - 24 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	249.25	203.82
Additions	77.03	43.05
Finance cost accrued during the period (refer Note 28)	27.38	20.77
Payment of lease liabilities	(30.95)	(18.39)
Closing balance	322.71	249.25
Non-current lease liabilities	315.84	237.41
Current lease liabilities	6.87	11.84

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than one year	26.85	21.23
One to five years	135.34	107.95
More than five years	647.20	440.15
Total undiscounted lease liabilities	809.39	569.33

(iii) Right-of-use assets

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Gross carrying value		
Opening balance	221.84	178.79
Addition to right-of-use assets	77.03	43.05
Total gross carrying value	298.87	221.84
Accumulated Depreciation		
Opening balance	29.76	14.47
Depreciation for the year (Refer Note 29)	15.89	13.45
Amortisation of deferred lease expenses (Refer Note 29)	1.49	1.52
Depreciation on finance lease asset (Refer Note 29)	0.22	0.32
Total accumulated Depreciation	47.36	29.76
Net Balance	251.51	192.08

(iv) Amounts recognised in statement of profit or loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease rental expenses for lease where Ind AS 116 is not applicable	29.40	15.78
Interest on lease liabilities	27.38	20.77
Depreciation on right-of-use assets	17.60	15.29

(v) Amounts recognised in statement of cash flows

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Total cash out flow for leases	30.95	18.39

The Company had benefited from a 5 month waiver of lease payments on buildings in India during the year ended 31 March 2021. The waiver of lease payments of Rs. 7.06 crore was accounted as a negative variable lease payment in statement of profit and loss. No such benefit has been availed during year ended 31 March 2022. The Company has derecognised the part of the lease liability that has been extinguished by the forgiveness of lease payments, consistent with the requirements of Ind AS 109:3.3.1.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

40 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of 31 March 2022 and 31 March 2021 was as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Total equity attributable to the equity shareholders of the Company	2,955.21	2,864.11
As a percentage of total capital	94%	94%
Long-term borrowings including current maturities	128.92	129.18
Short-term borrowings	68.89	38.71
Total borrowings	197.81	167.89
As a percentage of total capital	6%	6%
Total capital (Equity and Borrowings)	3,153.02	3,032.00

41 Share based payments

A Description of share-based payment arrangements- Share option plans (equity-settled)

The Company has issued stock options under the DM Healthcare Employees Stock Option Plan 2013 ("DM Healthcare ESOP 2013" or "2013 Plan") during the financial year ended 31 March 2013. The 2013 Plan covers all non-promoter directors and employees of the Company and its subsidiaries (collectively referred to as "eligible employees"). Under this plan, holders of vested options are entitled to purchase shares at the exercise price approved by the Nomination and Remuneration Committee (agreed at 25% discount at previous day closing traded share price). The Nomination and Remuneration Committee granted the options on the basis of performance, criticality and potential of the employees as identified by the management. Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. If the options remain unexercised at the end of the contractual life of the option, the options expire. Options are forfeited if the employee leaves the Company before the options vest.

The Company has granted different categories of options on 2 March 2013, 1 April 2014, 1 April 2015, 22 November 2016, 7 June 2017, 1 March 2018, 30 April 2018, 12 February 2019, 28 May 2019, 29 August 2019, 11 November 2019, 10 February 2020, 22 June 2020, 8 February 2021, 21 June 2021, 10 November 2021, 07 February 2022 on different terms viz; incentive options, milestone options, performance options and loyalty options.

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Option Type	Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Incentive option	2 March 2013	344,280	50		
Incentive option	1 April 2014	344,280	50	At the end of 1 year based on performance	
Incentive option	1 April 2015	360,526	50		
Incentive option	22 November 2016	410,385	50	50% at the end of first year and 25% each at the end of second & third year based on performance.	
Incentive option	7 June 2017	148,000	175	25% at the end of each financial year over a period of 4 years based on performance.	
Milestone option	2 March 2013	715,986	50		
Milestone option	1 April 2014	254,537	50	25% at the end of each financial year over a period of 4 years based on performance.	
Milestone option	1 April 2015	27,493	50		
Milestone option	22 November 2016	138,000	50	50% at the end of first year and 25% each at the end of second & third year each based on performance.	
Milestone option	7 June 2017	111,000	175		
Performance option	1 March 2018	482,200	142		
Performance option	1 March 2018	183,829	50	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	12 February 2019	126,400	116		
Performance option	12 February 2019	172,200	116	50% at the end of each financial year over a period of 2 years based on performance.	5 years from the date of vesting
Performance option	28 May 2019	117,600	102	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	29 August 2019	515,400	89		
Performance option	29 August 2019	262,500	89	3 annual tranches of 33%, 33% and 34% respectively each based on the performance.	
Performance option	11 November 2019	10,800	107		
Performance option	10 February 2020	10,800	123		
Performance option	22 June 2020	30,000	91.85		
Performance option	8 February 2021	15,000	115	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	21 June 2021	57,000	118		
Performance option	10 November 2021	39,000	145.31		
Performance option	07 February 2022	39,600	139		

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Option Type	Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Loyalty option	2 March 2013	420,000	10	100% vesting at the end of 1 year from date of grant.	
Loyalty option	1 April 2014	9,000	10		
Loyalty option	1 April 2015	15,000	10		
Loyalty option	22 November 2016	176,000	10	80% vesting on completion of 6 years' service and 20% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	
Loyalty option	7 June 2017	285,000	10	75% vesting on completion of 6 years' service and 25% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	
Loyalty option	1 March 2018	146,800	10	75% vesting on completion of 6 years' service and 25% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	
Loyalty option	30 April 2018	71,000	10	At the end of 1 year from the date of grant.	
Loyalty option	12 February 2019	31,600	10	75% vesting on completion of 6 years' service and 25% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	5 years from the date of vesting
Loyalty option	12 February 2019	37,700	10	At the end of 1 year from the date of grant.	
Loyalty option	28 May 2019	29,400	10	2 tranches upon completion of 6 years and 9 years of service	
Loyalty option	29 August 2019	518,600	10		
Loyalty option	11 November 2019	7,200	10		
Loyalty option	10 February 2020	7,200	10	37.5% vesting on completion of 3 years and 6 years each respectively and 25% on completion of 9 years.	
Loyalty option	22 June 2020	30,000	10		
Loyalty option	21 June 2021	38,000	10		
Loyalty option	10 November 2021	26,000	10		
Loyalty option	07 February 2022	26,400	10		

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B Measurement of fair value

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options. The fair value of the option is calculated using the Black-Scholes Option Pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Option type	Incentive option				
Date of grant	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 87.20	Rs 173.09	Rs 216.86	Rs 77.07	Rs 40.90
Share price at grant date	Rs 233.00	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise price	Rs 175.00	Rs 50.00	Rs 50.00	Rs 50.00	Rs 50.00
Expected volatility	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	2.75 years	2.25 years	2 years	2 years	1.96 years
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.64%	6.08%	7.79%	8.89%	7.95%

Option type	Milestone option				
Date of grant	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 87.20	Rs 173.31	Rs 219.21	Rs 78.50	Rs 48.68
Share price at grant date	Rs 232.75	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise price	Rs 175.00	Rs 50.00	Rs 50.00	Rs 50.00	Rs 50.00
Expected volatility	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	2.75 years	2.23 years	2.75 years	2.80 years	2.80 years
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.64%	6.08%	7.79%	8.89%	7.95%

Option type	Performance options					
Date of grant	29 August 2019	28 May 2019	12 February 2019	12 February 2019	1 March 2018	1 March 2018
Fair value at grant date	Rs 49.68	Rs 60.76	Rs 71.55	Rs 65.16	Rs 133.44	Rs 61.55
Share price at grant date	Rs 117.55	Rs 137.75	Rs 157.85	Rs 157.85	Rs 173.10	Rs 173.10
Exercise price	Rs 89.00	Rs 102.00	Rs 116.00	Rs 116.00	Rs 50.00	Rs 142.00
Expected volatility	36.250%	32.21%	39.950%	39.950%	16.380%	16.380%
Expected life	2.67 years	3 years	2.75 years	2 years	2.50 years	2.50 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.54%	7.10%	6.78%	6.78%	7.76%	7.76%

Option type	Performance options					
Date of grant	29 August 2019	11 November 2019	22 June 2020	8 February 2021	21 June 2021	10 November 2021
Fair value at grant date	Rs 51.60	Rs 64.66	Rs 119.80	Rs 151.75	Rs 85.83	Rs 114.80
Share price at grant date	Rs 117.55	Rs 144.75	Rs 121.95	Rs 157.23	Rs 158.70	Rs 205.40
Exercise price	Rs 89.00	Rs 107.00	Rs 91.85	Rs 115.00	Rs 118.00	Rs 145.31
Expected volatility	36.250%	35.660%	41.030%	41.230%	40.770%	40.850%
Expected life	3 years	3 years	2.50 years	2.50 years	5 years	5 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.54%	6.53%	5.88%	6.04%	5.70%	5.83%

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Option type	Performance options
Date of grant	07 February 2022
Fair value at grant date	Rs 100.43
Share price at grant date	Rs 184.20
Exercise price	Rs 139.00
Expected volatility	40.750%
Expected life	5 years
Expected dividends	Nil
Risk- free interest rate	6.29%

Option type	Loyalty option					
Date of grant	1 March 2018	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 165.47	Rs 226.89	Rs 208.88	Rs 251.09	Rs 124.19	Rs 161.42
Share price at grant date	Rs 173.10	Rs 233.00	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	16.380%	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	4.50 years	2.61 years	3.14 years	2 years	2 years	2 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.64%	6.64%	6.08%	7.79%	8.89%	7.95%

Option type	Loyalty option					
Date of grant	30 April 2018	12 February 2019	12 February 2019	28 May 2019	29 August 2019	11 November 2019
Fair value at grant date	Rs 162.48	Rs 129.61	Rs 149.41	Rs 131.79	Rs 109.68	Rs 137.84
Share price at grant date	Rs 170.95	Rs 157.85	Rs 157.85	Rs 137.75	Rs 117.55	Rs 144.75
Exercise price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	48.990%	39.950%	39.950%	32.210%	36.250%	35.660%
Expected life	2.50 years	2.50 years	2.50 years	7.26 years	3.09 years	5.84 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.63%	6.78%	6.78%	7.10%	6.54%	6.53%

Option type	Loyalty option					
Date of grant	10 February 2020	10 February 2020	22 June 2020	8 February 2021	21 June 2021	10 November 2021
Fair value at grant date	Rs 157.10	Rs 157.10	Rs 119.80	Rs 151.75	Rs 152.37	Rs 198.27
Share price at grant date	Rs 164.10	Rs 164.10	Rs 121.95	Rs 157.23	Rs 158.70	Rs 205.40
Exercise price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	34.640%	34.640%	41.030%	41.230%	40.770%	40.870%
Expected life	5.73 years	5.73 years	2.50 years	3.64 years	7.60 years	5.95 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.42%	6.42%	5.88%	6.04%	6.10%	5.86%

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Option type	Loyalty option
Date of grant	07 February 2022
Fair value at grant date	Rs 178.23
Share price at grant date	Rs 184.20
Exercise price	Rs 10.00
Expected volatility	40.530%
Expected life	9.53 years
Expected dividends	Nil
Risk- free interest rate	6.66%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

C Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option plans are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Outstanding as on 1 April	0.14	0.18
Granted during the year	0.02	0.01
Lapsed / forfeited during the year	(0.03)	(0.03)
Exercised during the year	(0.02)	(0.02)
Expired during the year	(0.00)	(0.00)
Options outstanding at the end of the year	0.11	0.14
Options exercisable at the end of the year	0.03	0.04
Weighted average share price at the date of exercise for share options exercised during the period (in INR)	182.95	152.85

The options outstanding at 31 March 2022 have an exercise price in the range of INR 10 to INR 145.31 (31 March 2021: INR 10 to INR 123) and a weighted average remaining contractual life of 4.98 years (31 March 2021: 5.43 years).

D Expense recognised in statement of profit and loss

For details on the employee benefits expense, see Note 27.

- 42** 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 the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with associated enterprises during the financial period and expects such records to be in existence latest by the date of filing its income tax return as required by the law. The Management is of the opinion that its international transactions are at arm's length so that 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.
- 43** The Indian Parliament has approved the Code on Social Security, 2020 and Code on Wages, 2019 ['Codes'] relating to employee benefits during employment and post-employment benefits in September 2020 and the same has received Presidential Assent. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not yet been notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

44 During the year ended 31 March 2018, the Company had completed the initial public offer (IPO), pursuant to which 51,586,145 equity shares having face value of INR 10 each were allotted/ allocated, at an issue price of INR 190, consisting of fresh issue of 38,157,894 equity shares and an offer for sale of 13,428,251 equity shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) via Symbol ASTERDM and BSE Limited (BSE) via Scrip Code 540975 on 26 February 2018.

The gross proceeds of fresh issue of equity shares from IPO amounts to INR 725 crore. The Company's share of fresh issue related expenses of INR 44.32 crore has been adjusted against securities premium. Details of utilisation of IPO proceeds are as follows:

Particulars	Objects of issue as per prospectus	Utilised up to 30 June 2020	Unutilised amount as at 31 March 2021
Repayment/ prepayment of debt	564.16	564.16	-
Purchase of medical equipment	110.31	110.31	-
Fresh issue related expenses	44.32	44.32	-
General corporate purposes*	6.21	6.21	-
Total	725.00	725.00	-

*The excess utilised has been adjusted against fresh issue related expenses.

There has been no movement during the year ended 31 March 2022.

45 The Board of Directors ('Board') at their meeting held on 28 March 2022 has constituted a Committee of Independent Directors ('Committee') of the Board to review the corporate structure of the Company and explore options for enhancing value ('Restructuring'). The Committee has not made any conclusions during the year and appropriate intimations and adjustments, if any, would be made in the year when the committee makes its conclusions and the same are approved by the Board of Directors.

46 Financial ratios

Ratio	Methodology	For the year ended 31 March 2022	For the year ended 31 March 2021	Explanation if variance exceeds 25%
a) Current ratio	Current assets/ Current liabilities	0.58	0.60	NA
b) Debt-equity ratio	Total debt/ Shareholder's equity	0.17	0.14	NA
c) Debt service coverage ratio	Earnings available for debt service/ Debt service	2.00	0.50	Due to improved profit margins.
d) Return on equity	Net profit after taxes/ Average shareholder's equity	3.10%	-2.37%	Due to improved profit margins.
e) Inventory turnover ratio	Cost of goods sold/ Average inventory	12.68	8.59	Due to increase in consumption and better inventory management.
f) Trade receivables turnover ratio	Revenue from operations/ Average accounts receivables	21.37	17.02	Due to improvement in collections of receivables.
g) Trade payables turnover ratio	Total purchases/ Average trade payables	2.08	1.43	Due to increase in purchases and prompt payments to creditors/ vendors.
h) Net capital turnover ratio	Net sales/ Working capital	(7.80)	(5.76)	Due to increase in revenue.
i) Net profit ratio	Net profit/ Net sales	8.08%	-9.21%	Due to increase in profits.
j) Return on capital employed	Earnings before interest and taxes/ Capital employed	1.50%	-1.17%	Due to profits in current year on account of increase in operations of the Company.
k) Return on investment	Dividend income, net gain on sale of investments and net fair value gain over average investments	0.03	-	Due to dividend received in the current year.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

46 Financial ratios (Contd.)

Notes:

Total debt = Borrowings + Lease liabilities - Cash & cash equivalents - Other bank balances - Current investments

Earnings available for debt service = Net profit before taxes + Non-cash operating expenses like depreciation and amortisations - Other income + Interest + Other adjustments (such as loss on sale of property, plant and equipment, fair valuation of put options)

Debt service = Interest + Principal repayments + Lease payments

Net profit = Net profit after tax

Capital employed = Tangible net worth + Total debt

Earnings before interest and taxes = Net profit before taxes - Other income + Interest + Other adjustments (such as loss on sale of property, plant and equipment, fair valuation of put options)

47 Additional disclosures

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property during and as at 31 March 2022 and 31 March 2021 ('the reporting periods').
- b) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the reporting periods.
- c) There are no transactions and balances with companies which have been removed from the Register of Companies [struck off companies] during and as at the reporting periods.
- d) The Company has not traded / invested in Crypto currency during the reporting periods.
- e) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as at the reporting periods.
- f) The Company has not advanced or loaned or invested funds during the reporting periods to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) The Company has not received any fund during the reporting periods 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the reporting periods 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).
- i) 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:
 - (i) repayable on demand; or
 - (ii) without specifying any terms or period of repayment.

Notes to the Standalone Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

47 Additional disclosures (Contd.)

- j) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- k) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

for and on behalf of the Board of Directors of

Aster DM Healthcare Limited

CIN : L85110KA2008PLC147259

Dr. Azad Moopen

Chairman and Managing Director

DIN 00159403

Dubai

24 May 2022

Sreenath Reddy

Chief Financial Officer

Dubai

24 May 2022

T J Wilson

Director

DIN 02135108

Dubai

24 May 2022

Hemish Purushottam

Company Secretary

Membership No : A24331

Dubai

24 May 2022



Consolidated Financial Statements

Independent Auditor's Report

To

The Members of

Aster DM Healthcare Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Aster DM Healthcare Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Evaluation of Impairment Assessment of Goodwill <p>As at 31 March 2022, the Group had INR 1,087.91 crores of goodwill allocated across the Group's various cash generating units. The management tests such goodwill for impairment annually or more frequently, if there is a trigger for assessing impairment.</p> <p>The Group's evaluation of impairment of its goodwill arising from its business combinations involves a comparison of its expected recoverable values against its carrying values. The recoverable amount of the Cash Generating Unit (CGU) to which the goodwill is allocable is based on Value in Use (VIU) calculations determined based on a discounted cash flow model. Determination of VIU involves significant estimates and judgements related to future revenue forecasts and margins, terminal growth rates and discount rates to be considered, including possible impacts of the pandemic.</p>	Principal audit procedures performed <p>We tested the design, implementation and operating effectiveness of internal controls over the Group's impairment evaluation by testing on a sample basis:</p> <ul style="list-style-type: none"> The forecasting process including controls related to the development of the revenue growth rates and EBITDA margins. The goodwill impairment review specifically the assumptions used to develop the terminal growth rate, discount rates and the mathematical accuracy of the workings and basis for final conclusion.

Sr. No.	Key Audit Matter	Auditor's Response
2	<p>Estimates of Variable considerations under Ind AS 115</p> <p>The Group's significant revenues arise from patients covered under insurance. The Group determines the transaction price after adjusting the estimates for variable considerations, in accordance with Ind AS 115-Revenue from contracts with customers.</p> <p>In calculating the variable considerations, the Group considers the nature and coverage through insurance and other parties, the history of adjustments and rejections, and the probability of rejections, discounts, rebates, price concessions, or other similar items.</p> <p>Management exercises judgement in determination of estimates of variable considerations which impacts the transaction price at which the revenue is to be recognised.</p> <p>Refer Note 3.9 to the consolidated financial statements.</p>	<p>We received the managements evaluation of the impairment assessment for sample CGU's and evaluated reasonableness of management's assumptions related to revenue growth rates, EBITDA margins and discount rates by considering (i) the current and past performance of each of the cash generating units, (ii) the consistency of internal assumptions with external market information and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit and also (iv) subjected the various assumptions to certain sensitivity to key inputs and (v) testing the integrity and mathematical accuracy of the impairment models.</p> <p>We involved our internal fair value specialists to assist in the evaluation of the appropriateness of the Group's model for calculating value in use for each of the cash generating units and reasonableness of certain significant assumptions, such as the terminal growth rate and discount rates.</p> <p>We reviewed the impairment disclosures to ensure consistency against the requirements of Ind AS 36 – Impairment of Assets.</p> <p>Principal audit procedures performed</p> <p>Our procedures, including those carried out by other auditors, included the following:</p> <ul style="list-style-type: none"> ▪ Evaluation of the design and implementation of controls over the compilation of the information with regard to the trend of rejections, settlement discounts, and future expected trends considered in determining the estimates of variable considerations. ▪ We received the calculations considered by the Group's management with regard to the estimates of variable considerations and performed substantive procedures for samples as below: <ul style="list-style-type: none"> ○ The accuracy of the source data such as revenue, rejection amount, reasons for rejections with the insurance / third party administrator (TPA) settlement reports and settlement amount used in determining the estimate of variable considerations. ○ Recomputed and compared the amount of variable consideration adjusted to the transaction price, based on total claims submitted vs. rejections received to date, and reconciled any material differences.

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

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, Management Discussion & Analysis, Business Responsibility Report and Corporate Governance Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information,

compare with the financial statements of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associates, is traced from their financial statements audited by the other auditors.

