Delivering Clinical Excellence & Good Health

Leading the growth of Aster DM in India

INTEGRATED ANNUAL REPORT FY 2022-2023

CONTENTS

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.

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

At Aster, our aspiration for clinical excellence is reflected in our actions.

Our constant commitment to raise the bar of patient-centric care drives us to challenge norms and deliver innovative efficient treatment plans for complex medical conditions. From developing multispecialty hospitals to an extensive network of clinics, laboratories, diagnostic centres and pharmacies, we are relentlessly striving to improve access to affordable and accessible care facilities.

With an aim to reduce the healthcare burden of patients, we are constantly adopting technologically fortified processes, improving diagnostic facilities and enabling timely care for chronic problems. We strive to make customer-centric solutions a reality for a vast majority of our patients. Our care commitment is also strengthened by a team of experienced and compassionate healthcare professionals who believe in constantly staying attuned to patient needs.

Backed by the immense trust and faith in brand 'Aster' in the GCC countries, we are stepping up efforts to enhance our operations in India as well. To improve patient care within the country, we have introduced state-of-the-art hospitals and medical facilities that are equipped to handle challenging medical procedures and make care accessible for the common man. Constantly reiterating our promise of "We'll treat you well", Looking forward, we remain optimistic about sharpening our focus on clinical excellence while paving the path for Aster's continued growth in India and abroad.

Committed to Healthcare Excellence

Aster DM Healthcare provides exceptional healthcare services to millions of people in the MENA and South Asian regions through a network of world class hospitals, clinics and pharmacies.

Keeping clinical excellence at the core, our integrated healthcare service model spans across primary, secondary, tertiary, and quaternary care. We have established a strong presence across the entire life cycle of healthcare service through retail chains, diagnostic laboratories, digital services and medical education. Our extensive network of 32 hospitals, 127 clinics ,205 Labs & PEC and 521 pharmacies* cater to the diverse needs of patients and strive to offer affordable and high-quality care. To ensure excellence in healthcare, we continue to adopt advanced technologies to further improve our care portfolio and live up to our promise of **"We'll treat you well".**

30,330

Asterians including outsourced

5,756

Bed capacity

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

7

Presence in Countries

32

Hospitals

127

Clinics

521*

Pharmacies

205

Labs & PEC

19.9 Mn

Patients served

INR 11,933 Cr

Revenue generated

Our Values

EXCELLENCE

Surpassing current benchmarks constantly by continually challenging our ability and skills to take the organization to greater heights.

– Albert Einstein

COMPASSION

Going beyond boundaries with empathy and care.

– Mother Teresa

INTEGRITY

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

– Nelson Mandela

RESPECT

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

– Mahatma Gandhi

PASSION

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

– Steve Jobs

UNITY

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

– H.H. Sheikh Zayed Bin Sultan Al Nahyan

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

Our Global Footprint

GCC

15
Hospitals

115
Clinics

264
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
- Aster Royal Hospital, Muscat, Oman
- Sanad Hospital, Riyadh, KSA
- Aster Hospital, Sharjah, UAE

India

17

Hospitals

12

Clinics

257*

Pharmacies

205

Labs & PEC

HOSPITALS IN INDIA

- 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
- Aster Mother Hospital, Areekode, Kerala
- Ramesh (IB), Vijayawada, Andhra Pradesh
- Aster Narayanadri, Tirupati, Andhra Pradesh

*257 Pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster

Chairman's Message

Dr. Azad Moopen

Founder, Chairman and Managing Director

Our commitment to the Indian market remains strong, as we continued to expand our footprint with the addition of 126 pharmacies, 91 diagnostic centers, and patient experience centers.

Dear Shareholders,

It is my pleasure to address you today, as we emerge from the shadows of the global pandemic that put our collective strength and resilience to the test. At this critical juncture, I am delighted to share with you our vision and commitment in navigating the evolving landscape of healthcare in our regions of presence.