- 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 Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation

of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- (a) We did not audit the financial information of 54 subsidiaries, whose financial information reflect total assets of INR 9,772.18 crores as at 31 March 2022, total revenues of INR 7,872.91 crores and net cash inflows amounting to INR 50 crores for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) We did not audit the financial information of 14 subsidiaries, whose financial information reflect total assets of INR 503.64 crores as at 31 March 2022, total revenues of INR 248.89 crores and net cash inflows amounting to INR 29.06 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of INR 0.54 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of 8 associates, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries and associates referred to in the Other Matters section above, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on 31 March 2022, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion

and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates;
 - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary companies and associate companies incorporated in India.
 - iv. a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. The Parent has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells**

Chartered Accountants
(Firm's Registration No. 008072S)

Jaideep S. Trasi

(Partner)

(Membership No. 211095)

(UDIN: 22211095AJMZLY3283)

Bengaluru, 24 May 2022

ANNEXURE “A” to the Independent Auditor’s Report

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of Aster DM Healthcare Limited (hereinafter referred to as “Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting

to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 5 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 0080725)

Jaideep S. Trasi
(Partner)

(Membership No. 211095)
(UDIN: 22211095AJMZLY3283)

Bengaluru, 24 May 2022

Consolidated Balance Sheet

as at 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4.1	3,357.88	3,279.27
Capital work-in-progress	4.2	977.67	933.86
Right-of-use assets	40	2,304.82	2,167.44
Goodwill	5	1,087.91	1,052.24
Other intangible assets	5	258.02	249.98
Intangible assets under development	4.2	20.07	-
Financial assets			
Investments	6	38.19	38.73
Loans	7	28.07	-
Other financial assets	8	180.02	155.86
Deferred tax assets (net)	28	25.00	23.44
Income tax assets (net)	29	97.51	78.41
Other non-current assets	9	74.62	35.22
Total non-current assets		8,449.78	8,014.45
Current assets			
Inventories	10	1,025.68	848.99
Financial assets			
Investments	6	6.64	24.13
Trade receivables	11	2,020.52	2,019.00
Cash and cash equivalents	12	343.37	258.09
Other bank balances	13	36.24	23.27
Other financial assets	8	168.15	112.93
Other current assets	9	495.86	342.60
Total current assets		4,096.46	3,629.01
Total assets		12,546.24	11,643.46
Equity and liabilities			
Equity			
Equity share capital	14	497.22	497.04
Other equity		3,456.19	2,875.42
Equity attributable to the owners of the company		3,953.41	3,372.46
Equity attributable to owners of Company			
Non-controlling interest		529.21	461.66
Total equity		4,482.62	3,834.12
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	1,466.40	1,754.80
Lease liabilities	40	2,472.92	2,274.91
Other financial liabilities	16	11.66	42.55
Provisions	17	358.94	358.63
Deferred tax liabilities (net)	28	168.93	152.59
Other non-current liabilities	18	26.19	30.24
Total non-current liabilities		4,505.04	4,613.72
Current liabilities			
Financial liabilities			
Borrowings	15	725.76	554.27
Lease liabilities	40	242.05	219.67
Trade payables	19	-	-
- Total outstanding dues of micro and small enterprises		14.43	5.20
- Total outstanding dues of creditors other than micro and small enterprises		2,103.66	2,022.14
Other financial liabilities	16	221.78	245.92
Provisions	17	93.30	85.44
Current Tax Liabilities (net)	29	10.63	4.62
Other current liabilities	18	146.97	58.36
Total current liabilities		3,558.58	3,195.62
Total equity and liabilities		12,546.24	11,643.46

The accompanying notes form an integral part of the consolidated financial statements (Note 1 to 49)

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 0080725

Jaideep S. Trasi
Partner
Membership No.: 211095
Bengaluru
24 May 2022

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Dr. Azad Moopen
Chairman and Managing Director
DIN 00159403
Dubai
24 May 2022

Sreenath Reddy
Chief Financial Officer
Dubai
24 May 2022

T J Wilson
Director
DIN 02135108
Dubai
24 May 2022

Hemish Purushottam
Company Secretary
Membership No : A24331
Dubai
24 May 2022

Consolidated Statement of Profit and Loss for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	20	10,253.28	8,608.43
Other income	21	50.66	49.97
Total income		10,303.94	8,658.40
Expenses			
Purchases of medicines and consumables	22	3,068.46	2,436.95
Changes in inventories	23	(176.69)	111.96
Professional fee paid to doctors		814.77	643.42
Laboratory outsourcing charges		254.73	275.90
Employee benefits expense	24	3,264.46	2,755.36
Finance costs	25	257.02	293.66
Depreciation and amortisation expenses	26	640.58	617.57
Other expenses	27	1,544.30	1,322.05
Total expenses		9,667.63	8,456.87
Profit before share of profit of equity accounted investees and tax		636.31	201.53
Share of profit of equity accounted investees		0.54	3.52
Profit before tax		636.85	205.05
Tax expense			
Current tax	29	45.54	21.66
Income tax for earlier years	29	(1.73)	-
Deferred tax	28	(8.01)	5.56
Total tax expense		35.80	27.22
Profit for the year		601.05	177.83
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of net defined benefit liability		43.88	(13.10)
Income tax on items that will not be reclassified subsequently to profit or loss		(0.90)	0.04
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange difference in translating financial statements of foreign operations		73.27	(36.65)
Income tax on items that will be reclassified subsequently to profit or loss		(22.80)	-
Other comprehensive income / (loss) for the year, net of income tax		93.45	(49.71)
Total comprehensive income for the year		694.50	128.12
Profit attributable to			
Shareholders of the Company		525.99	147.74
Non-controlling interests		75.06	30.09
Profit for the year		601.05	177.83
Other comprehensive income / (loss) attributable to			
Shareholders of the Company		82.66	(43.79)
Non-controlling interests		10.79	(5.92)
Other comprehensive (loss)/ income for the year		93.45	(49.71)
Total comprehensive income attributable to			
Shareholders of the Company		608.65	103.95
Non-controlling interests		85.85	24.17
Total comprehensive income for the year		694.50	128.12
Earnings per share (equity share of face value of INR 10 each)	32		
Basic earnings per share (INR)		10.58	2.97
Diluted earnings per share (INR)		10.57	2.97

The accompanying notes form an integral part of the consolidated financial statements (Note 1 to 49)

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 0080725

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Partner
Membership No.: 211095
Bengaluru
24 May 2022

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Dubai
24 May 2022

Hemish Purushottam
Company Secretary
Membership No : A24331
Dubai
24 May 2022

Consolidated Statement of Cash Flows for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities		
Profit before tax	636.85	205.05
Adjustments for		
Depreciation and amortisation expenses	640.58	617.57
Share of (profit)/ loss of associates	(0.54)	(3.52)
Gain on disposal of property, plant and equipment (net)	2.81	4.44
Allowance for credit losses on financial assets	240.08	269.20
Dividend income	(0.97)	-
Equity settled share based payment expense	(0.13)	2.49
Gain on sale of investment (net)	-	(0.31)
Finance costs	257.02	293.66
Interest income	(2.72)	(4.20)
Operating cash flows before movements in working capital	1,772.98	1,384.38
Movements in working capital		
(Increase)/ decrease in inventories	(144.60)	94.57
(Increase)/ decrease in trade receivable	(182.36)	35.95
(Increase)/ decrease in other financial assets, loans and other assets	(195.57)	138.96
Increase/ (decrease) in liabilities and provisions	120.13	(73.69)
Cash generated from operating activities	1,370.58	1,580.17
Taxes paid, net of refund received	(57.12)	(11.05)
Net cash generated from operating activities (A)	1,313.46	1,569.12
Cash flows from investing activities		
Acquisition of property, plant and equipment and capital work-in-progress	(483.04)	(404.26)
Acquisition/ development of intangible assets	(64.93)	(19.39)
Proceeds from disposal of property, plant and equipment	4.06	37.21
Interest received	2.23	2.95
Investments in liquid mutual fund units/ disposal of investments	17.49	(12.53)
Investment/ repayment of advance in shares of associates and others	(31.89)	65.41
Dividend received	0.97	0.31
Acquisition of subsidiary, net of cash and cash equivalents acquired	(15.37)	-
Net cash (used) in investing activities (B)	(570.48)	(330.30)
Cash flows from financing activities		
Proceeds from issue of equity shares	0.58	0.79
Expenses for buyback of equity shares	-	(0.97)
Non-current borrowings availed	67.38	190.41
Non-current borrowings repaid	(366.62)	(555.46)
Current borrowing movement (net)	119.64	(253.21)
Acquisition of non-controlling interest	(27.05)	-
Lease payments	(336.72)	(324.79)
Dividend paid to non-controlling interest by subsidiaries, including tax	(20.14)	(9.44)
Finance cost	(122.49)	(163.46)
Net cash (used in) financing activities (C)	(685.42)	(1,116.13)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	57.56	122.69
Cash and cash equivalents at the beginning of the year*	234.55	114.65
Effect of exchange rate changes on cash and cash equivalents	7.22	(2.79)
Cash and cash equivalents at the end of the year*	299.33	234.55

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of Group's cash management.

Consolidated Statement of Cash Flows

for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Changes in financial liabilities arising from financing activities for the year ended 31 March 2022

Particulars	As at 1 April 2021	Cash inflows	Cash outflows	Non cash changes			As at 31 March 2022
				Addition/ conversion	Foreign exchange Movement	Fair Value/ other changes	
Non-current borrowings (including current maturities)	2,149.67	67.38	(366.62)	-	51.12	-	1,901.55
Current borrowings (net)	159.40	119.64	-	-	11.57	-	290.61
Lease liabilities	2,494.58	-	(336.72)	354.12	67.64	135.35	2,714.97
Total	4,803.65	187.02	(703.34)	354.12	130.33	135.35	4,907.13

Changes in financial liabilities arising from financing activities for the year ended 31 March 2021

Particulars	As at 1 April 2020	Cash inflows	Cash outflows	Non cash changes			As at 31 March 2021
				Addition/ conversion	Foreign exchange Movement	Fair Value/ other changes	
Non-current borrowings (including current maturities)	2,385.26	190.41	(555.46)	168.96	(39.50)	-	2,149.67
Current borrowings (net)	587.16	-	(253.21)	(168.96)	(5.59)	-	159.40
Lease liabilities	2,632.26	-	(324.79)	97.97	(45.94)	135.08	2,494.58
Total	5,604.68	190.41	(1,133.46)	97.97	(91.03)	135.08	4,803.65

The accompanying notes form an integral part of the consolidated financial statements (Note 1 to 49)

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 0080725

Jaideep S. Trasi
Partner
Membership No.: 211095
Bengaluru
24 May 2022

for and on behalf of the Board of Directors of
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Dubai
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24 May 2022

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Director
DIN 02135108
Dubai
24 May 2022

Hemish Purushottam
Company Secretary
Membership No : A24331
Dubai
24 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

A Equity share capital

Particulars	Note	No. of equity shares (In Crores)	Amount
Balance as at 1 April 2020		49.68	496.80
Changes in equity share capital during 2020-21	14	0.02	0.24
As at 31 March 2021		49.70	497.04
Changes in equity share capital during 2021-22	14	0.02	0.18
As at 31 March 2022		49.72	497.22

B Other equity

Particulars	Reserves and surplus				Retained earnings	Items of other comprehensive income	Total attributable to owners of the Company	Attributable to non-controlling interest (NCI)	Total			
	Other components of equity	Securities premium	Capital reserve	General reserve						Capital Redemption Reserve	Exchange difference in translating financial statements of foreign operations	Remeasurement of net defined benefit plan
Balance as at 1 April 2020	374.38	2,198.80	105.61	7.04	5.71	84.86	(232.77)	231.71	-	2,775.34	446.37	3,221.71
Total comprehensive income for the year ended 31 March 2021												
Profit for the year	-	-	-	-	-	147.74	-	-	-	147.74	30.09	177.83
Other comprehensive (loss) for the year, net of tax	-	-	(0.82)	-	-	-	(35.83)	-	(13.06)	(49.71)	(5.92)	(55.63)
Total comprehensive income / (loss)	374.38	2,198.80	104.79	7.04	5.71	84.86	(85.03)	195.88	(13.06)	2,873.37	470.54	3,343.91
Transferred to retained earnings												
Transferred to retained earnings	-	-	-	-	-	(13.06)	-	-	13.06	-	-	-
Transactions with owners, recorded directly in equity												
Allotment of equity shares by ESOP trust	-	1.26	-	-	-	-	-	-	-	1.26	-	1.26
Equity settled share based payment expense	-	-	-	-	-	2.47	-	-	-	2.47	-	2.47
Issue of equity shares	-	-	-	-	-	(0.71)	-	-	-	(0.71)	-	(0.71)
Buyback expenses	-	-	-	-	-	-	(0.97)	-	-	(0.97)	-	(0.97)
Changes in ownership interests without loss of control												
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	0.56	0.56
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(9.44)	(9.44)
Total contributions by and distributions to owners	-	1.26	-	-	-	1.76	(14.03)	-	13.06	2.05	(8.88)	(6.83)
Balance as at 31 March 2021	374.38	2,200.06	104.79	7.04	5.71	86.62	(99.06)	195.88	-	2,875.42	461.66	3,337.08

Consolidated Statement of Changes in Equity (Contd..) for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

B Other equity (Contd..)

Particulars	Other components of equity	Securities premium	Capital reserve	General reserve	Reserves and surplus	Capital Redemption Reserve	Other reserves	Retained earnings	Exchange difference in translating financial statements of foreign operations	Items of other comprehensive income	Remeasurement of net defined benefit plan	attributable to owners of the Company	Total	Attributable to non-controlling interest (NCI)	Total
Balance as at 1 April 2021	374.38	2,200.06	104.79	7.04	5.71	86.62	(99.06)	195.88	-	2,875.42	461.66	3,337.08			
Total comprehensive income for the year ended 31 March 2022															
Profit for the year	-	-	-	-	-	-	525.99	-	-	-	-	525.99	75.06	-	601.05
Other comprehensive income for the year, net of tax	-	-	1.44	-	-	-	-	41.84	-	39.38	-	82.66	10.79	-	93.45
Total comprehensive income	374.38	2,200.06	106.23	7.04	5.71	86.62	426.93	237.72	39.38	3,484.07	547.51	4,031.58			
Transferred to retained earnings															
Transactions with owners, recorded directly in equity															
Allotment of equity shares by ESOP trust	-	0.40	-	-	-	-	-	-	-	-	-	0.40	-	-	0.40
Equity settled share based payment expense	-	-	-	-	-	(0.12)	-	-	-	-	-	(0.12)	-	-	(0.12)
Transfer to statutory reserve	-	-	-	-	-	23.17	(23.17)	-	-	-	-	-	-	-	-
Issue of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of land to the extent of revaluation	-	-	-	-	-	-	(1.40)	-	-	-	-	(1.40)	-	-	(1.40)
Changes in ownership interests without loss of control															
Transactions with non-controlling interests	-	-	-	-	-	-	(26.76)	-	-	-	-	(26.76)	1.84	-	(24.92)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	(20.14)	-	(20.14)
Total contributions by and distributions to owners	-	0.40	-	-	-	23.05	(11.95)	(39.38)	237.72	(27.88)	3,456.19	529.21	3,985.40		
Balance as at 31 March 2022	374.38	2,200.46	106.23	7.04	5.71	109.67	414.98	237.72	(18.30)	3,456.19	529.21	3,985.40			

The description of the nature and purpose of each reserve within equity is as follows:

Other components of equity

Other components of equity represent the equity component of compulsorily convertible preference shares. Refer note 14.

Securities premium

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

Capital Redemption Reserve

Capital Redemption Reserve is created out of the Securities Premium/General Reserve, a sum equal to nominal value of the share capital extinguished on buy back of fully paid up own equity shares of the Company. The amount credited to such account may be applied in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

Consolidated Statement of Changes in Equity (Contd.) for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

B Other equity (continued)

Capital reserve

This reserve represents the difference between the value of net asset transferred to the Group in the course of business combinations and the consideration paid for such business combinations.

General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriate purposes.

Exchange difference in translating financial statements of foreign operations

The exchange differences arising from the translation of financial statements of foreign operations from their functional currencies to Indian Rupee are recognised in other comprehensive income and is presented within equity as Exchange difference in translating financial statements of foreign operations.

Other reserves include :

Share options outstanding account

The Company has established share based payment for eligible employees of the Company and its subsidiaries. Also refer note 42 for further details on these plans.

Statutory reserve

The statutory reserve represents the statutory reserves of the LLC / WLL companies in the Group created according to Article 255 of the UAE Commercial Companies Law, Qatar Commercial Companies Law No. 5 of 2002, Article (176) of Kingdom of Saudi Arabia Companies System, The Bahrain Commercial Companies Law 2001 and Article 154 of the Sultanate of Oman's Commercial Law of 1974.

The accompanying notes form an integral part of the consolidated financial statements (Note 1 to 49)

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 0080725

Jaideep S. Trasi
Partner
Membership No.: 211095
Bengaluru
24 May 2022

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Membership No : A24331
Dubai
24 May 2022

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

1. Company overview

Aster DM Healthcare Limited ("the Company") primarily carries on the business of rendering healthcare and allied services in India. The Company was converted into a public limited company with effect from 1 January 2015 and had its primary listing done on 26 February 2018, on the Bombay Stock Exchange Limited and National Stock Exchange Limited. The registered office of the Company was moved from Kochi, Kerala, India to Bangalore, Karnataka, India with effect from 10 May 2021.

These consolidated financial statements of the Company as at and for the year ended 31 March 2022 comprise the financial statements of the Company and its subsidiaries (collectively referred to as "Group") and the Group's interest in Associates. The Group is primarily involved in the operations of healthcare facilities, retail pharmacies, and providing consultancy in areas relating to healthcare. The Group has operations in United Arab Emirates ('UAE'), Kingdom of Saudi Arabia (KSA), Oman, Qatar, Jordan, Bahrain and India.

2. Basis of preparation

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act'), read with relevant rules issued thereunder.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on 24 May 2022.

Details of the Group's accounting policies are included in note 3.

B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency, and have been rounded off to nearest crores, unless otherwise indicated.

C. Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Contingent consideration in business combination	Fair value
Liabilities for equity-settled share-based payment arrangements	Fair value

Items	Measurement basis
Net defined benefit liability	Fair value of plan asset less present value of defined benefit obligations

D. Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, 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 by the management on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimation uncertainties

Information about judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2022 is included in the following notes:

- Note 4 and 5 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 5 - Impairment of non-financial assets; including goodwill;
- Note 6 - Valuation of investments
- Note 28 - Recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;
- Note 31 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 33 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 35 - Impairment of financial assets;
- Note 38 - Acquisition of subsidiary: fair value of consideration transferred (including contingent consideration)
- Note 39 - Equity accounted investees: whether the Group has significant influence over an investee and
- Note 40 - Leases
- Note 41 - Employee share-based payment expenses

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Estimation uncertainties relating to COVID-19

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. This pandemic resulted in disruption to regular business operations due to lockdown, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the government. The Group adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption and has considered available internal and external information upto the date of approval of the financial results by the Board of Directors. The Group has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and has evaluated impact of the pandemic in assessing the recoverability of property plant and equipment (including Capital work in progress), investments, intangibles, inventories, receivables and other assets based on its review of current indicators of future economic conditions. Based on current estimates, including the availability of financing facilities for maintaining liquidity, the Group expects to fully recover the carrying amount of these assets. Further, the Group has taken various measures to reduce its fixed cost - for example, salary reductions, optimization of administrative, sales and marketing costs, deferment of capex along with judicious resource allocation and requesting for the waiver of minimum guarantee fee and revenue share for hospital premises taken on lease. The eventual outcome of impact of the global health pandemic may be different from that which has been estimated as on the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any, and any significant impact of these changes would be recognized in the financial results as and when these material changes to economic conditions arise.

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Group's audit committee.

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

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

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

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:

- Share-based payment arrangements
- Financial instruments
- Acquisition of subsidiaries
- Fair value of property, plant and equipment and intangible assets

F. Recent accounting pronouncements

i. Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2022.

On 24 March 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The Group is evaluating the effect of the amendments on its financial statements.

3. Significant accounting policies

3.1 Basis of consolidation

i. Business Combination:

Business combinations (other than common control business combinations) on or after 1 April 2015

As part of transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred after 1 April 2015. In accordance with Ind AS 103,

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the Group accounts for these business combinations using the acquisition method when control is transferred to the Group (see Note 3.1 (ii)). The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the statement of profit and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is re-measured to its acquisition date fair value and any resulting gain or loss is recognised in the statement of profit or loss or OCI, as appropriate.

Business combination prior to 1 April 2015.

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Indian GAAP.

ii. Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control:

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other component of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit and loss.

v. Equity accounted investees:

The Group's interest in equity accounted investees comprise interest in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investment.

vi. Transactions eliminated on consolidation:

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated. Unrealised gain arising from transaction with equity accounted investees are eliminated against the investment to the extent the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The subsidiaries and associates consolidated under the Group comprise the entities listed in Note 37.

3.2 Foreign currency

i. Foreign currency transactions:

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

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets

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and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

ii. Foreign operations:

The assets and liabilities of foreign operations (subsidiaries and associates), including goodwill and fair value adjustments arising on acquisition, are translated into at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into at the exchange rates at the dates of the transactions.

In accordance with Ind AS 101, the Group has elected to deem foreign currency translation differences that arose prior to the date of transition to Ind AS, i.e. 1 April 2015, in respect of all foreign operations to be nil at the date of transition. From 1 April 2015 onwards, such exchange differences are recognised in OCI and accumulated in equity (as exchange difference on translating the financial statements of foreign operations), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed off in its entirety or partially such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the statement of profit and loss as part of the gain or loss on disposal. If the Group disposes off part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes off only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to the statement of profit and loss.

3.3 Property, plant and equipment

i. Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade

discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under other non-current assets. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii. Subsequent expenditure and derecognition

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in consolidated statement of profit and loss.

iii. Depreciation

Depreciation on property, plant and equipment are provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower. Freehold land is not depreciated.

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

Class of assets	Useful life (in years)
Buildings	3 to 60
Plant and machinery*	5 to 15
Medical equipment*	8 to 13
Motor vehicles *	5 to 8
Computer equipment	3 to 6
Furniture and fixtures*	5 to 10

*For the above mentioned classes of assets, the Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice, where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

3.4 Goodwill and Intangible assets

Goodwill:

For measurement of goodwill that arise on business combination [see Note 3.1(i)] subsequent measurement is at cost less any accumulated impairment loss.

Intangible assets other than goodwill acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available for its use and is included in depreciation and amortisation expenses in consolidated statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives of intangible assets other than goodwill acquired separately are as follows:

Class of assets	Useful life (in years)
Software	3 to 6
Trademarks and trade name	5 – 10
Payor/ customer relationship	10

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors

(such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in standalone statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

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

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

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises purchase price and other cost incurred in bringing the inventories to their present location and condition. The Group uses the weighted average method to determine the cost of inventory consisting of medicines and medical consumables.

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

3.6 Impairment

i. Impairment of financial assets

The Group recognises loss allowances for expected credit losses (ECL) on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost 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.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition

and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses:

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the consolidated balance sheet:

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

Write-off:

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

iii. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs

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to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount i.e. the higher of the fair value less cost to sell and the value-in-use is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3.7 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in consolidated statement of profit and loss in the periods during which the related services are rendered by employees.

Defined benefit plans

Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses and returns on plan assets (excluding interest) are recognised in other comprehensive income (OCI) in the period in which they occur. Remeasurements of the net defined benefit liability (asset) recognised in other comprehensive income shall not be reclassified to standalone statement of profit and loss in a subsequent period. However, the Company transfers those amounts recognised in other comprehensive income within equity.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit and loss.

Other long term employee benefits - Compensated absences

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gains or losses are recognised in profit or loss in the period in which they arise.

Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to

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the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

3.8 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contract is considered to be onerous when the expected economic benefits to be derived by the Group 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 Group recognises any impairment loss on the assets associated with that contract.

3.9 Revenue

Revenue from contract with customers

The Group generates revenue from rendering of medical and healthcare services, sale of medicines and other related activities. Ind AS 115, Revenue from Contracts with Customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. In calculating the variable considerations, the Group considers the nature and coverage through insurance and other parties, the history of adjustments and rejections, and the probability of rejections, discounts, rebates, price concessions, or other similar items.

Disaggregation of revenue

The Group disaggregates revenue from hospital services (medical and healthcare services), sale of medicines and other operating income. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

Contract balances

The Group classifies the right to consideration in exchange for sale of services where invoice is raised as trade receivables, where invoice has not been raised as unbilled revenue and advance consideration as advance from customers.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The following details provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

a) Medical and healthcare services

The Group's revenue from medical and healthcare services comprises of income from hospital services.

Revenue from hospital services to patients is recognised as revenue when the related services are rendered unless significant future uncertainties exist. Revenue is also recognised in relation to the services rendered to the patients who are undergoing treatment/ observation on the balance sheet date to the extent of the services rendered. Revenue is recognised net of discounts and concessions given to the patients.

Unbilled receivable represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/observation on the balance sheet date and is not billed as at the balance sheet date.

b) Sale of medicines

Revenue from sale of medical consumables and medicines within the hospital premises is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount of revenue recognised is net of sales returns, taxes and duties, wherever applicable.

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c) Other operating income

The Group's revenue from other operating income comprises primarily of canteen sales (sales of food and beverages).

Revenue from services rendered is based on the agreements/arrangements with the customers as the service is performed. Income from sale of food and beverages is recognised at a point in time when control is transferred.

Disaggregated revenue information: Refer Note 20

3.10 Leases

i. Determining whether an arrangement contains a lease:

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Company as a lessee

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

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

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

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

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At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

iii. Impact of COVID-19

The Group does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors are long term in nature and changes in terms of those leases expected due to the COVID-19 are not expected to have impact in the financial statements for the year ended 31 March 2022.

iv. Company as a lessor

The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Group does not have any sub-lease arrangements.

3.11 Recognition of interest income or interest expense

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the transactional interest rates.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross

carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

3.12 Earnings / (loss) per share

The basic earnings / (loss) per share ('EPS') is computed by dividing the consolidated net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/ reverse share splits and bonus shares, as appropriate.

3.13 Borrowing cost

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

3.14 Income tax

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

i. Current tax

Current tax comprises the expected tax payable or

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All amounts in INR crores, unless otherwise stated

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

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

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

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

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and

assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.15 Financial Instruments

i. Recognition and initial 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 Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss – FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as either at amortised cost, FVTPL or fair value through other comprehensive income (FVOCI)

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

A financial asset is measured at amortised cost if it meets both of the following conditions:

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

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

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

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

i. Financial assets: Subsequent measurement and gains and losses

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

ii. Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised

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cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss.

iii. Derecognition

Financial assets

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

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

Financial liabilities

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

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

iii. Offsetting

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

iv. Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in the consolidated

statement of profit and loss.

3.16 Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Where the Group receives grants relating to assets, including non-monetary grants, the asset and the related grants are accounted at fair value and recognised in the consolidated statement of profit and loss over the expected useful life of the asset.

3.17 Cash flow statement

Cash flows are reported using the indirect method, whereby consolidated 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 regular revenue generating, investing and financing activities of the Group are segregated.

3.18 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.19 Operating segments

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Refer Note 31 for performance details of the segments.

3.20 Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

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All amounts in INR crores, unless otherwise stated

4 Property, plant and equipment and capital work-in-progress

4.1 Property, plant and equipment

Particulars	Freehold land	Buildings	Leasehold improvements	Furniture and fixtures	Plant and equipment	Computer equipment	Medical equipment	Motor vehicles	Total
Gross carrying value									
Balance as at 1 April 2020	843.14	854.59	1,070.46	428.79	303.28	134.72	1,798.59	57.72	5,491.29
Additions	0.17	41.80	98.10	17.04	15.58	24.36	85.67	1.29	284.01
Acquisition through business combinations (refer note 38)	-	-	-	-	-	-	-	-	-
Disposals	-	(0.12)	(28.46)	(3.07)	(2.52)	(1.81)	(22.76)	(0.20)	(58.94)
Reclassification*	-	(185.76)	28.75	(0.03)	0.35	(0.03)	(0.37)	-	(157.09)
Exchange difference on translation	(1.68)	(4.08)	(21.11)	(6.44)	(3.30)	(2.15)	(19.68)	(1.04)	(59.48)
Balance as at 31 March 2021	841.63	706.43	1,147.74	436.29	313.39	155.09	1,841.45	57.77	5,499.79
Balance as at 1 April 2021	841.63	706.43	1,147.74	436.29	313.39	155.09	1,841.45	57.77	5,499.79
Additions	0.14	26.41	171.87	23.35	35.31	28.66	104.36	3.21	393.31
Acquisition through business combinations (refer note 38)	-	-	0.01	0.03	0.01	0.02	-	0.02	0.09
Disposals	(4.59)	(0.03)	(23.55)	(2.14)	(2.01)	(2.34)	(10.29)	(5.88)	(50.83)
Reclassification*	(12.93)	(17.89)	16.72	-	-	-	-	-	(14.10)
Exchange difference on translation	2.54	4.69	34.80	10.06	5.14	3.73	32.72	1.56	95.24
Balance as at 31 March 2022	826.79	719.61	1,347.59	467.59	351.84	185.16	1,968.24	56.68	5,923.50
Accumulated depreciation									
Balance as at 1 April 2020	-	145.86	441.57	320.09	161.89	106.74	744.94	44.24	1,965.33
Depreciation for the year	-	13.39	82.87	35.55	24.33	23.35	141.18	5.04	325.71
Eliminated on disposals	-	(0.01)	(1.30)	(2.81)	(2.29)	(1.01)	(9.66)	(0.41)	(17.49)
Reclassification*	-	(28.94)	7.85	-	0.05	-	(0.05)	-	(21.09)
Exchange difference on translation	-	(1.19)	(9.38)	(5.36)	(2.20)	(1.84)	(11.08)	(0.89)	(31.94)
Balance as at 31 March 2021	-	129.11	521.61	347.47	181.78	127.24	865.33	47.98	2,220.52
Balance as at 1 April 2021	-	129.11	521.61	347.47	181.78	127.24	865.33	47.98	2,220.52
Depreciation for the year	-	13.10	87.29	33.59	25.49	27.53	142.57	3.20	332.77
Eliminated on disposals	-	(0.03)	(22.68)	(1.94)	(1.87)	(2.34)	(8.00)	(5.72)	(42.58)
Reclassification*	-	13.17	(13.86)	-	-	-	-	-	(0.69)
Exchange difference on translation	-	2.19	15.53	8.87	3.63	3.30	20.72	1.36	55.60
Balance as at 31 March 2022	-	157.54	587.89	387.99	209.03	155.73	1,020.62	46.82	2,565.62
Carrying amounts (net)									
As at 31 March 2022	826.79	562.07	759.70	79.60	142.81	29.43	947.62	9.86	3,357.88
As at 31 March 2021	841.63	577.32	626.13	88.82	131.61	27.85	976.12	9.79	3,279.27

For details of property, plant and equipment pledged, refer Note 15.

* During year ended 31 Mar 2022 the Group has reclassified freehold land to current assets since the same was held for sale and from building to leasehold improvements.

During the year ended 31 March 2021 the Group has reclassified building and leasehold improvements to Right of use asset as per Ind AS 116.

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4.2 Capital work-in-progress and intangible assets under development

Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
<i>Intangible assets under development</i>	20.07	-	-	-	20.07
<i>Capital Work-in-progress</i>					
Projects in progress	170.39	256.85	274.66	275.77	977.67
Projects temporarily suspended	-	-	-	-	-
Total	170.39	256.85	274.66	275.77	977.67
Balance as at 31 March 2021					
<i>Intangible assets under development</i>	-	-	-	-	-
<i>Capital Work-in-progress</i>					
Projects in progress	275.76	346.16	193.42	118.52	933.86
Projects temporarily suspended	-	-	-	-	-
Total	275.76	346.16	193.42	118.52	933.86

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5 Goodwill and other intangible assets

Particulars	Goodwill on consolidation (Refer Note 1)	Brand name, tradename and trademark	Payor/ Customer relationship	Software	Other intangibles	Total
Gross carrying value						
Balance at 1 April 2020	1,075.93	125.25	109.29	47.25	25.39	1,383.11
Additions/ reclassification*	-	0.01	-	19.39	70.01	89.41
Acquisition through business combinations (refer note 38)	-	-	-	-	-	-
Disposals	-	-	-	(0.20)	-	(0.20)
Exchange difference on translation	(16.65)	(1.82)	(1.96)	(0.71)	(2.18)	(23.32)
Balance at 31 March 2021	1,059.28	123.44	107.33	65.73	93.22	1,449.00
Balance at 1 April 2021	1,059.28	123.44	107.33	65.73	93.22	1,449.00
Additions/ reclassification*	-	0.01	-	31.24	15.98	47.23
Acquisition through business combinations (refer note 38)	10.69	1.58	1.56	-	-	13.83
Disposals	-	-	-	(1.74)	-	(1.74)
Exchange difference on translation	25.19	2.76	2.96	1.68	1.78	34.37
Balance at 31 March 2022	1,095.16	127.79	111.85	96.91	110.98	1,542.69
Accumulated amortisation and impairment losses						
Balance at 1 April 2020	7.19	24.11	11.60	31.32	23.55	97.77
Impairment / Amortisation for the year	-	15.22	15.81	8.19	2.87	42.09
Eliminated on disposals	-	-	-	-	-	-
Reclassification*	-	-	-	-	8.97	8.97
Exchange difference on translation	(0.15)	(0.36)	(0.30)	(0.42)	(0.82)	(2.05)
Balance at 31 March 2021	7.04	38.97	27.11	39.09	34.57	146.78
Balance at 1 April 2021	7.04	38.97	27.11	39.09	34.57	146.78
Impairment / Amortisation for the year	-	15.44	16.01	12.79	2.87	47.11
Eliminated on disposals	-	-	-	(1.72)	-	(1.72)
Reclassification*	-	-	-	-	-	-
Exchange difference on translation	0.21	0.88	0.89	0.82	1.79	4.59
Balance at 31 March 2022	7.25	55.29	44.01	50.98	39.23	196.76
Carrying amount (net)						
At 31 March 2022	1,087.91	72.50	67.84	45.93	71.75	1,345.93
At 31 March 2021	1,052.24	84.47	80.22	26.64	58.65	1,302.22

* During the year ended 31 March 2021 the Group has reclassified land usage rights to other intangible assets as per Ind AS 116

Note 1 : Goodwill

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the Goodwill is measured for internal management purposes, which is not higher than the Group's operating segments.

The aggregate carrying amount of goodwill allocated to each unit are as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Medcare Hospital LLC, UAE	121.83	118.14
Sanad Al Rahma for Medical Care LLC, KSA	118.20	114.62
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited, India	174.97	174.97
Al Raffah Hospital LLC, Oman	45.57	44.19
Harley Street Group, UAE	84.69	82.12
Malabar Institute of Medical Sciences Limited, India	40.06	40.06
Pharmacies - GCC states	169.65	164.51
Wahat Al Aman Home Healthcare LLC	84.16	81.61
Grand Optics LLC	87.67	85.00
Others	161.10	147.02
	1,087.91	1,052.24

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Goodwill was tested for impairment annually in accordance with the Group's procedure for determining the recoverable value of such assets. For the purpose of impairment testing, goodwill is allocated to a cash generating unit ("CGU") representing the lowest level within the Group at which the goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment. The recoverable amount of the CGU is the higher of fair value less cost to sell ("FVLCTS") and its value in use ("VIU"). The FVLCTS of the CGU is determined based on the market capitalisation approach, using the turnover and earnings multiples derived from observed market data. The VIU is determined based on discounted cash flow projections. Key assumptions on which the Group has based its determination of VIUs include:

- Estimated cash flow for five years based on formal approved internal management budgets with extrapolation of remaining period, wherever such budgets were shorter than the five years period.
- Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long-term growth rates. These long-term growth rates take into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry.

The key assumptions used in the estimation of recoverable amount are set out below. The values assigned to the key assumptions represents management's assessment of future trends in the relevant industries and have been based on historic data from both internal and external sources.

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	10% - 20%	13% - 18%
Terminal value growth rate	3% - 5%	2% - 5%
Weighted average cost of capital (WACC) before tax - equity	11% - 20%	12% - 20%
Weighted average cost of capital (WACC) before tax - debt	4% - 10%	2% - 10%

The Group has performed sensitivity analysis around the base assumptions and have concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value.

6 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current investments		
Equity shares, unquoted		
Janata Sahakari Bank Limited, Pune (1,000 equity shares of INR 10 each amounting to INR 10,000)	*	*
Equity accounted investees (refer note 39)	38.19	38.73
	38.19	38.73
Current investments		
Investment in liquid mutual funds, quoted at FVTPL		
Reliance Equity Hybrid Fund - Segregated Portfolio - 1	*	*
Reliance Liquid Fund [11,561 (31 March 2021: 15,779) units]	6.02	7.94
Nippon India Money Market Fund [Nil (31 March 2021: 48,690) units]	-	15.68
Nippon India Taiwan Equity Fund [99,995 (31 March 2021: Nil) units]	0.10	-
Nippon India Liquid Fund [412 (31 March 2021: 614) units]	0.21	0.31
Nippon India Balanced Advantage Fund [4,279 (31 March 2021: 4,279) units]	0.05	0.05
Nippon India Growth Fund [611 (31 March 2021: 611) units]	0.10	0.10
Nippon India Flexi Cap Fund [159,161 (31 March 2021: Nil) units]	0.16	-
Nippon India Passive Fund [Nil (31 March 2021: 46,542) units]	-	0.05
	6.64	24.13
Aggregate carrying amount of quoted investments	6.64	24.13

*Amount is below the rounding off norms adopted by the Company.

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7 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
<i>Unsecured, considered good</i>		-
Other loans	28.07	-
	28.07	-
Current		
<i>Unsecured, considered good</i>		-
Other loans	-	-
	-	-
	28.07	-

8 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
<i>Unsecured, considered good</i>		
Fixed deposits with banks and other deposits*	20.04	19.43
Rent and other deposits	68.48	54.75
Interest accrued on fixed deposits with banks	0.02	0.21
Advances given to equity accounted investees	86.88	79.47
Advance against investment**	-	2.00
Others	4.60	-
	180.02	155.86
Current		
<i>Unsecured, considered good</i>		
Unbilled receivables	38.30	18.72
Rent and other deposits*	75.85	67.68
Interest accrued on fixed deposits with banks	2.05	1.37
Others	51.95	25.16
	168.15	112.93
	348.17	288.47

* Deposits amounting to INR 21.05 crores (31 March 2021: INR 11.18 crores) are maintained against guarantees issued by Banks and are restricted for periods exceeding 12 months as at the Balance Sheet date.

**During the year ended 31 March 2021, the Company has entered into share purchase agreement for acquiring 15.98% equity shareholding in Alfaone Medicals Private Limited, an entity in the consumer healthcare and wellness business.

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9 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Advances for capital goods	50.37	9.02
Prepaid rent	3.00	7.09
Prepaid expenses	21.25	19.11
	74.62	35.22
Current		
Prepaid expenses	113.93	110.80
Balances with statutory / government authorities	75.41	63.13
Advance for supply of goods and services	40.52	19.15
Other loans and advances	266.00	149.52
	495.86	342.60
	570.48	377.82

10 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
<i>(Valued at lower of cost and net realisable value)</i>		
Medicines and medical consumables	988.80	819.65
Stores and spares	36.88	29.34
Total	1,025.68	848.99
For details of inventories pledged, refer Note 15.		

11 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Considered good - unsecured	2,654.27	2,861.60
Less: loss allowance	(633.75)	(842.60)
Net trade receivables	2,020.52	2,019.00

For details of trade receivables pledged, refer note 15.

The Group's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 35.

Trade receivables ageing schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Undisputed trade receivables- considered good, unsecured		
Outstanding for following periods from due date of payment		
Less than 6 months	1,255.52	1,220.26
6 months - 1 year	522.29	651.20
1-2 years	337.48	469.60
2-3 years	392.45	431.70
More than 3 years	146.53	88.84

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Loss allowance provision matrix- default rates applied at each reporting date

Particulars	As at 31 March 2022	As at 31 March 2021
Due date to 1 year	0% - 68%	0% - 57%
1-2 years	22% - 82%	21% - 95%
More than 2 years	49% - 100%	50% - 100%

12 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balance with banks	325.53	243.99
Cash on hand	17.84	14.10
	343.37	258.09
Less : Book overdraft (refer note 16)	(44.04)	(23.54)
Cash and cash equivalents in the statement of cash flows	299.33	234.55

13 Other bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Balance in banks for margin money	16.77	16.03
In deposit accounts (with original maturity of more than 3 months, but less than 12 months)	19.47	7.24
Total	36.24	23.27

14 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Authorised				
Equity shares of INR 10 each	55.00	550.00	55.00	550.00
Compulsory convertible preference shares (CCPS) of INR 10 each	6.62	66.20	6.62	66.20
Total	61.62	616.20	61.62	616.20
Issued, subscribed and fully paid-up				
Equity shares of INR 10 each	49.95	499.51	49.95	499.51
Less: Equity shares of INR 10 each fully paid up issued to ESOP trust but not yet allotted to employees	(0.23)	(2.29)	(0.25)	(2.47)
Total	49.72	497.22	49.70	497.04

The Company does not have any compulsory convertible preference shares (CCPS) as on 31 March 2022 and 31 March 2021.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
<i>Equity shares of INR 10 each fully paid-up</i>				
Balance as at the beginning of the year	49.95	499.51	49.95	499.51
Issue of equity shares	-	-	-	-
Balance as at the end of the year	49.95	499.51	49.95	499.51

14.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time and subject to dividend payable to preference shareholder. The voting rights of an equity shareholder on a poll (not on show of hands) is in proportion to the shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

14.3 Employee stock options

Terms attached to stock options granted to employees are described in note 41 regarding employee share based payments.

14.4 Details of shareholders holding more than 5% shares of the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	%	Number of shares (in crores)	%
<i>Equity shares of INR 10 each fully paid-up held by</i>				
Union Investments Private Limited, Mauritius	18.69	37.41%	18.69	37.41%
Olympus Capital Asia Investments Limited, Mauritius	11.47	22.96%	11.51	23.04%
Rimco (Mauritius) Limited	5.06	10.13%	5.06	10.13%

14.5 Details of shareholding of Promoters

Promoter Name	Shares held as at 31 March 2022		Percentage change during the year ended 31 March 2022
	Number of shares (in crores)	% of total shares	
Union Investments Private Limited, Mauritius	18.69	37.41%	Nil
Dr.Azad Moopen	0.17	0.35%	
Alisha Moopen	0.02	0.04%	
Ziham Moopen	0.02	0.03%	
Naseera Azad	0.01	0.03%	
Zeba Azad Moopen	0.01	0.02%	

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.6 Shares reserved for issue under options and contracts

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Under Employee Stock Option Scheme, 2013: 49,229 (31 March 2021: 1,42,972) equity shares of INR 10 each, at an exercise price of INR 50 per share (See note 4.1)	0.00	0.25	0.01	0.71
Under Employee Stock Option Scheme, 2013: 4,13,380 (31 March 2021: 5,30,030) equity shares of INR 10 each, at an exercise price of INR 10 per share (See note 4.1)	0.04	0.41	0.05	0.53
Under Employee Stock Option Scheme, 2013: 71,145 (31 March 2021: 74,011) equity shares of INR 10 each, at an exercise price of INR 116 per share (See note 4.1)	0.01	0.83	0.01	0.86
Under Employee Stock Option Scheme, 2013: 4,38,539 (31 March 2021: 6,01,865) equity shares of INR 10 each, at an exercise price of INR 89 per share (See note 4.1)	0.04	3.90	0.06	5.36
Under Employee Stock Option Scheme, 2013: 10,800 (31 March 2021: 10,800) equity shares of INR 10 each, at an exercise price of INR 107 per share (See note 4.1)	0.00	0.12	0.00	0.12
Under Employee Stock Option Scheme, 2013: Nil (31 March 2021: 30,000) equity shares of INR 10 each, at an exercise price of INR 91.85 per share (See note 4.1)	-	-	0.00	0.28
Under Employee Stock Option Scheme, 2013: 15,000 (31 March 2021: 15,000) equity shares of INR 10 each, at an exercise price of INR 115 per share (See note 4.1)	0.00	0.17	0.00	0.17
Under Employee Stock Option Scheme, 2013: 57,000 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 118 per share (See note 4.1)	0.01	0.67	-	-
Under Employee Stock Option Scheme, 2013: 39,000 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 145.31 per share (See note 4.1)	0.00	0.57	-	-
Under Employee Stock Option Scheme, 2013: 39,600 (31 March 2021: Nil) equity shares of INR 10 each, at an exercise price of INR 139 per share (See note 4.1)	0.00	0.55	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

14.7 Details of bonus shares issued during the past 5 years immediately preceding 31 March 2022:

The Company has not issued bonus shares during the period of five years immediately preceding 31 March 2022.