An urgent need to bridge the gap

With a current healthcare expenditure of less than 3% of India's GDP, it is imperative to increase this investment to at least 5 to 6 percent of the GDP. By doing so, we can enhance the infrastructure, expand capacity, and ensure access to quality healthcare services for all.

To bring about this transformative change, we must undertake several crucial measures. Firstly, it is important to bolster our healthcare infrastructure, proactively anticipating future challenges by investing in essential resources – healthcare professionals and infrastructure alike. Secondly, augmenting healthcare spending will enable us to effectively address the growing demands of our population and bring us in line with global standards. Public-private partnerships can play a crucial role in bridging gaps in infrastructure, technology, and specialized care. Lastly, fostering innovation and research in the healthcare sector will drive advancements in treatment and position India as a leader in healthcare excellence.

Another pressing challenge within India's healthcare sector revolves around the shortage of skilled healthcare professionals. The scarcity of trained doctors and nurses poses a significant hurdle, further exacerbated by the high attrition rate among nurses, reaching as high as 35 to 40 percent. To tackle this challenge, we have adopted a strategic approach, taking a step back. We have enhanced training programs and create a robust pipeline of healthcare professionals to meet the rising demand. Efforts are being made to attract and retain talent by offering competitive remuneration packages and adequate opportunities for career growth. Additionally, we are actively collaborating with educational institutions and engaging in international exchange programs to help bridge the skills gap and foster knowledge-sharing.

Committed to delivering healthcare excellence

In response to the prevailing gaps in the Indian healthcare sector and as part of our expansion strategy, we have made significant strides in establishing our presence in various cities across Southern India in recent years. We envision the development of a comprehensive healthcare ecosystem encompassing hospitals, pharmacies, and laboratories within the next three years in Southern India. While our labs and pharmacies are already operational, the construction of many of the greenfield hospitals is expected to be completed within a timeline of two to three years where as brown-field expansion of some of the existing hospitals shall be done in 1 year. Together this is likely to add around 1,625 beds to our existing capacity of 4,317 beds.

In addition to our dedicated regional focus, we are actively venturing into new geographies, including previously untapped regions and states within India, to uncover potential avenues for growth.
It is important to highlight that our approach has evolved from primarily pursuing greenfield projects to brownfield project expansions of our existing hospitals and now embracing Operations & Management of hospitals in Tier 2 and Tier 3 cities in the country. The later enables us to leverage their existing infrastructure and resources while expanding our expertise, brand and create a holistic ecosystem of healthcare services.

Through these strategic initiatives, we are committed to broadening our footprint, enhancing accessibility to quality healthcare to more people. By embracing both organic growth and strategic collaborations, we are poised to strengthen our position as a leading healthcare provider and create a positive impact on the lives of individuals across the region.

Performance review

In the financial year 2023, we achieved a consolidated revenue of INR 11,933 crores, marking a significant 16% increase compared to the previous year. Our EBITDA stood at INR 1,565 crores, reflecting a 6% growth. Despite the challenges faced due to losses incurred from the operations of new hospitals, our overall EBITDA showed a satisfactory improvement. Adjusting for these losses, our EBITDA stood at INR 1,655 crores, marking a noteworthy growth of 11% compared to the previous period. This demonstrates our ability to effectively manage and mitigate challenges while maintaining a positive trajectory in our financial performance.

Comparatively our India business performed exceptionally well, with revenue growth of 25% to INR 2,983 crores. The EBITDA increased by 28% to INR 453 crores, and the profit after tax post NCI reached INR 147 crores, demonstrating a remarkable growth of 146% compared to the previous year.

In the GCC business, we witnessed a 14% year-over-year revenue growth, reaching INR 8,950 crores. Although the EBITDA remained flat at INR 1,112 crores, it reflects our commitment to maintaining stable performance in the challenging phase too.

Restructuring strategies for sustained growth

As India emerges as the most populous country, there is a notable increase in healthcare expenditure, rising incomes, expanding insurance coverage, and Government schemes. The Government's focus on the healthcare sector reflects its growing importance in providing high-quality services to the growing and underserved population.