14.8 Details of shares issued for consideration other than for cash during the past 5 years immediately preceding 31 March 2022:

The Company has not allotted any equity shares as fully paid-up without consideration being received in cash during the past 5 years immediately preceding 31 March 2022.

14.9 Details of buyback of shares during the past 5 years immediately preceding 31 March 2022:

The Company bought back 57,14,285 equity shares for an aggregate amount of INR 120 crores at INR 210 per equity share. The equity shares bought back were extinguished on 18 March 2020.

15 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
<i>Secured - at amortised cost</i>		
Term loans from banks	1,466.40	1,754.80
Total	1,466.40	1,754.80
Current		
<i>Unsecured - at amortised cost</i>		
Cash credit and overdraft facilities from banks	-	1.67
<i>Secured - at amortised cost</i>		
Cash credit, overdraft facilities and discounted bills from banks	164.05	55.74
Current maturities of non-current borrowings	435.15	394.87
Short term loans from banks	126.56	101.99
Total	725.76	554.27
Total	2,192.16	2,309.07

Information about the Group's exposure to interest rate and liquidity risks are included in note 35.

The bank facilities have the following securities:

a) Parent

- Equitable mortgage on certain immovable properties of the Company and of DM Med City Hospitals India Private Limited and Ambady Infrastructure Private Limited, wholly owned subsidiaries of the Company.
- Hypothecation of all movable fixed assets relating to the various units/projects of the company (comprising plant and machinery, furniture fixture, vehicles and other movable assets) present and future, of the various units/ projects of the Company.
- Charge on movable properties (comprising plant and machinery, furniture and fittings, vehicles and other movable assets), present and future, of the Aster Medcity Hospital, Kochi
- Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bonds that may be provided by any counter party under project agreement or contract and insurance policies in favour of the borrower, related to Aster Medcity Hospital, Kochi.
- First and exclusive charge on current assets, operating cash flows, receivable, commissions, revenues of whatsoever nature and wherever arising, present and future, intangible, goodwill, uncalled capital, present and future of Aster CMI and RV Hospital Bangalore.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

- For the year ended 31 March 2021, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed banks and financial institutions to provide moratorium of 3 months to borrowers on all payments falling due between 1 March 2020 and 31 May 2020 and vide circular RBI/2019-20/244 DOR.No.BP.BC.71/ 21.04.048/ 2019-20 for all payments falling due between 1 June 2020 and 31 August 2020 to all eligible borrowers classified as standard. Accordingly, the Company has availed moratorium with respect to the principal and interest.
- There is no continuing default in the repayment of the principal loan and interest amounts.

b) Indian subsidiaries

- First, fixed and exclusive charge on the medical equipment's, vehicles, fixed deposits and present and future receivables.
- Equitable mortgage on certain immovable properties, leasehold rights of the Company, fixed deposits and of certain Indian subsidiaries of the Company.
- Corporate guarantee of the holding company.
- Charge on movable properties (comprising plant and machinery, furniture and fittings, vehicles and other movable assets), present and future, of the Company and of its Indian Subsidiaries.
- First paripassu charge on current assets, operating cash flows, receivable, commissions, revenues of whatsoever nature and wherever arising, present and future of various units/projects of the Company.
- Personal guarantees of shareholders / directors and equitable mortgage of two properties belonging to a director of one of the subsidiaries.
- There is no continuing default in the repayment of the principal loan and interest amounts.
- For the year ended 31 March 2021, due to outbreak of Covid-19 pandemic, RBI vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated 27 March 2020 has directed banks and financial institutions to provide moratorium of 3 months to borrowers on all payments falling due between 1 March 2020 and 31 May 2020 and vide circular RBI/2019-20/244 DOR.No.BP.BC.71/ 21.04.048/ 2019-20 for all payments falling due between 1 June 2020 and 31 August 2020 to all eligible borrowers classified as standard. Accordingly, the subsidiaries has availed moratorium with respect to the principal and interest.

c) Foreign subsidiaries

- Commercial mortgage on medical equipment, machineries, tools / accessories, furniture & fixtures, inventories and receivables;
- Promissory note and bank guarantees
- Insurance of medical equipment, machineries, tool and other accessories, furniture and fixtures, computers and motor vehicles in favour of the bank;
- Corporate guarantee of the subsidiaries and security cheques;
- Insurance of inventories in favour of the bank;
- Assignment of receivables from insurance companies in favour of the bank and assignment of point of sale collection;
- Vehicle mortgage;
- Pledge of accounts and shares;
- Assignment and subordination of shareholders loans;
- Assignment of credit card receivables and hypothecation of assets of the Group;
- Pledge of equity interest held by Affinity Holdings Private Limited in a subsidiary;
- Undertaking letters from Borrower and Guarantors.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

15 Borrowings (continued)

A. Terms and conditions of non-current borrowings (including current maturities) are as follows:

Particulars	Borrowed by Parent/ subsidiaries	Interest rate	Maturity period	Currency	As at 31 March 2022	As at 31 March 2021
Secured loan from banks	Parent	7.25% to 8.55%	2022 - 2029	INR	128.92	129.18
Secured loan from banks	Subsidiaries	7.50%-11.25%	2022 - 2029	INR	209.22	229.81
Secured loan from banks	Subsidiaries	2.90%-7.50%	2022 - 2025	AED	168.25	177.55
Secured loan from banks	Subsidiaries	-	-	QAR	-	7.89
Secured loan from banks	Subsidiaries	3.45%	2022 - 2027	USD	1,235.13	1,478.66
Secured loan from banks	Subsidiaries	6.00%	2022 - 2029	OMR	160.03	126.58
Total					1,901.55	2,149.67
Less : Current maturities of non-current borrowings (Refer note 16)					(435.15)	(394.87)
Non-current borrowings					1,466.40	1,754.80

B. Terms and conditions of current borrowings are as follows:

Particulars	Borrowed by Parent/ subsidiaries	Interest rate	Maturity period	Currency	As at 31 March 2022	As at 31 March 2021
Unsecured loan from banks	Parent	9.30% - 9.65%	2022 - 2023	INR	-	1.67
Secured loan from banks	Parent	7.25% to 8.35%	2022 - 2023	INR	68.89	37.05
Secured loan from banks	Subsidiaries	7.10% to 8.4%	2022 - 2023	INR	24.00	0.90
Secured loan from banks	Subsidiaries	2.37%-3.15%	2022	AED	157.96	103.93
Secured loan from banks	Subsidiaries	6.00%	2022	OMR	25.58	0.01
Secured loan from banks	Subsidiaries	7.00%	2022	JOD	14.18	15.84
					290.61	159.40

16 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Payable to non-controlling interest on account of business combination	8.87	11.58
Derivative contracts	2.44	29.96
Loans		
Others	0.35	1.01
	11.66	42.55
Current		
Book overdraft	44.04	23.54
Interest accrued but not due on borrowings*	1.22	2.04
Dues to related party (Refer note 42)	1.04	1.04
Derivative contracts	91.20	91.20
Contingent consideration payable to non controlling interest (refer note 35)	22.63	22.00
Payable to partners in clinics	15.75	21.22
Dues to creditors for capital goods	38.04	82.12
Security deposits from employees and others	7.86	2.76
	221.78	245.92
Total	233.44	288.47

* The details of interest rates, repayment and other terms are disclosed in note 15

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 35

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

17 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity*	23.17	20.50
Compensated absences	9.43	4.74
Net defined benefit liability - post employment benefits*	326.34	333.39
	358.94	358.63
Current		
<i>Provision for employee benefits</i>		
Net defined benefit liability - gratuity*	3.28	3.29
Compensated absences	17.08	13.39
Net defined benefit liability - post employment benefits*	68.06	64.45
<i>Other provisions</i>		
Zakat payable** [refer note (a) below]	4.88	4.31
Total current provisions	93.30	85.44
Total provisions	452.24	444.07

* Also refer note 31

** Zakat payable is the amount provided for in accordance with the Saudi Arabian Zakat and Income Tax regulations

(a) Movement of Zakat payable

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	4.31	6.31
Zakat charges	5.97	4.42
Payment/ adjustments made during the year	(5.40)	(6.42)
Balance at the end	4.88	4.31

18 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Deferred government grant*	26.19	30.24
	26.19	30.24
Current		
Advances received from customers	71.87	18.71
Statutory dues payables	47.41	22.73
Unearned income	4.27	2.42
Deferred government grant*	3.24	3.55
Others	20.18	10.95
	146.97	58.36
	173.16	88.60

*Represents government grant under Export Promotion Capital Goods (EPCG) accounted at fair value as per Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

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19 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	14.43	5.20
Total outstanding dues of creditors other than micro and small enterprises	2,103.66	2,024.14
Total	2,118.09	2,027.34

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
The principal amount remaining unpaid to any supplier as at the end of the year.	13.61	5.01
The interest due on the principal remaining outstanding as at the end of the year	0.18	0.18
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year.	0.77	-
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 Act.	0.17	0.01
The amount of interest accrued and remaining unpaid at the end of the year.	0.82	0.19
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 the Act.	1.24	0.05

Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2022					
Micro, small and medium enterprises	14.15	0.13	0.15	-	14.43
Others	1,929.57	145.69	18.98	9.42	2,103.66
Total	1,943.72	145.82	19.13	9.42	2,118.09
Balance as at 31 March 2021					
Micro, small and medium enterprises	5.02	0.17	-	0.01	5.20
Others	1,776.36	212.81	23.04	9.93	2,024.14
Total	1,781.38	212.98	23.04	9.94	2,027.34

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

20 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from hospital and medical services	7,942.75	6,548.98
Revenue from pharmacy	2,211.51	1,958.89
Revenue from consultancy services	24.96	15.47
Other operating revenue*	74.06	85.09
Total	10,253.28	8,608.43

* Other operating income comprises primarily of canteen sales (sales of food and beverages), revenue from courses conducted at the hospital, income from revenue sharing agreements.

Refer notes below

(i) Category of Customers

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash	4,448.66	3,399.65
Credit	5,804.62	5,208.78
Total	10,253.28	8,608.43

(ii) Nature of treatment

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
In- patient	3,589.77	3,027.98
Out- patient	4,352.98	3,521.00
Total	7,942.75	6,548.98

21 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income under the effective interest method on		
Fixed deposits with banks	2.72	2.35
Lease deposits	2.08	1.85
Dividend on non-current investments	-	-
Gain on disposal of property, plant and equipment (net)	-	-
Gain on sale of investments (net)	0.97	0.31
Other non-operating income	44.89	45.46
Total	50.66	49.97

22 Purchases of medicines and consumables

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Medicines and consumables	3,068.46	2,436.95
Total	3,068.46	2,436.95

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

23 Changes in inventories

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock	848.99	960.95
Closing stock	(1,025.68)	(848.99)
	(176.69)	111.96

24 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and allowances *	3,148.56	2,652.21
Contribution to defined contribution plans	21.29	18.92
Equity settled share based payment expense (refer note 4.1)	(0.13)	2.49
Staff welfare expenses	94.74	81.74
Total	3,264.46	2,755.36

*Includes INR 0.05 crore paid to employees performing medical services relating to CSR initiatives during the year ended 31 March 2021
Refer note 31 for gratuity and terminal benefits

25 Finance cost

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on bank borrowings	118.76	155.98
Interest expense on financial liabilities measured at amortised cost	0.96	1.03
Interest expense on lease liabilities (refer note 4.1)	135.35	135.08
Other borrowing costs	1.95	1.57
Total	257.02	293.66

26 Depreciation and amortisation

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment (refer Note 4)	332.77	325.71
Depreciation on right-of-use assets (refer note 4.1)	260.70	249.77
Amortisation on intangible assets (refer Note 5)	47.11	42.09
Total	640.58	617.57

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

27 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Hospital operation and management fees (refer note 40)	17.19	11.73
Consumables	12.36	12.21
Power and fuel	120.28	107.73
Housekeeping and security	182.39	144.24
Rent (refer note 4.1)	103.34	81.65
Insurance	27.97	21.47
Repairs and maintenance:		
- Buildings	5.66	3.83
- Plant and equipment	87.03	65.15
- Others	82.19	52.95
Rates and taxes	61.38	66.09
Advertising and promotional expenses	137.29	78.99
Legal, professional and consultancy	58.49	56.35
Visa and immigration expenses	60.35	40.00
Printing and stationery	24.46	26.45
Communication expense	45.05	37.02
Food and beverage	37.03	34.78
Travelling and conveyance	39.60	34.28
Allowances for credit losses on financial assets	240.08	269.20
Net fair value loss on derivatives	-	14.55
Net loss on account of foreign exchange fluctuations	1.26	2.29
Bank charges	49.83	39.93
Corporate social responsibility*	5.06	0.87
Miscellaneous expenses**	146.01	120.29
	1,544.30	1,322.05

* Details of corporate social responsibility

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Amount required to be spent by the Group during the year	0.92	0.69
- Amount of expenditure incurred #	5.06	0.87
- Shortfall at the end of the year	NA	NA
- Total of previous year shortfall	NA	NA
- Reason for shortfall	NA	NA

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
- Nature of CSR activities	a) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. b) Disaster management, including relief, rehabilitation and reconstruction activities	Creating health awareness and providing basic medical treatment.
- Details of related party transactions	INR 3.64 crores (Aster DM Foundation)	NA
- Whether provision is made with respect to a liability incurred by entering into a contractual obligation	No	No
- Amount spent during the year on:		
Construction/acquisition of an asset	-	-
On purposes other than above	5.06	0.87
Total	5.06	0.87
* Includes amount of Nil (31 March 2021 INR 0.12 crore) relating to Aster Mobile Medical Service for creating health awareness and providing basic medical treatment		
** Amount contributed to political party	0.04	1.00

28 Deferred tax asset/ liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset	25.00	23.44
Deferred tax liabilities	(168.93)	(152.59)
	(143.93)	(129.15)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

(i) Deferred tax charge/ (benefit) recognised during the year

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax charge / (benefit)	(8.01)	5.56
	(8.01)	5.56

(ii) Deferred tax assets and liabilities are attributable to the following:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax asset		
MAT credit entitlement	6.73	10.72
Provision for employee benefits and other liabilities	5.48	9.58
Provision for doubtful debts and advances	15.98	15.45
Lease liabilities	13.93	3.70
Unabsorbed business loss including from specified business	181.11	189.85
Total deferred tax asset	223.23	229.30
Deferred tax liability		
On account of fair valuation of land *	(97.94)	(99.89)
Property, plant and equipment (including right-of-use assets)	(244.49)	(255.37)
Other financial assets (Deposit amortisation)	(24.73)	(3.19)
Total deferred tax liability	(367.16)	(358.45)
Deferred tax liability (net)	(168.93)	(152.59)
Deferred tax assets	25.00	23.44

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Group has recognised deferred tax assets arising out of tax losses (unabsorbed depreciation) to the extent of net deferred tax liability on account of taxable temporary differences.

(iii) Movement in temporary differences

Movement during the year ended 31 March 2022	As at 31 March 2021	Credit/ (charge) in the statement of profit and loss	Credit/ (charge) in other comprehensive income/ retained earnings	As at 31 March 2022
MAT credit entitlement	10.72	(3.99)	-	6.73
Provision for employee benefits and other liabilities	9.58	(3.20)	(0.90)	5.48
Provision for doubtful debts and advances	15.45	0.53	-	15.98
Unabsorbed business loss including from specified business	189.85	(8.74)	-	181.11
Lease liabilities	3.70	10.23	-	13.93
On account of fair valuation of land *	(99.89)	1.95	-	(97.94)
Property, plant and equipment	(255.37)	10.88	-	(244.49)
Other financial assets	(3.19)	0.35	(21.89)	(24.73)
	(129.15)	8.01	(22.79)	(143.93)

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

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Movement during the year ended 31 March 2021	As at 31 March 2020	Credit/ (charge) in the statement of profit and loss	Credit/ (charge) in other comprehensive income/ retained earnings	As at 31 March 2021
MAT credit entitlement	12.51	(1.79)	-	10.72
Provision for employee benefits and other liabilities	10.67	(1.13)	0.04	9.58
Provision for doubtful debts and advances	8.91	6.54	-	15.45
Unabsorbed business loss including from specified business	183.00	6.85	-	189.85
Lease liabilities	4.23	(0.53)	-	3.70
On account of fair valuation of land *	(115.02)	15.13	-	(99.89)
Property, plant and equipment	(223.39)	(31.98)	-	(255.37)
Other financial assets	(3.56)	1.35	(0.98)	(3.19)
	(122.65)	(5.56)	(0.94)	(129.15)

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

(iv) Unrecognised deferred tax assets

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (business loss)	885.57	276.07	589.80	183.68
Tax losses (Long term capital loss)	37.75	7.78	41.78	8.61
Tax losses (unabsorbed depreciation)	79.85	21.70	130.68	35.00
Total	1,003.17	305.55	762.26	227.29

(v) Tax losses carried forward

Particulars	As at 31 March 2022	Expiry date	As at 31 March 2021	Expiry date
Brought forward losses - allowed to carry forward for specified period	216.07	Various dates from FY 2022-23 to 2028-29	227.13	Various dates from FY 2021-22 to 2027-28
"Brought forward losses from specified business - allowed to carry forward for infinite period"	882.93	-	1,009.94	-
Brought forward losses - allowed to carry forward for infinite period	86.40	-	135.28	-
Total tax losses carried forward	1,185.40		1,372.35	

Deferred tax assets have not been recognized in respect of the above items, because it is not probable that future taxable profit will be available against which the Group can use the benefits. The above is arrived basis the balances as on date. The deductible temporary difference do not expire under the current tax legislation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

29 Income tax asset/ liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax asset	97.51	78.41
Income tax liabilities	(10.63)	(4.62)
	86.88	73.79

(i) Tax expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax	33.05	11.36
Income tax for earlier years	(1.73)	-
Foreign income taxes	12.49	10.30
Total (A)	43.81	21.66

(ii) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	636.85	205.05
Statutory income tax rate	31.20%	31.20%
Tax expenses	198.70	63.98
Income chargeable at special rate	12.49	10.30
Tax on exempt income	(126.98)	(85.00)
Other temporary differences	(4.84)	20.40
Additional deduction on investment allowance	(4.80)	(2.32)
Un-recognised deferred tax assets	(29.03)	14.30
Income tax expense	45.54	21.66

30 Segment reporting

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Members of Board of the Group have been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108 "Operating Segments". All operating segments' operating results are reviewed regularly by the Group's CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Group has structured its business broadly into four verticals – Hospitals, clinics, retail pharmacies and others. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income. The assets of the Group are used interchangeably between segments and the management believes that it is currently not practical to provide segment disclosures relating to certain assets and liabilities since a meaningful segregation is not possible.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

30 Segment reporting (Contd..)

A. Business segments :

The Group has the following business segments based on the information reviewed by Group's CODM :

- i) Hospitals - comprises of hospitals and in-house pharmacies at the hospitals
- ii) Clinics - comprises of clinics and in-house pharmacies at the clinics
- iii) Retail Pharmacies - comprises standalone retail pharmacies and optical outlets
- iv) Others - comprises of healthcare consultancy services and others

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Segment revenue		
Hospitals	5,773.58	4,798.89
Clinics	2,443.01	2,014.46
Retail Pharmacies	2,013.44	1,783.12
Others	23.25	11.96
Total	10,253.28	8,608.43
Segment profits before income tax		
Hospitals	634.46	357.43
Clinics	292.90	152.16
Retail Pharmacies	202.90	148.69
Others	2.29	1.47
Total	1,132.55	659.75
Less:		
Finance charges	(257.02)	(293.66)
Unallocated expenses (net of unallocated income)	(239.22)	(164.56)
Profit before share of equity accounted investees and tax	636.31	201.53
Share of profit / (loss) of equity accounted investees	0.54	3.52
Profit before tax	636.85	205.05
Tax expense	(35.80)	(27.22)
Profit for the year	601.05	177.83
Less : Non controlling interest	(75.06)	(30.09)
Profit attributable to the owners of the Company	525.99	147.74

Particulars	As at 31 March 2022	As at 31 March 2021
Segment assets		
Hospitals	8,123.89	7,393.94
Clinics	1,835.12	1,805.63
Retail Pharmacies	1,758.27	1,361.74
Others	17.20	17.13
Unallocated*	811.76	1,065.02
Total	12,546.24	11,643.46
Segment liabilities		
Hospitals	4,008.93	3,720.80
Clinics	885.35	847.25
Retail Pharmacies	978.08	762.68
Unallocated*	2,191.26	2,478.61
Total	8,063.62	7,809.34

* These are assets and liabilities used interchangeably between segments.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

30 Segment reporting (Contd..)

B. Geographical segment information :

The Group operates in three principal geographical areas which have been identified based on the location of the customers.

The geographical segments of the Company as identified above are as follows:

- i) GCC States - United Arab Emirates, Qatar, Oman, Kingdom of Saudi Arabia, Jordan, Kuwait and Bahrain
- ii) India
- iii) Rest of the world

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Segment revenue		
GCC States	7,869.72	6,953.95
India	2,383.56	1,654.48
Rest of the world	-	-
Total	10,253.28	8,608.43

Particulars	As at 31 March 2022	As at 31 March 2021
Segment revenue		
GCC States	9,189.34	8,552.42
India	3,353.74	3,090.18
Rest of the world	3.16	0.86
Total	12,546.24	11,643.46

C. Major customer

No customer has contributed more than 10% of the Group's total revenue.

31 Employee benefits

a) Defined benefit plan

The Group operates certain post-employment defined benefit plans which is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Group accrues gratuity as per the provisions of the Payment of Gratuity Act, 1972 and end of service benefits based on the labour laws of relevant geography. The gratuity benefit provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 / 30 days' salary payable for each completed year of service.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the benefit plans and the amounts recognised in the Group's consolidated financial statements as at balance sheet date:

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

31 Employee benefits (Contd..)

Reconciliation of the projected benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit liability - Gratuity plan (Plan A)	31.34	28.41
Plan assets	4.89	4.62
Net defined benefit liability	26.45	23.79
Net defined benefit liability - End of service benefits (Plan B)	394.40	397.84
Total employee benefit liability	420.85	421.63
Non-current	349.51	353.89
Current	71.34	67.74

For details about related employee benefit expenses, see note 24.

b) Reconciliation of net defined benefit (assets)/ liability

i) Plan A

a) Reconciliation of present values of defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Defined benefit obligation as at beginning of the year	28.41	23.20
Benefits paid	(2.83)	(1.84)
Current service cost	5.51	4.97
Interest cost	1.81	1.51
Past Service Cost	0.04	-
Actuarial (gains)/ losses recognised in other comprehensive income		
- changes in demographic assumptions	-	(0.21)
- changes in financial assumptions	(0.18)	(0.66)
- experience adjustments	(1.42)	1.44
Defined benefit obligations as at end of the year	31.34	28.41

b) Reconciliation of the present values of plan assets

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Plan assets at beginning of the year	4.62	4.64
Contributions paid into the plan	0.18	0.42
Interest income	0.29	(0.52)
Benefits paid	(0.21)	(0.02)
Return on plan assets recognised in other comprehensive income	0.01	0.10
Plan assets at the end of the year	4.89	4.62
Net defined benefit liability	26.45	23.79

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

31 Employee benefits (Contd..)

ii) Plan B

a) Reconciliation of present values of defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Defined benefit obligation as at beginning of the year	397.83	372.34
Benefits paid	(55.65)	(58.15)
Current service cost	76.89	70.16
Past service cost	-	-
Interest cost	5.40	8.67
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(26.09)	18.47
- experience adjustments	(16.18)	(5.84)
Effect of changes in foreign exchange rates	12.20	(7.82)
Defined benefit obligations as at end of the year	394.40	397.83

c) Expense recognised in consolidated statement of profit and loss

i) Expense recognised in consolidated statement of profit and loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	82.40	75.13
Interest cost	7.21	10.18
Interest income	(0.29)	0.52
Past service cost	0.04	-
	89.36	85.83

ii) Remeasurements recognised in other comprehensive income (excluding tax)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain)/ loss on defined benefit obligation	(43.87)	13.20
Return on plan assets excluding interest income	(0.01)	(0.10)
	(43.88)	13.10

d) Plan assets comprises the following

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Insurance policy	4.89	4.62

e) Actuarial valuation

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The defined benefit plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

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Investment risk	The present value of the defined benefit plan liability denominated in Indian Rupee is calculated using a discount rate determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to high quality corporate bond yields when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently the plan in India is investments in government securities and other debt instruments.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted average):

Particulars	As at 31 March 2022	As at 31 March 2021
Plan A		
Attrition rate	Below 35 years - 30% - 35% Above 35 years - 3% - 6%	Below 35 years - 30% - 35% Above 35 years - 3% - 6%
Discount rate	5.40% - 7.40%	5.00% - 6.91%
Future salary growth	4% - 9%	3.5% - 10%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Plan B		
Attrition rate	15%	15%
Discount rate	2.60% - 2.90%	1.20% - 1.80%
Future salary growth	2% - 3.50%	2% - 3.50%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India for Plan A. The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield. Gratuity is applicable only to employees of Indian entities and employees of foreign subsidiaries are eligible for terminal benefits as per local labour law.

(ii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rate.

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Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Plan A				
Discount rate (0.5% - 1% movement)	(2.35)	2.73	(2.05)	2.05
Future salary growth (0.5% - 1% movement)	2.74	(2.40)	2.30	(2.06)
Attrition rate (0.5% - 1% movement)	0.09	(0.11)	0.05	(0.07)
Plan B				
Discount rate (1% movement)	(18.11)	20.02	(19.70)	21.92
Future salary growth (1% movement)	19.91	(18.36)	21.51	(19.73)
Attrition rate (1% movement)	0.23	(0.27)	(0.96)	1.05

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

32 Earnings/ (Loss) per share

A. Basic earnings / (loss) per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

i) Net profit/(loss) attributable to equity share holders (basic)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit / (loss) for the year, attributable to the equity share holders	525.99	147.74

ii) Weighted average number of equity shares (basic)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance (Refer note 14)	49.70	49.68
Effect of share options exercised	0.01	0.01
Buy-back of equity shares	-	-
Weighted average number of equity shares of INR 10 each for the year	49.71	49.69
Earnings per share, basic (INR)	10.58	2.97

B. Diluted earnings/(loss) per share

The calculation of profit attributable to equity share holders and weighted average number of equity shares, after adjustment for the effects of all dilutive potential equity shares is as follows:

i) Net profit attributable to equity share holders (diluted)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net profit for the year, attributable to the equity share holders	525.99	147.74

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

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ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Weighted average number of equity shares of INR 10 each for the year (basic)	49.71	49.69
Effect of exercise of share options	0.07	0.08
Weighted average number of equity shares of INR 10 each for the year (diluted)	49.78	49.77
Earnings per share, diluted (INR)	10.57	2.97

Note : Diluted earnings per share = Profit attributable to equity shareholders / weighted average number of diluted potential shares outstanding during the year.

33 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities		
Claims against the Group not acknowledged as debts in respect of:		
a) Income tax related matters [see note (a), (b) and (c) below]	22.72	20.32
b) Value Added Tax (Refer note (d) below)	0.17	-
c) Disputed provident fund demand pending before appellate authorities [see note (e) below]	1.42	0.94
d) Other matters including claims relating to employees/ ex-employees etc. [see note (f) below]	1.61	1.61
e) Customer claims	9.27	6.75
f) Salary payable under minimum wages act [see note (g)]	17.14	17.14
Export commitments under EPCG scheme [see note (h) and (i) below]	19.51	23.08
Letter of Credit	2.06	-
Guarantees:		
a) Bank guarantee	42.29	26.43
Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	265.11	203.12

Notes:

- (a) The Company has received income tax assessment orders for AY 2014-15 & 2015-16 wherein the assessing officer has raised net demand of INR 20.08 crores (net of taxes paid amounting to INR 4.28 crores) on account of disallowance of Foreign Tax Credit claimed as per provisions of Section 90/90A of Income Tax Act 1961 and the disallowance under section 14A. The Company had provision in the books pertaining to the AY 2014-15 & 2015-16, amounting to INR 2.48 crores. The Company has also received income tax demand order of INR 0.18 crore for AY 2012-13 where in assessing officer denied legal and professional fee and business promotion expenses. The Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made on the financial statements. The Company has filed an appeal against the demand received.
- (b) In the prior years, a subsidiary company had received income tax demand for assessment year 2006-07 amounting to INR 0.19 crores (net of taxes paid amounting to INR 0.15 crores) which is currently pending with CIT (Appeals). The Company had provision in the books pertaining to the AY 2006-07, amounting to INR 0.16 crores.

In the prior years, the Company had received income tax demand for the assessment year 2005-06, 2008-09 and 2012-13. The Company had opted for Vivad se Vishwas Scheme for the assessment year 2005-06, 2008-09 and 2012-13. The Income tax department had issued Form-3 for opting the scheme. In the current year, the assessment was closed and in favour of the Company.

In the current year, the Company has received an income tax demand for assessment year 2017-18 for INR 0.10 crores (net of taxes paid amounting to INR 5.68 crores), which is pending with CIT (Appeals). The Company had provision in the books pertaining to the AY 2017-18, amounting to INR 5.36 crores.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

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- (c) A subsidiary company is contesting various disallowances by the Indian Income Tax authorities for the AY 2018-19. The associated tax impact for disallowances not accepted by Tax authorities is INR 0.06 crores. The management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made on the financial statements. The Company has filed an appeal against the demand received.
- (d) A subsidiary company has received a demand order from the Commercial Taxes Department of Government of Andhra Pradesh in respect of Value Added Tax (VAT) pertaining to the financial years 2013-14, 2014-15 and 2015-16 based on the scrutiny carried out by the department. The Company is contesting the case and has paid INR 0.04 crores under protest in this regard.
- (e) A subsidiary company has received demand from the provident fund authorities wherein demand of INR 1.42 crores (out of which 0.48 has been paid). Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.
- (f) Employee bonus refers to amount payable to employees as per Payment of Bonus (Amendment) Act 2015 vis-à-vis retrospective application from 1 April 2014 to 31 March 2015. The subsidiary company has relied on stay petition granted by the Honourable High Court of Kerala and Honourable High Court Madras against retrospective application of Payment of Bonus (Amendment) Act 2015 from 1 April 2014. Pending disposal of the case, no provision has been made in the books of accounts. The subsidiary company has obtained an independent legal opinion in support of this.
- (g) On 23 April 2018, The Government of Kerala issued an order revising the minimum wages of medical and nursing staff. The order mentions that the changes would be effective retrospectively from 1 October 2017. Since the legislation was issued in April 2018, management has started paying the revised salary with effect from 1 April 2018. The Group filed an appeal against the retrospective application of this order with the High Court of Kerala which has issued an interim stay order on 26 July 2018. The Writ Petition WP (c) No. 25109/2018 challenging the retrospective effect of minimum wage order passed by the Government of Kerala is pending before the Hon'ble High Court of Kerala in hearing list. Based on the stay order and legal advise, management believes that their position will be upheld and therefore has not provided for the incremental cost for the period October 2017 to March 2018.
- (h) The Group has obtained duty free / concessional duty licenses for import of capital goods by undertaking export obligations under the EPCG scheme. As at 31 March 2022, export obligations remaining to be fulfilled amounts to INR 12.80 crore (31 March 2021: INR 17.86 crore). In the event that export obligations are not fulfilled, the Group would be liable to pay the levies. The Company's bankers have provided bank guarantees aggregating INR 3.80 crore (31 March 2021: INR 24.55 crore) to the customs authorities in this regard.
- (i) The Company has obtained duty free / concessional duty licenses for import of capital goods by undertaking export obligations under the EPCG scheme. As at 31 March 2022, export obligations remaining to be fulfilled amounts to INR 6.71 Crore (31 March 2021: INR 5.22 Crore). In the event that export obligations are not fulfilled, the Company would be liable to pay the levies. The Company's bankers have provided bank guarantees aggregating INR 11.8 Crore (31 March 2021: INR 8.43 Crore) to the customs authorities in this regard.
- (j) On 28th February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Group has re-computed its liability towards PF from the month of March 2019 and has paid PF as per Supreme Court judgement. In respect of the earlier periods/years, the Group has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same. Necessary adjustments, if any, will be made to the books as more clarity emerges on this subject.
- (k) It is not practicable for the Group to estimate the timings of the cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (l) The Group has reviewed all its pending litigations and proceedings and has made adequate provisions where required and disclosed contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- (m) The Group has given Bank Guarantees in respect of certain contingent liabilities listed above.

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34 Capital Management

The Group's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of 31 March 2022 and 31 March 2021 is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Total equity attributable to the equity shareholders of the Company	3,953.41	3,372.46
As a percentage of total capital	64%	59%
Long-term borrowings	1,466.40	1,754.80
Short-term borrowings	725.76	554.27
Total borrowings	2,192.16	2,309.07
As a percentage of total capital	36%	41%
Total capital (equity and borrowings)	6,145.57	5,681.53

35 Financial Instruments - Fair values and risk management

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2022

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value*									
Trade receivables	11	2,020.52	-	-	2,020.52	-	-	-	-
Cash and cash equivalents	12	343.37	-	-	343.37	-	-	-	-
Other bank balances	13	36.24	-	-	36.24	-	-	-	-
Loans	7	28.07	-	-	28.07	-	-	-	-
Other financial assets	8	348.17	-	-	348.17	-	-	-	-
Financial assets measured at fair value									
Investments	6	38.19	6.64	-	44.83	6.64	-	-	6.64
Total		2,814.56	6.64	-	2,821.20	6.64	-	-	6.64
Liabilities									
Financial liabilities not measured at fair value*									
Borrowings (including current maturities of borrowings)	15	-	-	2,192.16	2,192.16	-	-	-	-
Lease liabilities	40	-	-	2,714.97	2,714.97	-	-	-	-
Trade payables	19	-	-	2,118.09	2,118.09	-	-	-	-
Other financial liabilities	16	-	-	117.17	117.17	-	-	-	-
Financial liabilities measured at fair value									
Payable to minority shareholders towards acquisitions (note A.1 below)	16	-	22.63	-	22.63	-	-	22.63	22.63
Derivatives (note A.2 below)		-	93.64	-	93.64	-	-	93.64	93.64
Total		-	116.27	7,142.39	7,258.66	-	-	116.27	116.27

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd..)

As at 31 March 2021

Particulars	Note	Carrying amount				Fair value			
		Financial assets at amortised cost	FVTPL	Other financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets									
Financial assets not measured at fair value*									
Trade receivables	11	2,019.00	-	-	2,019.00	-	-	-	-
Cash and cash equivalents	12	258.09	-	-	258.09	-	-	-	-
Other bank balances	13	23.27	-	-	23.27	-	-	-	-
Loans	7	-	-	-	-	-	-	-	-
Other financial assets	8	268.79	-	-	268.79	-	-	-	-
Financial assets measured at fair value									
Investments	6	-	62.86	-	62.86	62.86	-	-	62.86
Total		2,569.15	62.86	-	2,632.01	62.86	-	-	62.86
Liabilities									
Financial liabilities not measured at fair value*									
Borrowings (including current maturities of borrowings)	15	-	-	2,309.07	2,309.07	-	-	-	-
Lease liabilities	40	-	-	2,494.58	2,494.58	-	-	-	-
Trade payables	19	-	-	2,027.34	2,027.34	-	-	-	-
Other financial liabilities	16	-	-	145.31	145.31	-	-	-	-
Financial liabilities measured at fair value									
Payable to minority shareholders towards acquisitions (Note A.1 below)	16	-	22.00	-	22.00	-	-	22.00	22.00
Derivatives (note A.2 below)		-	121.16	-	121.16	-	-	121.16	121.16
Total		-	143.16	6,976.30	7,119.46	-	-	143.16	143.16

*The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

Note A.1 - During the year 2016, the Group acquired additional 56.2% stake in its subsidiary Sanad Al Rahma for Medical Care LLC ("Sanad") thereby increasing the Group's ownership from 40.8% to 97%. The purchase consideration includes contingent consideration payable as per terms of the contract. The Group has agreed to pay the selling shareholders in three years' time, an additional consideration, based on the EBITDA margins. The fair value of contingent consideration is valued at INR 22.63 as at 31 March 2022 and INR 22.00 for 31 March 2021 respectively.

Note A.2 - The Company has entered into share subscription and share purchase agreement dated 30 April 2016, with Dr Ramesh Cardiac and Multi Specialty Hospital Private Limited (Dr Ramesh Hospital) and its promoter group (non-controlling interest). The non-controlling interest has a put option on 49% of the non-controlling interests' equity ownership in Dr. Ramesh Hospital. The option is exercisable from May 2021 onwards. The put option contains an obligation for the Company to acquire 49% of the non-controlling interests and accordingly the fair value of such put option is determined using Monte Carlo simulation model and other valuation techniques. The Company has entered into share subscription and share purchase agreement dated 14 July 2014, with Sri Sainatha Multispeciality Hospitals Private Limited and its promoter group (non-controlling interest). The non-controlling interest has a put option on 19.27% of the non-controlling interests' equity ownership in Sri Sainatha Multispeciality Hospitals Private Limited. The option is exercisable from April 2020 onwards. The put option contains an obligation for the Company to acquire 19.27% of the non-controlling interests and accordingly the fair value of such put option is determined using Monte Carlo simulation model and other valuation techniques.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd..)

B Measurement of fair values

The following methods and assumptions were used to estimate fair values:

- The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of the derivative put option is determined using Monte Carlo simulation. The significant unobservable inputs used in the fair value measurement are risk free rate, volatility and management projected EBITDA growth rates.

Level 3 fair values

The significant unobservable inputs used in the fair value measurement of the level 3 fair values together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Derivatives-put option	Contingent consideration
Balance at 1 April 2020	(76.65)	(22.45)
Loss included in "other expenses"		
Net change in fair value (unrealised) (refer note 27)	(14.55)	-
Gain included in OCI		
Exchange difference in translating financial statements of foreign operations	-	0.45
Additions during the year		
	-	-
Balance as at 31 March 2021	(91.20)	(22.00)
Balance at 1 April 2021	(91.20)	(22.00)
Loss included in "other expenses"		
Net change in fair value (unrealised) (refer note 27)	-	-
Gain included in OCI		
Exchange difference in translating financial statements of foreign operations	-	-
Additions during the year		
	-	-
Balance as at 31 March 2022	(91.20)	(22.00)

Sensitivity analysis

For the fair values of put option, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

Put option

As at 31 March 2022	As at 31 March 2022	
	Increase	Decrease
Volatility (1% movement)	(0.57) to 0.20	(0.19) to 0.56
EBITDA growth rates (1% movement)	0.09 to 63.90	(0.09) to (62.83)
Risk free rate (1% movement)	(0.06) to 3.59	(3.44) to 0.06

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd..)

As at 31 March 2021	As at 31 March 2021	
	Increase	Decrease
Volatility (1% movement)	(0.60) to 0.12	(0.12) to 0.70
EBITDA growth rates (1% movement)	2.18 to 68.60	(67.20) to (2.02)
Risk free rate (1% movement)	(69.10) to (1.52)	1.60 to 71.80

C Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

i) Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Group's audit and risk management committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk management committee.

ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtors and an analysis of the debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to 2,020.52 crore (31 March 2021: 2,019 crore) and unbilled receivables amounting to 38.30 crore (31 March 2021: 18.72 crore). The movement in lifetime ECL in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	842.60	682.56
Impairment loss recognised	240.08	269.20
Impairment loss reversed/(utilised)	(470.85)	(93.93)
Exchange difference on allowance for credit loss	21.92	(15.23)
Balance at the end	633.75	842.60

No single customer accounted for more than 10% of the revenue as of 31 March 2022 and 31 March 2021. There is no significant concentration of credit risk. Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd.)

iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022.

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	2,118.09	-	2,118.09
Current borrowings	290.61	-	290.61
Non current borrowings (including current maturities)	435.15	1,466.40	1,901.55
Lease liabilities	242.05	2,472.92	2,714.97
Other financial liabilities	221.78	11.66	233.44

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2021:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	2,027.34	-	2,027.34
Current borrowings	159.40	-	159.40
Non current borrowings (including current maturities)	394.87	1,754.80	2,149.67
Lease liabilities	219.67	2,274.91	2,494.58
Other financial liabilities	245.92	42.55	288.47

Financial assets carried at amortised cost as at 31 March 2022 is INR 2,776.37 crore and carried at FVTPL is INR 6.64 crore. (31 March 2021: INR 2,569.15 crore and INR 24.13 crore respectively)

Trade receivables of INR 2,020.52 Crore as at 31 March 2021 carried at amortised cost and is valued considering provision for allowance using expected credit loss method (if any). In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the impact immediately seen in the demand outlook and the financial strength of the customers in respect of whom amounts are receivable. The Group has specifically evaluated the potential impact with respect to Healthcare service sector. The Group closely monitors its customers who are being impacted.

iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

Foreign currency risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The functional currency of company is INR. The Group is mainly exposed to AED, OMR, QAR, SAR and USD.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd..)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

As at 31 March 2022	AED	OMR	QAR	SAR	USD	Others
Financial Assets						
Investments	25.93	-	-	-	-	-
Other financial assets (current and non-current)	154.65	3.38	-	9.82	0.86	1.29
Trade Receivables	1,434.04	167.86	90.87	175.85	-	11.45
Cash and Cash Equivalents and Bank balances	178.16	7.65	41.00	32.42	2.26	12.26
Financial Liabilities						
Borrowings (current and non-current)	325.86	185.61	-	-	1,235.46	14.21
Trade payables and other financial liabilities (current and non-current)	1,672.80	72.25	62.94	72.13	0.73	35.27
Lease liabilities (current and non-current)	1,742.35	292.04	195.85	24.99	-	15.38

As at 31 March 2021	AED	OMR	QAR	SAR	USD	Others
Financial Assets						
Investments	25.15	-	-	-	-	-
Other financial assets (current and non-current)	132.70	0.56	-	6.89	0.84	2.38
Trade Receivables	1,473.06	133.77	100.95	187.16	-	9.57
Cash and Cash Equivalents and Bank balances	130.82	15.47	37.76	20.79	-	7.63
Financial Liabilities						
Borrowings (current and non-current)	281.49	126.60	7.88	-	1,478.66	15.84
Trade payables and other financial liabilities (current and non-current)	1,569.45	131.27	68.63	81.67	0.53	31.46
Lease liabilities (current and non-current)	1,692.11	290.21	136.16	12.89	-	17.27

Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments. One per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a one per cent change in foreign currency rates. A positive number below indicates an increase in profit and other equity where currency units strengthens one per cent against the relevant currency. For a one per cent weakening of currency units against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
AED Sensitivity				
INR/ AED - Increase by 1%	4.46	2.85	1.63	(2.54)
INR/ AED - Decrease by 1%	(4.46)	(2.85)	(1.63)	2.54
OMR Sensitivity				
INR/ OMR - Increase by 1%	0.13	(0.12)	0.90	0.74
INR/ OMR - Decrease by 1%	(0.13)	0.12	(0.90)	(0.74)
QAR Sensitivity				
INR/ QAR - Increase by 1%	0.17	0.10	1.43	1.39
INR/ QAR - Decrease by 1%	(0.17)	(0.10)	(1.43)	(1.39)
SAR Sensitivity				
INR/ SAR - Increase by 1%	(0.15)	(0.12)	3.87	3.87
INR/ SAR - Decrease by 1%	0.15	0.12	(3.87)	(3.87)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