In terms of our financial performance in 2023, we witnessed significant revenue and profit growth in India. However, overall EBITDA growth was subdued, primarily due to the margins being impacted by expansions in the GCC region, leading to early EBITDA losses. Throughout the year, we successfully added five hospitals, 150 pharmacies, and seven clinics, marking an unprecedented growth for our company.

Our commitment to the Indian market remains strong, as we continued to expand our footprint with the addition of 126 pharmacies, 91 diagnostic centers, and patient experience centers. We had done restructuring of the Kerala and Karnataka cluster 2 years back which is reflected in the exponential growth of business both at revenue and EBITDA level. There have been some operational challenges in Andhra and Telangana in the last couple of years which is being addressed so that this geography also keeps pace with the others in coming years. These strategic investments reflect our dedication to meeting the evolving healthcare needs of the Indian population. By establishing a comprehensive healthcare ecosystem encompassing hospitals, labs, and pharmacies, we aim to provide a seamless continuum of care to our patients in South India where we are already present. We are also rolling out myAster Super App soon in India which will help to connect the various services we offer from primary to quaternary care seamlessly and shall be the face of the organization for the patients. Our integrated approach ensures that individuals not only have access to high-quality medical facilities but also benefit from the convenience and efficiency of diagnostic services and pharmacy support. This holistic approach strengthens our position as a leading healthcare provider and reinforces our mission to deliver exceptional and patient-centered care across the Nation.

During the year, we have started expanding our reach to suburban areas of India by adopting an O&M asset-light model, adding a total of 390 beds. This approach allowed us to provide quality healthcare services while managing costs effectively. Notably, Aster Narayanadri hospital achieved break-even within its first quarter of operation, validating our belief in the model.

Secondly, we prioritized investment and growth throughout the year. We inaugurated Aster Madegowda Hospital in Mandya, Karnataka in April'23, further strengthening our presence in the state. Looking ahead, we are actively evaluating merger and acquisition opportunities that align with our strategic goals. We remain open to both acquisitions that complement our existing operations and transformative opportunities that can shape our future growth.

Our strategies in the Indian market align with the country's healthcare sector potential and our dedication to delivering quality healthcare services to a larger population. Through investments, expansion, and a commitment to excellence, we aim to meet evolving healthcare needs, set new benchmarks, and ensure access for all. We are also looking for opportunities for acquiring healthcare assets to consolidate growth through inorganic track.

In the GCC region, our core business across hospitals, pharmacy, and clinics experienced growth, with positive revenue impact. Although EBITDA for the region was affected by losses from new hospitals built, we have made significant progress in expanding our bed capacity with the addition of Aster Sharjah Hospital, Aster Sonapur Hospital, and Aster Royal Hospital Muscat. Even though this has resulted in initial loss, going forward, we anticipate improved revenue and EBITDA performance as we optimize the increased bed capacities.

I am happy to inform that Aster Sanad Hospital in Riyadh has turned profitable with EBITDA positive during the fiscal. We are actively exploring further opportunities for expansion in Saudi Arabia, including the rollout of pharmacies, as we see Saudi as our next major market for expansion of GCC business.

Welcoming new members to leadership team

In our pursuit of continued growth and excellence, I am delighted to announce key leadership appointments within our organization. Dr. Nitish Shetty, a seasoned healthcare management professional, has been appointed as the CEO of Aster DM Healthcare India. With his remarkable contributions in driving extraordinary growth in our Karnataka operations, we have full confidence that under Dr. Nitish's leadership, our India business will flourish, achieving new milestones and setting industry benchmarks.

Furthermore, I am pleased to announce that Sunil Kumar M R has been appointed as the Joint Chief Financial Officer who will be taking care of India along with Amitabh Johri who is already looking after the GCC finance, both of whom have demonstrated their exceptional capabilities during their tenure with us. Their expertise and proven track records will play a vital role in strengthening our financial governance and driving sustainable growth across these key markets.