35 Financial Instruments - Fair values and risk management (Contd..)

Interest rate risk

The Group is exposed to interest rate risk because the Group borrows funds at both fixed and floating interest rates. The Group's significant interest rate risk arises from long-term borrowings with variable interest rates, which expose the Group to cash flow interest rate risk. The interest rate on the Group's financial instruments is based on market rates. The Group monitors the movement in interest rates on an ongoing basis. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings,

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial liabilities (bank borrowings)		
Variable rate long term borrowings including current maturities	1,885.19	2,140.32
Derivative financial instrument		
Interest rate swap	468.57	589.64

Sensitivity Analysis

A reasonably possible change of 1 percent change in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	Impact on profit or (loss)		Impact on equity	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Sensitivity				
1% increase in MCLR rate	(18.85)	(21.40)	(18.85)	(21.40)
1% decrease in MCLR rate	18.85	21.40	18.85	21.40

The analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A one per cent 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. The Company's sensitivity to interest rates has increased in the current year due to the additional variable rate long term borrowings taken during the year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements':

Name of the entity	As at / For the year ended 31 March 2022									
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		Amount	Amount
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount		
Parent	65.93%	2,955.20	15.00%	90.14	0.51%	0.48	13.05%	90.62		
Aster DM Healthcare Limited										
Subsidiaries and step down subsidiaries										
India										
DM Med City Hospitals (India) Private Limited	1.48%	66.36	0.02%	0.10	0.03%	0.03	0.02%	0.13		
Ambody Infrastructure Private Limited	1.54%	68.86	(0.12)%	(0.70)	0.00%	-	(0.10)%	(0.70)		
Aster DM Healthcare (Trivandrum) Private Limited	(0.54)%	(24.17)	(1.47)%	(8.81)	0.00%	-	(1.27)%	(8.81)		
Malabar Institute of Medical Sciences Limited	11.28%	505.77	11.37%	68.32	(0.74)%	(0.69)	9.74%	67.63		
Prerana Hospital Limited	0.92%	41.36	1.22%	7.35	(0.05)%	(0.05)	1.05%	7.30		
Sri Sainatha Multispecialty Hospitals Private Limited	1.01%	45.12	1.28%	7.69	0.28%	0.26	1.14%	7.95		
Dr. Ramesh Cardiac and Multispecialty Hospitals Private Limited	2.74%	122.96	2.47%	14.87	0.01%	0.01	2.14%	14.88		
Aster Clinical Lab LLP	(1.01)%	(45.13)	(4.54)%	(27.27)	0.20%	0.19	(3.90)%	(27.08)		
EMED Human Resources India Private Limited	0.02%	0.68	0.02%	0.12	0.01%	0.01	0.02%	0.13		
Ezhimala Infrastructure LLP	0.21%	9.27	(0.00)%	(0.01)	0.00%	-	(0.00)%	(0.01)		
Warseps Healthcare LLP	0.00%	0.09	0.00%	-	0.00%	-	0.00%	-		
Sanghamitra Hospitals Private Limited	0.70%	31.39	2.71%	16.26	0.75%	0.70	2.44%	16.96		
Aster Ramesh Duhita LLP	0.00%	0.12	0.00%	0.03	0.00%	-	0.00%	0.03		
Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	0.03%	1.20	0.15%	0.89	0.00%	-	0.13%	0.89		
Hindustan Pharma Distributors Private Limited (16 Sept 2021)	0.31%	13.88	(0.25)%	(1.52)	0.00%	-	(0.22)%	(1.52)		
Mindriot Research and Innovation Foundation	0.00%	-	0.00%	-	0.00%	-	0.00%	-		
Foreign										
Affinity Holdings Private Limited	40.38%	1,810.29	12.08%	72.60	0.00%	-	10.45%	72.60		
Aster Caribbean Holdings Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-		
Aster Cayman Hospital Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-		
Aster DM Healthcare FZC	60.87%	2,728.79	37.22%	223.71	38.84%	36.30	37.44%	260.01		
Aster Hospital Sonapur L.L.C	(0.38)%	(16.94)	(2.88)%	(17.30)	0.00%	-	(2.49)%	(17.30)		
Radiant Healthcare L.L.C	0.66%	29.54	(0.21)%	(1.27)	0.00%	-	(0.18)%	(1.27)		
Aster Day Surgery Centre L.L.C	(0.33)%	(14.80)	0.23%	1.36	0.00%	-	0.20%	1.36		
DM Healthcare (L.L.C)	9.47%	424.56	31.75%	190.82	0.00%	-	27.48%	190.82		
Wahat AI Aman Home Health Care L.L.C	0.91%	40.88	7.10%	42.66	0.00%	-	6.14%	42.66		
Aster Grace Nursing and Physiotherapy LLC	(0.03)%	(1.22)	(0.30)%	(1.81)	0.00%	-	(0.26)%	(1.81)		
Aster Pharmacies Group LLC	13.09%	586.68	27.98%	168.19	0.00%	-	24.22%	168.19		
New Aster Pharmacy DMCC	0.25%	11.05	0.33%	1.97	0.00%	-	0.28%	1.97		

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements': (Contd.)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Medshop Garden Pharmacy LLC	0.00%	-	0.46%	2.77	0.00%	-	0.40%	2.77
Aster DCC Pharmacy LLC	(0.19%)	(8.40)	(0.15%)	(0.92)	0.00%	-	(0.13%)	(0.92)
Aster Al Shafar Pharmacies Group LLC	0.36%	16.03	0.76%	4.55	0.00%	-	0.66%	4.55
Rafa Pharmacy LLC	(0.02%)	(0.99)	(0.01%)	(0.08)	0.00%	-	(0.01%)	(0.08)
Aster Pharmacy LLC - AUH	0.06%	2.85	0.03%	0.20	0.00%	-	0.03%	0.20
Med Shop Drugs Store LLC	1.18%	52.77	(3.95%)	(23.74)	0.00%	-	(3.42%)	(23.74)
Alfa Drug Store LLC	4.25%	190.61	1.00%	6.02	0.00%	-	0.87%	6.02
Alfaone Drug Store LLC	0.80%	36.08	5.81%	34.93	0.00%	-	5.03%	34.93
Alfaone FZ - LLC	0.00%	0.21	0.00%	-	0.00%	-	0.00%	-
DM Pharmacies LLC	0.06%	2.88	0.00%	-	0.00%	-	0.00%	-
Aster Opticals LLC	(0.41%)	(18.33)	0.39%	2.34	0.00%	-	0.34%	2.34
Medcare Hospital (L.L.C)	30.69%	1,375.68	36.49%	2,193.35	0.00%	-	31.58%	2,193.35
Premium Healthcare Limited	0.03%	1.31	(0.09%)	(0.52)	0.00%	-	(0.07%)	(0.52)
Dr. Moopens Healthcare Management Services LLC	(7.81%)	(349.96)	(23.19%)	(139.40)	0.00%	-	(20.07%)	(139.40)
Eurohealth Systems FZ LLC	0.52%	23.09	0.75%	4.48	0.00%	-	0.65%	4.48
Al Rafa Investments Limited	(0.04%)	(1.57)	(0.02%)	(0.13)	0.00%	-	(0.02%)	(0.13)
Al Rafa Holdings Limited	(0.01%)	(0.62)	(0.01%)	(0.04)	0.00%	-	(0.01%)	(0.04)
Alfa Investments Limited	(0.00%)	(0.22)	(0.02%)	(0.13)	0.00%	-	(0.02%)	(0.13)
Active Holdings Limited	0.00%	0.01	(0.01%)	(0.05)	0.00%	-	(0.01%)	(0.05)
Al Rafa Medical Centre LLC	(0.90%)	(40.15)	(0.55%)	(3.32)	0.00%	-	(0.48%)	(3.32)
Dar Al Shifa Medical Centre LLC	(0.03%)	(1.15)	0.48%	2.91	0.00%	-	0.42%	2.91
Aster Primary Care LLC	(0.02%)	(0.90)	0.07%	0.41	0.00%	-	0.06%	0.41
Modern Dar Al Shifa Pharmacy LLC	0.26%	11.44	0.29%	1.73	0.00%	-	0.25%	1.73
Harley Street LLC	0.00%	0.20	0.00%	-	0.00%	-	0.00%	-
Harley Street Pharmacy LLC	0.04%	1.98	0.27%	1.62	0.00%	-	0.23%	1.62
Harley Street Medical Centre LLC	1.34%	60.01	1.47%	8.82	0.00%	-	1.27%	8.82
Harley Street Dental LLC	(0.06%)	(2.88)	0.02%	0.12	0.00%	-	0.02%	0.12
Grand Optics LLC	(2.02%)	(90.59)	0.36%	2.17	0.00%	-	0.31%	2.17
Noor Al Shifa Clinic LLC	0.00%	-	(0.12%)	(0.72)	0.00%	-	(0.10%)	(0.72)
Zahrat Al Shifa Medical Center L.L.C	0.10%	4.66	(0.23%)	(1.36)	0.00%	-	(0.20%)	(1.36)
Zahrat Al Shifa Pharmacy LLC	0.00%	-	0.02%	0.10	0.00%	-	0.01%	0.10
Samary Pharmacy LLC	0.26%	11.63	0.10%	0.59	0.00%	-	0.08%	0.59
Metro Meds Pharmacy LLC	0.11%	5.11	0.29%	1.76	0.00%	-	0.25%	1.76

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36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements': (Contd..)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Metro Medical Center LLC	0.11%	4.90	0.25%	1.52	0.00%	-	0.22%	1.52
Symphony Healthcare Management Services LLC	(0.98%)	(43.81)	(0.05%)	(0.31)	0.00%	-	(0.04%)	(0.31)
E-Care International Medical Billing Services Co. LLC	0.60%	26.79	1.65%	9.91	0.00%	-	1.43%	9.91
Al Raffah Hospital LLC	1.67%	74.96	1.97%	11.85	0.00%	-	1.71%	11.85
Al Raffah Pharmacies Group LLC	0.10%	4.41	0.11%	0.69	0.00%	-	0.10%	0.69
Oman Al Khair Hospital LLC	0.24%	10.84	0.09%	0.55	0.00%	-	0.08%	0.55
Dr. Moopen's Healthcare Management Services WLL	4.72%	211.59	1.17%	7.04	2.66%	2.49	1.37%	9.53
Welcare Polyclinic W.L.L.	0.05%	2.44	0.61%	3.67	0.00%	-	0.53%	3.67
Dr. Moopens Aster Hospital WLL	(1.58%)	(70.86)	1.24%	7.43	0.00%	-	1.07%	7.43
Sanad Al Rahma for Medical Care LLC	8.64%	387.30	(2.41%)	(14.50)	3.73%	3.49	(1.59%)	(11.01)
Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	(1.37%)	(61.51)	0.41%	2.45	0.00%	-	0.35%	2.45
Orange Pharmacies LLC	(0.65%)	(29.01)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Al Shafar Pharmacy LLC - AUH	(0.03%)	(1.19)	0.00%	-	0.00%	-	0.00%	-
Aster DM Healthcare INC	0.01%	0.56	0.00%	-	0.00%	-	0.00%	-
Aster Medical Centre LLC	(0.61%)	(27.55)	0.00%	-	0.00%	-	0.00%	-
Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L.	0.07%	3.13	0.00%	-	0.00%	-	0.00%	-
		11,165.57		1,003.09		43.22		1,046.31
Associates (Investment as per equity method) (Refer note 39)	0.85%	38.19	0.09%	0.54	0.00%	-	0.08%	0.54
Adjustment arising out of consolidation	(161.74%)	(7,250.35)	(79.47%)	(4,77.64)	42.20%	39.44	(63.10%)	(4,38.20)
Non controlling interest in subsidiaries	11.81%	529.21	12.49%	75.06	11.55%	10.79	12.36%	85.85
Consolidated net assets/ Profit after tax	100.00%	4,482.62	100.00%	601.05	100.00%	93.45	100.00%	694.50

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

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36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements': (Contd..)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Parent								
Aster DM Healthcare Limited	74.70%	2,864.12	(38.72%)	(68.86)	(0.02%)	0.01	(53.74%)	(68.85)
Subsidiaries and step down subsidiaries								
India								
DM Med City Hospitals (India) Private Limited	1.73%	66.23	(1.19%)	(2.11)	(0.00%)	-	(1.62%)	(2.11)
Ambody Infrastructure Private Limited	1.81%	69.56	(0.40%)	(0.71)	0.00%	-	(0.55%)	(0.71)
Aster DM Healthcare (Trivandrum) Private Limited	(0.40%)	(15.37)	(4.52%)	(8.04)	0.00%	-	(6.28%)	(8.04)
Malabar Institute of Medical Sciences Limited	11.72%	449.53	6.78%	12.05	(0.14%)	0.07	9.46%	12.12
Prerana Hospital Limited	0.89%	34.06	0.85%	1.52	0.14%	(0.07)	1.13%	1.45
Sri Sainatha Multipspeciality Hospitals Private Limited	0.97%	37.16	3.23%	5.75	0.18%	(0.09)	4.42%	5.66
Dr. Ramesh Cardiac and Multipspeciality Hospitals Private Limited	2.82%	108.08	(4.80%)	(8.54)	(0.42%)	0.21	(6.50%)	(8.33)
Aster Clinical Lab LLP	(0.47%)	(18.05)	(10.07%)	(17.91)	-	-	(13.98%)	(17.91)
EMED Human Resources India Private Limited	0.01%	0.55	0.04%	0.08	-	-	0.06%	0.08
Ezhimala Infrastructure LLP	0.00%	0.03	0.01%	0.02	0.00%	-	0.02%	0.02
Warseps Healthcare LLP	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Sanghamitra Hospitals Private Limited	0.54%	20.70	6.08%	10.81	0.66%	(0.33)	8.18%	10.48
Aster Ramesh Duhita LLP	0.00%	0.09	(0.20%)	(0.36)	0.00%	-	(0.28%)	(0.36)
Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	0.02%	0.92	0.27%	0.48	0.00%	-	0.37%	0.48
Mindriot Research and Innovation Foundation (11 March 2021)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Affinity Holdings- Private Limited	45.11%	1,729.56	(1.24%)	(2.20)	0.00%	-	(1.72%)	(2.20)
Aster Caribbean Holdings Limited (15 December 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Aster Cayman Hospital Limited (15 December 2020)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Aster DM Healthcare FZC	64.73%	2,481.74	44.38%	78.92	20.14%	(10.01)	53.79%	68.91
Aster Hospital Sonapur LLC	0.02%	0.60	0.00%	-	0.00%	-	0.00%	-
Radiant Healthcare LLC	0.78%	29.89	1.63%	2.90	0.00%	-	2.26%	2.90
Aster Day Surgery Centre LLC	(0.41%)	(15.70)	(0.42%)	(0.74)	0.00%	-	(0.58%)	(0.74)
DM Healthcare (L L C)	7.66%	293.70	62.84%	111.75	0.00%	-	87.22%	111.75
Wahat Al Aman Home Health Care L.L.C.	0.88%	33.77	20.91%	37.19	0.00%	-	29.03%	37.19
Aster Grace Nursing and Physiotherapy LLC	0.02%	0.60	(0.22%)	(0.40)	0.00%	-	(0.31%)	(0.40)
Aster Pharmacies Group LLC	11.67%	447.28	57.21%	101.73	0.00%	-	79.40%	101.73
New Aster Pharmacy DMCC	0.23%	8.78	0.85%	1.52	0.00%	-	1.19%	1.52
Medshop Garden Pharmacy LLC	0.65%	24.95	1.91%	3.39	0.00%	-	2.65%	3.39

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

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36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements': (Contd..)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Aster DCC Pharmacy LLC	(0.19%)	(7.25)	(0.89%)	(1.58)	0.00%	-	(1.23%)	(1.58)
Aster Al Shafar Pharmacies Group LLC	0.40%	15.15	2.66%	4.73	0.00%	-	3.69%	4.73
Rafa Pharmacy LLC	(0.02%)	(0.89)	0.37%	0.66	0.00%	-	0.52%	0.66
Aster Pharmacy LLC - AUH	0.07%	2.57	0.39%	0.70	0.00%	-	0.55%	0.70
Med Shop Drugs Store LLC	1.94%	74.54	(6.76%)	(12.03)	0.00%	-	(9.39%)	(12.03)
Alfa Drug Store LLC	4.67%	178.90	22.99%	40.88	0.00%	-	31.91%	40.88
Alfaone Drug Store LLC (1 June 2020)	0.02%	0.60	0.00%	-	0.00%	-	0.00%	-
Alfaone FZ-LLC	0.01%	0.20	0.00%	-	0.00%	-	0.00%	-
DM Pharmacies LLC	0.07%	2.79	(7.75%)	(13.78)	0.00%	-	(10.76%)	(13.78)
Aster Opticals LLC	(0.52%)	(20.08)	(2.33%)	(4.14)	0.00%	-	(3.23%)	(4.14)
Medcare Hospital (L-LLC)	30.33%	1,162.95	95.87%	170.49	0.00%	-	133.07%	170.49
Premium Healthcare Limited	0.12%	4.41	1.23%	2.18	0.00%	-	1.70%	2.18
Dr. Moopens Healthcare Management Services LLC	(5.27%)	(202.14)	(46.48%)	(82.66)	0.00%	-	(64.52%)	(82.66)
Eurohealth Systems FZ LLC	0.47%	17.98	1.10%	1.95	0.00%	-	1.52%	1.95
Al Rafa Investments Limited	(0.04%)	(1.40)	(0.09%)	(0.16)	0.00%	-	(0.12%)	(0.16)
Al Rafa Holdings Limited	(0.01%)	(0.56)	(0.04%)	(0.07)	0.00%	-	(0.05%)	(0.07)
Alfa Investments Limited	(0.00%)	(0.09)	(0.08%)	(0.14)	0.00%	-	(0.11%)	(0.14)
Active Holdings Limited	0.00%	0.05	(0.04%)	(0.07)	0.00%	-	(0.05%)	(0.07)
Al Rafa Medical Centre LLC	(0.93%)	(35.67)	(4.53%)	(8.05)	0.00%	-	(6.28%)	(8.05)
Dar Al Shifa Medical Centre LLC	(0.10%)	(3.99)	(1.09%)	(1.94)	0.00%	-	(1.51%)	(1.94)
Aster Primary Care LLC	(0.03%)	(1.28)	(0.60%)	(1.06)	0.00%	-	(0.83%)	(1.06)
Modern Dar Al Shifa Pharmacy LLC	0.30%	11.39	1.46%	2.59	0.00%	-	2.02%	2.59
Harley Street LLC	0.00%	0.19	0.00%	-	0.00%	-	0.00%	-
Harley Street Pharmacy LLC	0.01%	0.32	0.53%	0.94	0.00%	-	0.73%	0.94
Harley Street Medical Centre LLC	1.29%	49.51	6.90%	12.27	0.00%	-	9.58%	12.27
Harley Street Dental LLC	(0.08%)	(2.91)	0.54%	0.96	0.00%	-	0.75%	0.96
Grand Optics LLC	(2.35%)	(89.99)	(1.55%)	(2.75)	0.00%	-	(2.15%)	(2.75)
Noor Al Shifa Clinic LLC	0.25%	9.61	0.03%	0.06	0.00%	-	0.05%	0.06
Zahrat Al Shifa Medical Center L.L.C	(0.00%)	(0.03)	(0.21%)	(0.37)	0.00%	-	(0.29%)	(0.37)
Zahrat Al Shifa Pharmacy LLC	0.09%	3.28	0.22%	0.40	0.00%	-	0.31%	0.40
Samary Pharmacy LLC	0.30%	11.47	0.67%	1.20	0.00%	-	0.94%	1.20
Metro Meds Pharmacy LLC	0.11%	4.06	0.64%	1.13	0.00%	-	0.88%	1.13
Metro Medical Center L.L.C	0.10%	3.74	0.31%	0.55	0.00%	-	0.43%	0.55

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All amounts in INR crores, unless otherwise stated

36A Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements': (Contd..)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
Symphony Healthcare Management Services LLC	(1.10%)	(42.18)	5.73%	10.19	0.00%	-	7.95%	10.19
E-Care International Medical Billing Services Co. LLC	0.42%	16.22	1.86%	3.30	0.00%	-	2.58%	3.30
Al Raffah Hospital LLC	1.59%	61.02	(6.64%)	(11.80)	0.00%	-	(9.21%)	(11.80)
Al Raffah Medical Centre LLC (merged with Al Raffah Hospital LLC from 1 October 2020)	0.00%	-	(0.26%)	(0.47)	0.00%	-	(0.37%)	(0.47)
Al Raffah Pharmacies Group LLC	0.09%	3.60	0.17%	0.31	0.00%	-	0.24%	0.31
Oman Al Khair Hospital LLC	0.25%	9.44	(0.19%)	(0.34)	0.00%	-	(0.27%)	(0.34)
Dr. Moopen's Healthcare Management Services WLL	5.64%	216.20	3.34%	5.94	5.61%	(2.79)	2.46%	3.15
Welcare Polyclinic WLL	(0.03%)	(1.25)	0.52%	0.93	0.00%	-	0.73%	0.93
Dr. Moopen's Aster Hospital WLL	(1.98%)	(76.02)	1.55%	2.75	0.00%	-	2.15%	2.75
Sanad Al Rahma for Medical Care LLC	10.08%	386.58	(6.79%)	(12.07)	3.84%	(1.91)	(10.91%)	(13.98)
Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	(1.62%)	(62.06)	(2.58%)	(4.59)	0.00%	-	(3.58%)	(4.59)
Orange Pharmacies LLC	(0.73%)	(28.07)	(6.60%)	(1.06)	0.00%	-	(8.83%)	(1.06)
Al Shafar Pharmacy LLC - AUH	(0.03%)	(1.16)	(0.04%)	(0.07)	0.00%	-	(0.05%)	(0.07)
Aster DM Healthcare INC	0.01%	0.55	0.00%	-	0.00%	-	0.00%	-
Aster Medical Centre LLC	(0.70%)	(26.72)	0.00%	-	0.00%	-	0.00%	-
Aster Kuwait Pharmaceuticals and Medical Equipment Company WLL	0.08%	3.03	(0.37%)	(0.65)	0.00%	-	(0.51%)	(0.65)
Asma Pharmacy LLC (merged with Aster Pharmacies Group LLC from 1 October 2020)	0.00%	-	(0.03%)	(0.05)	0.00%	-	(0.04%)	(0.05)
Shindagha Pharmacy LLC (merged with Aster Pharmacies Group LLC from 1 October 2020)	0.00%	-	(0.16%)	(0.28)	0.00%	-	(0.22%)	(0.28)
Union Pharmacy LLC (merged with Aster Pharmacies Group LLC from 1 October 2020)	0.00%	-	0.10%	0.18	0.00%	-	0.14%	0.18
Zabeel Pharmacy LLC (merged with Aster Al Shafar Pharmacies Group LLC from 1 October 2020)	0.00%	-	0.07%	0.12	0.00%	-	0.09%	0.12
Consolidated net assets/ Profit after tax	100.00%	3,834.12	100.00%	177.83	100.00%	(49.71)	100.00%	128.12
Associates (Investment as per equity method) (Refer note 39)	1.01%	38.73	1.98%	3.52	0.00%	(14.91)	2.75%	348.56
Adjustment arising out of consolidation	(181.68%)	(6,965.76)	(123.29%)	(219.25)	58.10%	(28.88)	(193.67%)	(248.13)
Non controlling interest in subsidiaries	12.04%	461.66	16.92%	30.09	11.91%	(5.92)	18.87%	24.17

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36B Non-controlling interest

The following table summarises the financial information relating to subsidiaries which have material non-controlling interest:

Particulars	As at 31 March 2022	As at 31 March 2021
Malabar Institute of Medical Sciences Limited	130.79	116.25
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	60.25	52.96
Medcare Hospital (L.L.C)	206.35	174.44
Other entities having non-material non-controlling interest	131.82	118.01
	529.21	461.66

(i) Malabar Institute of Medical Sciences Limited

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets	758.56	735.16
Current assets	133.95	87.20
Non-current liabilities	(188.27)	(222.75)
Current liabilities	(198.49)	(150.08)
Net assets	505.75	449.53
NCI	25.86%	25.86%
Carrying amount of non-controlling interests	130.79	116.25

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from operations	772.84	552.77
Profit for the year	68.29	12.05
Other comprehensive income for the year	(0.69)	0.06
Total comprehensive income for the year	67.60	12.11
Attributable to non-controlling interest		
Profit for the year	17.66	3.12
Other comprehensive income for the year	(0.18)	0.02
Cash flows from/ (used in) :		
Operating activities	112.68	95.69
Investing activities	(59.41)	(33.35)
Financing activities	(48.57)	(55.99)
Net increase in cash and cash equivalents	4.70	6.35

(ii) Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets	184.46	157.57
Current assets	26.14	49.25
Non-current liabilities	(56.36)	(61.11)
Current liabilities	(31.29)	(37.63)
Net assets	122.95	108.08
NCI	49%	49%
Carrying amount of non-controlling interests	60.25	52.96

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All amounts in INR crores, unless otherwise stated

36B Non-controlling interest (Contd..)

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from operations	212.80	152.99
Profit/ (loss) for the year	14.87	(8.54)
Other comprehensive income for the year	0.01	0.21
Total comprehensive income/ (loss) for the year	14.88	(8.33)
Attributable to non-controlling interest		
Profit/ (loss) for the year	7.29	(4.19)
Other comprehensive income/ (loss) for the year	0.00	0.10
Cash flows from/ (used in) :		
Operating activities	21.92	44.33
Investing activities	(12.37)	(14.21)
Financing activities	(16.19)	(27.06)
Net increase in cash and cash equivalents	(6.64)	3.06

(iii) Medicare Healthcare LLC

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets	1,030.61	1,006.93
Current assets	1,780.47	1,497.63
Non-current liabilities	(761.04)	(772.53)
Current liabilities	(674.37)	(569.08)
Net assets	1,375.68	1,162.95
NCI	15%	15%
Carrying amount of non-controlling interests	206.35	174.44

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from operations	1,952.83	1,814.55
Profit/ (loss) for the year	219.35	170.49
Total comprehensive income/ (loss) for the year	219.35	170.49
Attributable to non-controlling interest		
Profit/ (loss) for the year	32.90	25.57
Cash flows from/ (used in) :		
Operating activities	244.49	367.00
Investing activities	(92.15)	(23.36)
Financing activities	(179.85)	(348.12)
Net increase in cash and cash equivalents	(27.51)	(4.48)

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All amounts in INR crores, unless otherwise stated

37 Group information

Subsidiaries, step-down subsidiaries and associates of the parent company

(a) Subsidiaries and step-down subsidiaries

The consolidated Ind AS financial statements of the Group includes subsidiaries listed in the table below:

SI No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2022		31 March 2021	
			Beneficial	Legal *	Beneficial	Legal *
Direct subsidiaries						
1	DM Med City Hospitals (India) Private Limited	India	100%	100%	100%	100%
2	Ambady Infrastructure Private Limited	India	100%	100%	100%	100%
3	Aster DM Healthcare (Trivandrum) Private Limited	India	100%	100%	100%	100%
4	Malabar Institute of Medical Sciences Limited	India	74%	74%	74%	74%
5	Prerana Hospital Limited	India	87%	87%	87%	87%
6	Sri Sainatha Multispeciality Hospitals Private Limited	India	77%	77%	77%	77%
7	Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	India	51%	51%	51%	51%
8	Aster Clinical Lab LLP	India	100%	100%	100%	100%
9	Hindustan Pharma Distributors Private Limited (16 Sept 2021)	India	86%	86%	NA	NA
10	Affinity Holdings Private Limited	Mauritius	100%	100%	100%	100%
Step down subsidiaries						
11	EMED Human Resources India Private Limited	India	100%	100%	100%	100%
12	Ezhimala Infrastructure LLP	India	74%	74%	40%	40%
13	Warseps Healthcare LLP	India	100%	100%	100%	100%
14	Sanghamitra Hospitals Private Limited	India	37%	37%	26%	26%
15	Aster Ramesh Duhita LLP	India	26%	26%	26%	26%
16	Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	India	26%	26%	26%	26%
17	Aster Caribbean Holdings Limited	Cayman Island	100%	100%	100%	100%
18	Aster Cayman Hospital Limited	Cayman Island	100%	100%	100%	100%
19	Aster DM Healthcare FZC	UAE	100%	100%	100%	100%
20	Aster Hospital Sonapur L.L.C	UAE	90%	39%	90%	39%
21	Radiant Healthcare L.L.C	UAE	76%	25%	76%	25%
22	Aster Day Surgery Centre LLC	UAE	82%	49%	82%	49%
23	DM Healthcare (L L C)	UAE	100%	100%	100%	100%
24	Wahat Al Aman Home Health Care L.L.C.	UAE	100%	49%	100%	49%
25	Aster Grace Nursing and Physiotherapy LLC	UAE	60%	29%	60%	29%
26	Aster Pharmacies Group LLC	UAE	100%	49%	100%	49%
27	New Aster Pharmacy DMCC	UAE	100%	100%	100%	100%
28	Medshop Garden Pharmacy LLC ***	UAE	NA	NA	100%	49%
29	Aster DCC Pharmacy LLC	UAE	100%	49%	70%	49%
30	Aster Al Shafar Pharmacies Group LLC	UAE	51%	49%	51%	49%
31	Rafa Pharmacy LLC	UAE	100%	49%	100%	49%
32	Aster Pharmacy LLC, AUH	UAE	100%	49%	100%	49%
33	Med Shop Drugs Store LLC	UAE	100%	49%	100%	49%
34	Alfa Drug Store LLC	UAE	100%	49%	100%	49%
35	Alfa One Drug Store LLC	UAE	100%	49%	100%	49%
36	Alfaone FZ-LLC	UAE	100%	100%	100%	100%
37	DM Pharmacies LLC **	UAE	100%	49%	100%	49%
38	Aster Opticals LLC	UAE	60%	49%	60%	49%
39	Medcare Hospital (L.L.C)	UAE	85%	73%	85%	73%

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All amounts in INR crores, unless otherwise stated

37 Group information (Contd..)

SI No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2022		31 March 2021	
			Beneficial	Legal *	Beneficial	Legal *
40	Premium Healthcare Limited	UAE	80%	80%	80%	80%
41	Dr. Moopens Healthcare Management Services LLC	UAE	100%	49%	100%	49%
42	Eurohealth Systems FZ LLC	UAE	100%	95%	100%	95%
43	Al Rafa Investments Limited	UAE	100%	0%	100%	0%
44	Al Rafa Holdings Limited	UAE	100%	0%	100%	0%
45	Alfa Investments Limited #	UAE	0%	0%	0%	0%
46	Active Holdings Limited	UAE	100%	0%	100%	0%
47	Al Rafa Medical Centre LLC	UAE	51%	40%	51%	40%
48	Dar Al Shifa Medical Centre LLC	UAE	51%	40%	51%	40%
49	Aster Primary Care LLC	UAE	71%	40%	71%	40%
50	Modern Dar Al Shifa Pharmacy LLC	UAE	51%	40%	51%	40%
51	Harley Street LLC	UAE	60%	9%	60%	9%
52	Harley Street Pharmacy LLC	UAE	60%	9%	60%	9%
53	Harley Street Medical Centre LLC	UAE	60%	9%	60%	9%
54	Harley Street Dental LLC	UAE	38%	2%	38%	2%
55	Grand Optics LLC	UAE	85%	34%	85%	34%
56	Noor Al Shefa Clinic LLC ***	UAE	NA	NA	70%	19%
57	Zahrat Al Shefa Medical Center L.L.C	UAE	70%	19%	70%	19%
58	Zahrath Al Shefa Pharmacy LLC ***	UAE	NA	NA	70%	19%
59	Samary Pharmacy LLC	UAE	70%	19%	70%	19%
60	Metro Meds Pharmacy L.L.C	UAE	66%	15%	66%	15%
61	Metro Medical Center L.L.C	UAE	66%	15%	66%	15%
62	Symphony Healthcare Management Services LLC	UAE	100%	0%	100%	0%
63	E-Care International Medical Billing Services Co. LLC	UAE	80%	0%	80%	0%
64	Al Raffah Hospital LLC	Oman	100%	100%	100%	100%
65	Al Raffah Pharmacies Group LLC	Oman	100%	70%	100%	70%
66	Oman Al Khair Hospital L.L.C	Oman	60%	42%	60%	42%
67	Dr. Moopen's Healthcare Management Services WLL	Qatar	99%	49%	99%	49%
68	Welcare Polyclinic W.L.L	Qatar	100%	45%	50%	45%
69	Dr. Moopens Aster Hospital WLL	Qatar	99%	49%	99%	49%
70	Sanad Al Rahma for Medical Care LLC	Kingdom of Saudi Arabia	100%	100%	100%	100%
71	Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	Bahrain	100%	100%	100%	100%
72	Orange Pharmacies LLC	Jordan	51%	0%	51%	0%
73	Al Shafar Pharmacy LLC, AUH **	UAE	51%	49%	51%	49%
74	Aster DM Healthcare INC **	Philippines	90%	90%	90%	90%
75	Aster Medical Centre LLC **	UAE	90%	39%	90%	39%
76	Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L **	Kuwait	54%	2%	54%	2%

* Although the percentage of voting rights as a result of legal holding by the Company is not more than 50% in certain entities listed above, the Company has the power to appoint majority of the Board of Directors of those entities as to obtain substantially all the returns related to their operations and net assets and has the ability to direct that activities that most significantly affect these returns. Consequently, all the entities listed above have been consolidated for the purposes of the preparation of this consolidated financial information.

** represents subsidiaries which are in the process of being wound-up.

*** represents subsidiaries which are converted to branch during the current year.

Although the percentage of voting rights as a result of legal holding by the Group is Nil, the Group has the power to appoint/replace all members of the Board of Directors. Consequently Group has control over the entity.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

37 Group information (Contd..)

(b) Associates

The consolidated Ind AS financial statements of the Group includes associates listed in the table below:

SI No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2022		31 March 2021	
			Beneficial	Legal *	Beneficial	Legal *
1	MIMS Infrastructure and Properties Private Limited	India	36%	36%	36%	36%
2	Alfaone Medicals Private Limited	India	16%	16%	16%	16%
3	Alfaone Retail Pharmacies Private Limited	India	16%	16%	16%	16%
4	Mindriot Research and Innovation Foundation	India	49%	49%	49%	49%
5	Aries Holdings FZC	UAE	25%	25%	25%	25%
6	AAQ Healthcare Investments LLC	UAE	33%	33%	33%	33%
7	Aries Investments LLC	UAE	25%	25%	25%	25%
8	Al Mutamaizah Medicare Healthcare Investment Co. LLC	UAE	49%	49%	49%	49%

The principal place of business of all the entities listed above is the same as their respective countries of incorporation.

38 Acquisition of Subsidiaries and Non-Controlling Interests (NCI)

Acquisition of subsidiary

i) Acquisition of Hindustan Pharma Distributors Private Limited

During the Year ended 31 March 2022, the Group acquired 86% shares in Hindustan Pharma Distributors Private Limited. Hindustan Pharma Distributors Private Limited is engaged in the business of wholesale pharmaceutical distribution. Upon transfer of control, the Group owns economic and beneficial interest in 86% of the net worth and profit / (loss) of Hindustan Pharma Distributors Private Limited. The acquisition is expected to provide the Group with an improved supply of Pharmaceutical and other allied product. The Group also expects to reduce costs through economies of scale.

A Consideration transferred

The following table summarises the acquisition date fair value of consideration transferred:

Particulars	INR (in Crore)
Total consideration	15.38

B Identifiable assets acquired and liabilities assumed

Particulars	INR (in Crore)
Property, plant and equipment	0.09
Intangible assets including trade name and customer relationship	3.15
Other assets	3.95
Cash and cash equivalent	-
Total assets	7.19
Other liabilities	-
Total liabilities	-
Net identifiable assets acquired	7.19

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

38 Acquisition of Subsidiaries and Non-Controlling Interests (NCI) (Contd..)

C Goodwill

Goodwill arising from acquisition has been determined as follows:

Particulars	INR (in Crore)
Consideration transferred	15.38
Fair value of non controlling interest	2.50
Fair value of net identifiable assets acquired	7.19
Goodwill	10.69

Measurement of fair values

Assets acquired	Valuation technique
Property, plant and equipment	The Book value of Property, plant and equipment is considered as fair value.
Trade name	The Fair Value of an acquired Trade Name is established using a form of the income approach known as the relief from-royalty method. The relief from royalty is a method of the income approach is used for measuring the fair value of intangible assets that are often the subject of licensing, such as trade names, patents and proprietary technologies.
Customer Relationship	We have valued Customer Relationships using a variant of Income Approach – Multi-Period Excess Earnings Method ("MPEEM"). The MPEEM is an income approach used when two or more assets work together to generate a cash-flow stream. The MPEEM seeks to isolate the cash-flow stream attributable to a specific intangible asset being valued from the asset grouping's overall cash-flow stream

ii) Acquisition of Non-controlling interest (NCI) – Aster DCC Pharmacy L.L.C

In January 2022, the Group had acquired an additional 30% stake in Aster DCC Pharmacy L.L.C for a consideration of INR 1.67 crore, thereby increasing the Group's stake from 70% as at 31 March 2021 to 100% as at 31 March 2022. Accordingly, the Group had recognised a increase in NCI of INR 2.51 crore and corresponding increase in accumulated losses of INR 4.18 crore.

iii) Acquisition of Non-controlling interest (NCI) – Sanghamitra Hospitals Private Limited

During the year ended 31 March 2022, the Group had acquired an additional stake of 20.7% in Sanghamitra Hospitals Private Limited for a consideration of INR 24.75 crore, thereby increasing the Company's stake from 26.01% as at 31 March 2021 to 37.57% as at 31 March 2022. Accordingly, the Group had recognised a decrease in NCI of INR 2.70 crore and corresponding increase in accumulated losses of INR 22.05 crore.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

39 Investment in equity accounted investees

The Group has interest in the companies listed below. The Group's interest in these companies is accounted for using equity method in the consolidated financial statements. The Group has significant influence either by virtue of shareholding being more than 20%, provision of essential technical service or Board representation. However the Group does not have control or joint control over any of these entities.

Name	Country	Legal and beneficial holding	Share of profits/ (losses)		Investment	
			As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Unquoted investments in equity instruments						
AAQ Healthcare Investments LLC	UAE	33%	1.83	1.59	9.96	8.59
Aries Holdings FZC	UAE	25%	4.41	1.77	21.31	19.64
Al Mutamaizah Medicare Healthcare Investment Co. LLC	UAE	49%	(2.23)	-	-	-
Aries Investments LLC	UAE	25%	-	-	-	-
MIMS Infrastructure and Properties Private Limited	India	36%	0.33	0.16	10.50	10.27
Alfaone Medicals Private Limited (1 Feb 2021)	India	16%	0.01	-	0.24	0.23
Alfaone Retail Pharmacies Private Limited (1 Feb 2021)	India	16%	(3.82)	-	(3.82)	-
Total			0.54	3.52	38.19	38.73

Summarised financial information :

(i) MIMS Infrastructure and Properties Private Limited

The Group has a 36% interest in MIMS Infrastructure And Properties Private Limited, an entity which is not listed on any public exchange. The table below also reconciles the summarised financial information to the carrying amount of the Group's interest in MIMS Infrastructure and Properties Private Limited.

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets	21.71	24.00
Current assets	3.00	2.70
Non-current liabilities	(0.04)	(1.34)
Current liabilities	(0.21)	(1.02)
Net assets	24.46	24.34
Ownership held by the group	36%	36%
Group's share of net assets	8.89	8.84

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue	2.09	1.43
Profit before tax	1.27	0.58
Income tax	(0.35)	(0.15)
Profit after tax	0.92	0.43
Other comprehensive income	-	-
Total comprehensive income	0.92	0.43
Ownership held by the group	36%	36%
Group's share of total comprehensive income	0.33	0.16

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

39 Investment in equity accounted investees (Contd..)

(ii) Aries Holdings FZC

The Group has a 25% interest in Aries Holdings FZC, effective from 24 November 2014 an entity which is not listed on any public exchange. The table below reconciles the summarised financial information to the carrying amount of the groups interest in Aries Holdings FZC.

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current Assets	186.82	184.66
Current Assets	105.51	105.76
Non-current Liabilities	(153.31)	(153.92)
Current Liabilities	(59.74)	(64.99)
Net Assets	79.28	71.51
Ownership held by Group	25%	25%
Group's share of net assets	19.82	17.88

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	24.40	18.42
Profit before tax	17.65	7.07
Income tax	-	-
Profit after tax	17.65	7.07
Other Comprehensive Income	-	-
Total Comprehensive Income	17.65	7.07
Ownership held by the Group	25%	25%
Group's share of total comprehensive income	4.41	1.77

(iii) Investment in other associates

The Group also has interest in the other associates as listed in the table above that are not individually material. The table below reconciles the summarised financial information of associates that are not individually material to the carrying amount of the Group's interest in these associates.

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current assets	194.51	168.14
Current assets	82.42	32.98
Non-current liabilities	(110.37)	(103.22)
Current liabilities	(213.52)	(113.13)
Net assets	(46.96)	(15.23)
Group's share of net assets	(16.19)	(8.97)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	55.40	20.02
Profit before tax	(22.67)	0.88
Income tax	(0.36)	(0.02)
Profit after tax	(23.07)	0.86
Other comprehensive income	0.02	-
Total comprehensive income	(23.05)	0.86
Group's share of total comprehensive income	(4.21)	1.61

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

40 Leases

The Group has taken hospital premises on lease from various parties from where healthcare, clinical and management services are rendered. The leases typically run for a period of 2 years - 24 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all the risks and rewards of ownership. Under Ind AS 116, the Group recognises right-of-use assets and lease liabilities – i.e. these leases are recorded on the balance sheet.

(i) Lease liabilities

Following are the changes in the lease liabilities :

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at 1 April (on transition)	2,494.58	2,632.26
Finance lease (under non current borrowings including current maturities) transferred to lease liabilities	-	-
Additions	347.72	205.60
Finance cost accrued during the period	135.35	135.08
Amortisation of finance cost transferred to capital-work-in-progress	5.61	10.94
Deletions	(0.10)	(116.73)
Payment of lease liabilities	(336.72)	(324.79)
Exchange difference on lease liabilities	68.53	(47.78)
Balance as at 31 March	2,714.97	2,494.58
Non-current lease liabilities	2,472.92	2,274.91
Current lease liabilities	242.05	219.67

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Less than one year	285.85	291.95
One to five years	991.61	907.27
More than five years	3,270.23	3,100.52
Total undiscounted lease liabilities at 31 March	4,547.69	4,299.74

(iii) Right-of-use assets (Land and buildings)

Right-of-use assets are presented on the balance sheet.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at 1 April	2,167.44	2,312.29
Deferred leases expenses (under current and non current assets) transferred to right of use assets	-	0.02
Finance lease asset (under property, plant and equipment) transferred to right of use assets	-	-
Addition/ reclassification to right-of-use assets	359.40	302.69
Acquisition through business combinations	-	-
Disposals/ alteration/ reclassification	(0.95)	(133.61)
Depreciation for the year	(260.70)	(249.77)
Amortisation to Capital-work-in-progress	(19.87)	(23.44)
Exchange difference on translation	59.50	(40.74)
Balance at 31 March	2,304.82	2,167.44

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

40 Leases (Contd..)

(iv) Amounts recognised in statement of profit or loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Lease rental expenses for lease where Ind AS 116 is not applicable	120.53	93.38
Interest on lease liabilities	135.35	135.08
Depreciation on right-of-use assets	260.70	249.77

(v) Amounts recognised in statement of cash flows

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Total cash out flow for leases	(336.72)	(324.79)

During the year ended 31 March 2021 the Group has benefited from waiver of lease payments on buildings. The waiver of lease payments of INR 40.11 crore has been accounted for as a negative variable lease payment in the consolidated statement of profit and loss. The Group has derecognised the part of the lease liability that has been extinguished by the forgiveness of lease payments, consistent with the requirements of Ind AS 109.3.3.1

41 Share based payments

A Description of share-based payment arrangements- Share option plans (equity-settled)

The Company has issued stock options under the DM Healthcare Employees Stock Option Plan 2013 ("DM Healthcare ESOP 2013" or "2013 Plan") during the financial year ended 31 March 2013. The 2013 Plan covers all non-promoter directors and employees of the Company and its subsidiaries (collectively referred to as "eligible employees"). Under this plan, holders of vested options are entitled to purchase shares at the exercise price approved by the Nomination and Remuneration Committee (agreed at 25% discount at previous day closing traded share price). The Nomination and Remuneration Committee granted the options on the basis of performance, criticality and potential of the employees as identified by the management. Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. If the options remain unexercised at the end of the contractual life of the option, the options expire. Options are forfeited if the employee leaves the Company before the options vest.