Additionally, we have appointed Hitesh Dhaddha, a seasoned professional with over 18 years of experience in finance, M&A, and strategies, as our Chief of Investor Relations and M&A. With his strategic acumen and financial expertise, Hitesh will be instrumental in fostering strong investor relationships and identifying strategic opportunities to further enhance our business.

During the year, we have started expanding our reach to suburban areas of India by adopting an O&M asset-light model, adding a total of 390 beds.

Beyond Business

I am proud to share with you that Aster DM Healthcare has achieved a remarkable milestone in our commitment to social responsibility. On World Diabetes Day, we organized the largest free diabetes screening camp for low-income workers, screening an astounding 12,714 individuals within a span of just 24 hours. This accomplishment not only reflects our dedication to providing accessible healthcare but also highlights our commitment to addressing the pressing healthcare needs of the underserved communities. The prestigious Guinness World Records have recognized this exceptional achievement, solidifying our position as a leader in delivering impactful healthcare services. In addition, we successfully concluded the first edition of Aster Guardians Global Nursing Award which saw Kenyan nurse Anna Qabale Duba win the award worth USD 250,000 which is being utilised by her to uplift the rural community in her remote village of Turbi in Africa, by building a school. Aster Guardians Global Nursing Award has now emerged as a renowned and sought-after recognition in the nursing and healthcare World which is not only putting a spotlight on all the hard work that nurses do but also inspiring people to keep their faith in nursing as a profession which is essential to address the growing global shortage.

We also remain dedicated to advancing our ESG commitments, ensuring the resilience and sustainability of our business while making a positive impact on the world around us. With every milestone achieved, we reaffirm our pledge to serve as a responsible healthcare provider and a catalyst for positive change.

Outlook

In conclusion, I am delighted to share that our business is thriving on both fronts. The Indian market, in particular, is experiencing remarkable growth, and under the leadership of Dr. Nitish Shetty, we are poised to achieve outstanding results and stand shoulder to shoulder with our industry peers. Similarly, in the GCC region, we anticipate significant improvements in performance with the entry of Aster Pharmacy in Saudi Arabia and our ongoing digital transformation initiatives. The myAster omnichannel digital app which was introduced in UAE in January was the first of its kind to be introduced in the region and has fast emerged as the country's go-to healthcare app which shall soon be rolled out in India.

I am confident that with our dedicated team, robust strategies, and your steadfast support, Aster DM Healthcare will continue to thrive and reach new heights of excellence. Let us embark on this journey together, as we strive to make a meaningful difference in the lives of people and contribute to the betterment of healthcare on a global scale.

Thank you for your trust, and I look forward to your continued involvement and collaboration as we shape the future of Aster DM Healthcare.

Sincerely,

Dr. Azad Moopen

Founder, Chairman and Managing Director

Deputy MD's Message

Alisha Moopen

Deputy Managing Director

I am also excited to inform that three of our hospitals have been recognized and noted by the prestigious US Newsweek global list. We were in the top 5, top 20, as well as in the global 150 list with our Aster Hospitals.

Dear Shareholders,

The fiscal 2022-23 has been a year of growth investments for us at Aster. This has been the first year we have opened up five new hospitals in a single year, a feat that showcases our strong efforts towards catering to a larger patient base and meeting their diverse needs. This was also a year where we were able to reach key milestones in our digital initiatives. The launch of our app 'myAster' on iOS, Android as well as the web platforms was met with great enthusiasm, as evidenced by the targeted downloads we achieved. It is the region's first integrated healthcare platform to be launched in UAE and has successfully combined our services across businesses under one app. Moreover, we experienced a substantial ramp-up in Aster pharmacy orders, indicating a growing acceptance and reliance on our digital platforms. All of this enabled us to continue to position our organization for growth and success in the future.

In India, we have recorded excellent growth as some of our hospitals have reached almost full capacity. We are also looking forward to adding new beds in such areas.

During FY 2023, effective management of COVID allowed UAE to gain the status of being a preferred location globally. This impact has been visible in the influx of expat population in UAE and migration of people from Ukraine as well as Russia. We have seen this reinstate some of the population loss which we have seen during the COVID time. There is a big statement of that population in UAE, which is visible in the revenue numbers for FY 2023.