The Company has granted different categories of options on 2 March 2013, 1 April 2014, 1 April 2015, 22 November 2016, 7 June 2017, 1 March 2018, 30 April 2018, 12 February 2019, 28 May 2019, 29 August 2019, 11 November 2019, 10 February 2020, 22 June 2020, 8 February 2021, 21 June 2021, 10 November 2021, 07 February 2022 on different terms viz; incentive options, milestone options, performance options and loyalty options.

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

41 Share based payments (Contd..)

A. Description of share-based payment arrangements- Share option plans (equity-settled) (continued)

Option Type	Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Incentive option	2 March 2013	3,44,280	50	At the end of 1 year based on performance	
Incentive option	1 April 2014	3,44,280	50		
Incentive option	1 April 2015	3,60,526	50		
Incentive option	22 November 2016	4,10,385	50	50% at the end of first year and 25% each at the end of second & third year based on performance.	
Incentive option	7 June 2017	1,48,000	175	25% at the end of each financial year over a period of 4 years based on performance.	
Milestone option	2 March 2013	7,15,986	50	25% at the end of each financial year over a period of 4 years based on performance.	
Milestone option	1 April 2014	2,54,537	50		
Milestone option	1 April 2015	27,493	50		
Milestone option	22 November 2016	1,38,000	50	50% at the end of first year and 25% each at the end of second & third year each based on performance.	
Milestone option	7 June 2017	1,11,000	175	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	1 March 2018	4,82,200	142		5 years from the date of vesting
Performance option	1 March 2018	1,83,829	50		
Performance option	12 February 2019	1,26,400	116		
Performance option	12 February 2019	1,72,200	116	50% at the end of each financial year over a period of 2 years based on performance.	
Performance option	28 May 2019	1,17,600	102	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	29 August 2019	5,15,400	89		
Performance option	29 August 2019	2,62,500	89	3 annual tranches of 33%, 33% and 34% respectively each based on the performance.	
Performance option	11 November 2019	10,800	107	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	10 February 2020	10,800	123		
Performance option	22 June 2020	30,000	91.85		
Performance option	8 February 2021	15,000	115		
Performance option	21 June 2021	57,000	118		
Performance option	10 November 2021	39,000	145.31		
Performance option	07 February 2022	39,600	139		
Loyalty option	2 March 2013	4,20,000	10	100% vesting at the end of 1 year from date of grant.	
Loyalty option	1 April 2014	9,000	10		
Loyalty option	1 April 2015	15,000	10		
Loyalty option	22 November 2016	1,76,000	10	80% vesting on completion of 6 years' service and 20% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	
Loyalty option	7 June 2017	2,85,000	10		
Loyalty option	1 March 2018	1,46,800	10	75% vesting on completion of 6 years' service and 25% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	5 years from the date of vesting
Loyalty option	30 April 2018	71,000	10	At the end of 1 year from the date of grant.	
Loyalty option	12 February 2019	31,600	10	75% vesting on completion of 6 years' service and 25% vesting on completion of 9 years' service subject to minimum vesting period of 1 year from date of grant.	

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

41 Share based payments (Contd..)

Option Type	Grant date	Number of instruments	Exercise price	Vesting conditions	Contractual life of options
Loyalty option	12 February 2019	37,700	10	At the end of 1 year from the date of grant.	
Loyalty option	28 May 2019	29,400	10	2 tranches upon completion of 6 years and 9 years of service.	
Loyalty option	29 August 2019	5,18,600	10	37.5% vesting on completion of 3 years	5 years from the date of vesting
Loyalty option	11 November 2019	7,200	10	and 6 years each respectively and 25% on	
Loyalty option	10 February 2020	7,200	10	completion of 9 years.	
Loyalty option	22 June 2020	30,000	10		
Loyalty option	21 June 2021	38,000	10		
Loyalty option	10 November 2021	26,000	10		
Loyalty option	07 February 2022	26,400	10		

B Measurement of fair value

The Company has computed the fair value of the options for the purpose of accounting of employee compensation cost/ expense over the vesting period of the options. The fair value of the option is calculated using the Black-Scholes Option Pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Option Type	Incentive option				
Date of grant	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 87.20	Rs 173.09	Rs 216.86	Rs 77.07	Rs 40.90
Share price at grant date	Rs 233.00	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise Price	Rs 175.00	Rs 50.00	Rs 50.00	Rs 50.00	Rs 50.00
Expected volatility	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	2.75 years	2.25 years	2 years	2 years	1.96 years
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate	6.64%	6.08%	7.79%	8.89%	7.95%

Option Type	Milestone option				
Date of grant	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 87.20	Rs 173.31	Rs 219.21	Rs 78.50	Rs 48.68
Share price at grant date	Rs 232.75	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise Price	Rs 175.00	Rs 50.00	Rs 50.00	Rs 50.00	Rs 50.00
Expected volatility	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	2.75 years	2.23 years	2.75 years	2.80 years	2.80 years
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate	6.64%	6.08%	7.79%	8.89%	7.95%

Option Type	Performance options					
Date of grant	29 August 2019	28 May 2019	12 February 2019	12 February 2019	1 March 2018	1 March 2018
Fair value at grant date	Rs 49.68	Rs 60.76	Rs 71.55	Rs 65.16	Rs 133.44	Rs 61.55
Share price at grant date	Rs 117.55	Rs 137.75	Rs 157.85	Rs 157.85	Rs 173.10	Rs 173.10
Exercise Price	Rs 89.00	Rs 102.00	Rs 116.00	Rs 116.00	Rs 50.00	Rs 142.00
Expected volatility	36.250%	32.21%	39.950%	39.950%	16.380%	16.380%

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

41 Share based payments (Contd..)

Option Type	Performance options					
Expected life	2.67 years	3 years	2.75 years	2 years	2.50 years	2.50 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.54%	7.10%	6.78%	6.78%	7.76%	7.76%

Option Type	Performance options					
Date of grant	29 August 2019	11 November 2019	10 February 2020	22 June 2020	8 February 2021	21 June 2021
Fair value at grant date	Rs 51.60	Rs 64.66	Rs 71.47	Rs 119.80	Rs 151.75	Rs 85.83
Share price at grant date	Rs 117.55	Rs 144.75	Rs 164.10	Rs 121.95	Rs 157.23	Rs 158.70
Exercise Price	Rs 89.00	Rs 107.00	Rs 123.00	Rs 91.85	Rs 115.00	Rs 118.00
Expected volatility	36.250%	35.660%	34.640%	41.030%	41.230%	40.770%
Expected life	3 years	3 years	3 years	2.50 years	2.50 years	5 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.54%	6.53%	6.42%	5.88%	6.04%	5.70%

Option Type	Performance options	
Date of grant	10 November 2021	07 February 2022
Fair value at grant date	Rs 114.80	Rs 100.43
Share price at grant date	Rs 205.40	Rs 184.20
Exercise Price	Rs 145.31	Rs 139.00
Expected volatility	40.850%	40.750%
Expected life	5 years	5 years
Expected dividends	Nil	Nil
Risk- free interest rate	5.83%	6.29%

Option Type	Loyalty option					
Date of grant	1 March 2018	7 June 2017	22 November 2016	1 April 2015	1 April 2014	2 March 2013
Fair value at grant date	Rs 165.47	Rs 226.89	Rs 208.88	Rs 251.09	Rs 124.19	Rs 161.42
Share price at grant date	Rs 173.10	Rs 233.00	Rs 216.71	Rs 259.65	Rs 132.56	Rs 170.00
Exercise Price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	16.380%	0.001%	0.001%	0.001%	0.001%	Nil
Expected life	4.50 years	2.61 years	3.14 years	2 years	2 years	2 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.64%	6.64%	6.08%	7.79%	8.89%	7.95%

Option Type	Loyalty option					
Date of grant	30 April 2018	12 February 2019	12 February 2019	28 May 2019	29 August 2019	11 November 2019
Fair value at grant date	Rs 162.48	Rs 129.61	Rs 149.41	Rs 131.79	Rs 109.68	Rs 137.84
Share price at grant date	Rs 170.95	Rs 157.85	Rs 157.85	Rs 137.75	Rs 117.55	Rs 144.75
Exercise Price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	48.990%	39.950%	39.950%	32.210%	36.250%	35.660%
Expected life	2.50 years	2.50 years	2.50 years	7.26 years	3.09 years	5.84 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk- free interest rate	6.63%	6.78%	6.78%	7.10%	6.54%	6.53%

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

41 Share based payments (Contd..)

Option Type	Loyalty option					
Date of grant	10 February 2020	22 June 2020	8 February 2021	21 June 2021	10 November 2021	07 February 2022
Fair value at grant date	Rs 157.10	Rs 119.80	Rs 151.75	Rs 152.37	Rs 198.27	Rs 178.23
Share price at grant date	Rs 164.10	Rs 121.95	Rs 157.23	Rs 158.70	Rs 205.40	Rs 184.20
Exercise Price	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00	Rs 10.00
Expected volatility	34.640%	41.030%	41.230%	40.770%	40.870%	40.530%
Expected life	5.73 years	2.50 years	3.64 years	7.60 years	5.95 years	9.53 years
Expected dividends	Nil	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate	6.42%	5.88%	6.04%	6.10%	5.86%	6.66%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

C Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option plans are as follows:

Option Type	31 March 2022	31 March 2021
Outstanding as on 1 April	0.14	0.18
Granted during the year	0.02	0.01
Lapsed / forfeited during the year	(0.03)	0.03
Exercised during the year	(0.02)	0.02
Expired during the year	(0.00)	-
Options outstanding at the end of the year	0.11	0.14
Options exercisable at the end of the year	0.03	0.04
Weighted average share price at the date of exercise for share options exercised during the period (in INR)	182.95	152.85

The options outstanding at 31 March 2022 have an exercise price in the range of INR 10 to INR 145.31 (31 March 2021: INR 10 to INR 123) and a weighted average remaining contractual life of 4.98 years (31 March 2021: 5.43 years).

D Expense recognised in statement of profit and loss

For details on the employee benefits expense, see Note 24.

42 Related party disclosures

(i) Names of related parties and description of relationship with the company

A) Enterprises where control / significant influence exists	
(a) Enterprises exercising significant influence	Union Investments Private Limited, Mauritius
(b) Subsidiaries and step down subsidiaries	Refer note 37
B) Other related parties with whom the group had transactions during the year	
a) Entities under common control/ Entities over which the Company has significant influence	DM Education and Research Foundation Aster DM Foundation Aster MIMS Academy Trust Wayanad Infrastructure Private Limited Equity accounted investees (Refer note 39)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

42 Related party disclosures (Contd..)

b) Key managerial personnel and their relatives	Dr. Azad Moopen (Chairman and Managing Director) Alisha Moopen (Deputy Managing Director) Sreenath Reddy (Chief Financial Officer) Puja Aggarwal (Company Secretary & Compliance Officer) (upto 14 August 2021) Hemish Purushottam(Company Secretary & Compliance Officer) (from 11 November 2021) Biju Varkkey (Independent Director) Dr. Layla Mohamad Hassan Ali Almarzoogi (Independent Director) James Mathew (Independent Director) Chenayappillil John George (Independent Director) Sridar Arvamudhan Iyengar (Independent Director) Suresh M. Kumar (Independent Director) (upto 15 September 2021) Wayne Earl Keathley (Independent Director) (from 4 October 2021) T J Wilson (Director) Anoop Moopen (Director) Mintz Daniel Robert (Non Executive Director) Shamsudheen Bin Mohideen Mammu Haji (Director)
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ii) Related party transactions

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
DM Education and Research Foundation		
Collection on behalf of company	5.27	6.24
Income from consultancy services	2.55	1.45
Interest income under the effective interest method on lease deposit	0.75	0.70
Operating lease- Hospital operation and management expense	0.74	0.74
Other expenses	9.11	6.75
Repayment made (net)	8.19	4.07
Aster DM Foundation India		
Donation given	5.60	-
MIMS Infrastructure and Properties Private Limited		
Finance cost	0.14	0.29
Expenses reimbursement	-	0.07
Repayment of advances	2.10	0.39
Dividend received	0.29	0.32
Alfaone Medicals Private Limited		
Interest on loan from related parties	1.44	0.01
Investments / capital contribution	-	0.23
Repayment	0.14	-
Short-term loans and advances given	26.37	0.40
Alfaone Retail Pharmacies Private Limited		
Revenue from operation	9.97	-
Other Income	0.31	-
Repayment	0.03	-
Aries Holdings FZC		
(Advance given)/ repayment received during the year (net)	(7.77)	58.42
AAQ Healthcare Investment LLC		
(Advance given)/ repayment received during the year (net)	(0.66)	1.06
Key managerial personnel & their relatives		
Rental expense	0.60	0.60
Short-term employee benefits		
- Salaries and allowances*	32.85	33.20

*The aforesaid amount does not include provision for gratuity and compensated absences as the same is determined for the Group as a whole based on an actuarial valuation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

42 Related party disclosures (Contd..)

iii) Balance receivable / (payable)

Particulars	Related Party balances as at	
	31 March 2022	31 March 2021
Wayanad Infrastructure Private Limited		
Other financial liabilities (current) - Dues to creditors for expenses	(0.09)	(0.05)
Union Investments Private Limited		
Other financial liabilities (current)- Dues to related party	(1.04)	(1.04)
DM Education and Research Foundation		
Other non current assets - deferred lease expenses	2.16	2.89
Other current assets - deferred lease expenses	0.74	0.74
Other financial assets (current)	14.46	7.57
Other financial assets- (non current) Rent and other deposits	11.50	10.75
Aries Holdings FZC		
Advance given to equity accounted investees	37.96	30.82
Security Deposit	20.58	19.95
AAQ Healthcare Investment LLC		
Advance given to equity accounted investees	49.31	48.65
Al Mutamaizah Medicare Healthcare Investment Co. LLC		
Advance given	11.73	14.27
Alfaone Medicals Private Limited		
Financial assets - loans (Non current)	28.07	-
Alfaone Retail Pharmacies Private Limited		
Trade receivables	10.83	-
Financial assets - Other financial assets (current)	0.28	-
MIMS Infrastructure and Properties Private Limited		
Advance received from equity accounted investees	-	(2.10)
Key managerial remuneration payable	0.04	2.21

43 During the year ended 31 March 2018, the Company had completed the initial public offer (IPO), pursuant to which 51,586,145 equity shares having face value of INR 10 each were allotted/ allocated, at an issue price of INR 190, consisting of fresh issue of 38,157,894 equity shares and an offer for sale of 13,428,251 equity shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) via Symbol ASTERDM and BSE Limited (BSE) via Scrip Code 540975 on 26 February 2018.

The gross proceeds of fresh issue of equity shares from IPO amounts to INR 725 crore. The Company's share of fresh issue related expenses of INR 44.32 crore has been adjusted against securities premium. Details of utilisation of IPO proceeds are as follows:

Particulars	Objects of issue as per prospectus	Utilised upto 30 June 2020	Unutilised amount as at 31 March 2021
Repayment/ prepayment of debt	564.16	564.16	-
Purchase of medical equipment	110.31	110.31	-
Fresh issue related expenses	44.32	44.32	-
General corporate purposes*	6.21	6.21	-
Total	725.00	725.00	-

*The excess utilised has been adjusted against fresh issue related expenses.

There has been no movement during the year ended 31 March 2022.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

44 The subsidiaries and associates incorporated in India 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 the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with associated enterprises during the financial period and expects such records to be in existence latest by the date of filing its income tax return as required by the law. The Management is of the opinion that its international transactions are at arm's length so that 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.

45 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. This pandemic resulted in disruption to regular business operations due to lockdown, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the government. The Group adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption and has considered available internal and external information upto the date of approval of the financial results by the Board of Directors. The Group has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and has evaluated impact of the pandemic in assessing the recoverability of property plant and equipment (including Capital work in progress), investments, intangibles, inventories, receivables and other assets based on its review of current indicators of future economic conditions. Based on current estimates, including the availability of financing facilities for maintaining liquidity, the Group expects to fully recover the carrying amount of these assets. Further, the Group has taken various measures to reduce its fixed cost - for example, salary reductions, optimization of administrative, sales and marketing costs, deferment of capex along with judicious resource allocation and requesting for the waiver of minimum guarantee fee and revenue share for hospital premises taken on lease. The eventual outcome of impact of the global health pandemic may be different from that which has been estimated as on the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any, and any significant impact of these changes would be recognized in the financial results as and when these material changes to economic conditions arise.

46 The Indian Parliament has approved the Code on Social Security, 2020 and Code on Wages, 2019 ['Codes'] relating to employee benefits during employment and post-employment benefits in September 2020 and the same has received Presidential Assent. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not yet been notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules are published.

47 The Board of Directors ('Board') at their meeting held on 28 March 2022 has constituted a Committee of Independent Directors ('Committee') of the Board to review the corporate structure of the Company and explore options for enhancing value ('Restructuring'). The Committee has not made any conclusions during the year and appropriate intimations and adjustments, if any, would be made in the year when the committee makes its conclusions and the same are approved by the Board of Directors.

48 Financial ratios

Ratio	Methodology	For the year ended 31 March 2022	For the year ended 31 March 2021	Explanation if variance exceeds 25%
a) Current ratio	Current assets/ Current liabilities	1.15	1.14	NA
b) Debt-equity ratio	Total debt/ Shareholder's equity	1.01	1.17	NA
c) Debt service coverage ratio	Earnings available for debt service/ Debt service	1.55	0.92	Due to improved profit margins.
d) Return on equity	Net profit after taxes/ Average shareholder's equity	14%	5%	Due to improved profit margins.
e) Inventory turnover ratio	Cost of goods sold/ Average inventory	3.09	2.82	NA
f) Trade receivables turnover ratio	Revenue from operations/ Average accounts receivables	5.08	3.93	Due to improvement in collections of receivables.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

48 Financial ratios (Contd..)

Ratio	Methodology	For the year ended 31 March 2022	For the year ended 31 March 2021	Explanation if variance exceeds 25%
g) Trade payables turnover ratio	Total purchases/ Average trade payables	1.48	1.18	Due to increase in purchases and prompt payments to creditors/vendors.
h) Net capital turnover ratio	Net sales/ Working capital	19.06	19.86	NA
i) Net profit ratio	Net profit/ Net sales	6%	2%	Due to increase in profits.
j) Return on capital employed	Earnings before interest and taxes/ Average capital employed	9.73%	5.30%	Due to profits in current year on account of increase in operations of the Company.
k) Return on investment	Interest income, dividend income, net gain on sale of investments and net fair value gain over average investments	6.30%	1.74%	Due to sale of investments in the current year.

Notes:

Total debt = Borrowings + Lease liabilities - Cash & cash equivalents - Other bank balances - Current investments

Earnings available for debt service = Net profit before taxes + Non-cash operating expenses like depreciation and amortisations - Other income + Interest + Other adjustments (such as loss on sale of property, plant and equipment, fair valuation of put options)

Debt service = Interest + Principal repayments + Lease Payments

Net profit = Net profit after tax

Capital employed = Tangible net worth + Total debt

Earnings before interest and taxes = Net profit before taxes - Other income + Interest + Other adjustments (such as loss on sale of property, plant and equipment, fair valuation of put options)

49 Additional disclosures

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property during and as at 31 March 2022 and 31 March 2021 ('the reporting periods').
- The Group has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the reporting periods.
- There are no transactions and balances with companies which have been removed from the Register of Companies [struck off companies] during and as at the reporting periods.
- The Group has not traded / invested in Crypto currency during the reporting periods.
- The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period as at the reporting periods.
- The Group has not advanced or loaned or invested funds during the reporting periods to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

All amounts in INR crores, unless otherwise stated

49 Additional disclosures (Contd..)

- g) The Group has not received any fund during the reporting periods 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:
- (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the reporting periods 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).
- i) The Group 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:
- (i) repayable on demand; or
 - (ii) without specifying any terms or period of repayment.
- j) The Group is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- k) The Group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

for and on behalf of the Board of Directors of

Aster DM Healthcare Limited

CIN : L85110KA2008PLC147259

Dr. Azad Moopen

Chairman and Managing Director

DIN 00159403

Dubai

24 May 2022

T J Wilson

Director

DIN 02135108

Dubai

24 May 2022

Sreenath Reddy

Chief Financial Officer

Dubai

24 May 2022

Hemish Purushottam

Company Secretary

Membership no.: A24331

Dubai

24 May 2022



Aster DM Healthcare Limited

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