While we have witnessed significant revenue and profit growth in India, the GCC region experienced muted EBITDA growth and percentage due to our major expansions, resulting in early EBITDA loss and lower margins.

During the pandemic owing to the restrictions, we were compelled to temporarily pause some of our investment projects. In the year gone by, while we invested approximately INR 100 crores in additional business, some of these investments were also the ones that were paused earlier. However, this had an unfavorable impact on our profitability for the year.

I am pleased to share that we have successfully substituted the revenue generated from COVID and PCR testing, which accounted for 8% of our total revenue in the previous financial year, with robust growth in core healthcare revenue, particularly in the GCC region. This growth is evident in our hospital and pharmacy segments.

In the GCC business, we achieved a substantial growth of 14% year-over-year revenue growth, amounting to INR 8,950 crores. However, it is important to note that our EBITDA remained flat year-on-year at INR 1,112 crores, compared to INR 1,130 crores in the previous financial year.

In line with our mission to enhance patient-centered care, during the fiscal, we entered into three partnerships to further strengthen our capabilities and expand our reach. First, we entered into a partnership with "Sukoon" which is a leading insurance provider in UAE to launch two new health insurance plans with Aster products. Second, we signed a partnership with Dr. Reddy's Laboratories to look at producing quality medication and making it more accessible in UAE and GCC through Aster Pharmacy. Third, we joined hands with "Talabat" which is an online food delivery platform to offer prescription delivery services in Dubai through Aster Pharmacies. Under the strategic pact, Aster Pharmacy customers can upload the prescriptions securely through that app and make the purchases available and have it delivered to their home through the Talabat delivery platform.

I am also excited to inform that three of our hospitals have been recognized and noted by the prestigious US Newsweek global list. We were in the top 5, top 20, as well as in the global 150 list with our Aster Hospitals. This is a strong endorsement of our continued efforts towards delivering exceptional patient outcomes.

If we talk about our future capacity creation plans, we have two important projects currently in our pipeline. We have planned the hospital network expansion through a high-end multi-specialty facility with a capacity of 126 beds, which is expected to be completed in Q4 of FY 2023-24. Additionally, we will open up new block of 59 beds as an extension to our Sanad facility in Saudi Arabia by the end of 2023-24. We have also started work on our pharmacies in Saudi Arabia and expect our first set of pharmacies to go live by the end of Q2 FY 2024.

Also, the company has diligently addressed intrinsic issues within its GCC business, particularly concerning onerous contracts with insurance companies. By renegotiating these contracts, we have achieved improved pricing and increased margins, resulting in a more favorable financial outlook.

Furthermore, the Saudi government's commitment to diversify its economy away from oil and implement Saudization policies has had a positive impact on our business. These policies have led to an increased focus on hiring and empowering local Saudi talent, resulting in enhanced productivity and contribution from our Saudi employees.

In line with our efforts to strengthen the organization, we have undertaken a comprehensive restructuring of our teams. This strategic move has enabled us to assemble a strong and effective leadership, ensuring streamlined operations and driving the Company towards sustainable growth.

Our commitment to sustainability and corporate social responsibility remains resolute. During the fiscal, we continued to make significant progress across all aspects of environment, social and governance. As part our commitment to environmental responsibility, we have adopted a four – pronged approach to improve our energy efficiency. It includes
(a) Energy Efficient Infrastructure
(b) Energy Efficient Equipment
(c) Renewable Energy Integration
(d) Adhering to Green Building Regulations. Through these four pillars of energy efficiency, we have been making substantial progress in reducing our environment impact. Notably, we have reduced 1,993 MWh energy across Aster Hospitals GCC. With our focused water conservation efforts, we have also saved 2,68,983 KL of water during the year under review.

As part of our social endeavours, we are happy that we have been able to provide 7,77, 690 Aster Volunteer Mobile Medical Services to the underprivileged. This initiative has reflected our commitment to reaching out to marginalized communities and ensuring they receive the healthcare they deserve. Additionally, during the fiscal we have completed and handed over more than 250 Aster homes in Kerala. We strongly believe in investing in our healthcare professionals and empowering them to deliver the highest quality of care to our patients. Towards this end, we launched 11 career development programs during the fiscal and we are delighted that more than 1500 nurses have completed their career development courses.

In conclusion, we take immense pride in the strategic objectives achieved during the fiscal. However, we understand that true success cannot be measured solely by the achievements or obstacles of a single year. Instead, the enduring quality of our relationships, stands as the most genuine indicator of our triumph, rooted in shared values, consistent performance, and reciprocal benefits.

Our unwavering dedication to delivering exceptional healthcare services to our patients remains steadfast. We will continue to invest in our infrastructure, technology, and talent to further elevate the quality of care we offer. By doing so, we aim to continually enhance our ability to serve and improve the well-being of our patients. Moreover, we actively seek opportunities to expand our services, forge strategic partnerships, and explore new avenues for growth.

I would like to extend my deepest gratitude to our esteemed shareholders for their unwavering support and trust.

It is your steadfast belief in our vision that drives us forward. As we move ahead, we remain resolute in our commitment to maximizing shareholder value and delivering sustainable growth in the years to come. With the support of our shareholders, we are confident in our ability to achieve our shared goals and create long-term value for all stakeholders involved.

Regards,

Alisha Moopen
Deputy Managing Director

CFO's Review

Message from Mr. Amitabh Johri, Joint Chief Financial Officer

Amitabh Johri, **Joint Chief Financial Officer**

Dear Shareholders,

I hope this message finds you in good health and high spirits.

Globally Fiscal year 2023 was a year of significant recovery from the challenging times of the last few years and investment for future. GCC as a geography navigated these challenges posed with strong resilience and has emerged as a preferred global destination for business and healthcare support. The impact of effective pandemic management is tangible and is seen in the influx of expatriate population in the UAE, including individuals migrating from Ukraine and Russia. This influx has not only helped restore the population loss experienced during the peak of the pandemic but has also reaffirmed our position as a trusted location.

Aster being the leading healthcare provider in the region has mirrored this in its growth strategies, revenue trends where Covid Revenues were replaced by Core Revenue across Hospitals, Clinics and Pharmacies and Capital Allocation Plans to harness the geographical advantage.

Expanding horizons with substantial investment

Throughout the GCC region, our core businesses comprising of hospitals, pharmacies, and clinics have demonstrated steady growth. We have witnessed increased non covid footfall across our hospitals, pharmacies, and clinics. Notably, our digital initiatives have played a pivotal role in driving revenue and underscoring the immense potential of technology in transforming healthcare delivery.

We have seen significant growth in revenues from e-Pharmacy and Home Delivery. Nevertheless, it is important to acknowledge that our EBITDA was adversely affected by the losses incurred by the new hospitals we launched during the year. However, we anticipate that the strategic initiative to add 101, 34 and 179 beds at Aster Sharjah Hospital, Aster Sonapur Hospital and Aster Royal Hospital Muscat respectively, will contribute to our revenue and EBITDA performance in the forthcoming quarters as their utilization improves.

Financial overview

Over the course of FY 2023, our revenue experienced a significant growth reaching INR 8,950 crores from INR 7,870 crores in the previous fiscal year', representing a substantial 14% increase. It is worth noting that the high-margin revenue generated from COVID testing in FY 2022, totalling INR 869 crores, has been replaced by core healthcare revenue, which exhibited an impressive 26% year-on-year growth without considering the Covid related revenues. While our EBITDA from the GCC region reached INR 1,112 crores, slightly lower than the INR 1,130 crores recorded in FY 2022, it is pertinent to exclude the losses incurred by the new hospitals amounting to INR 77 crores. Upon doing so, our EBITDA showcased 4% growth, reaching INR 1,189 crores.

Performance across businesses

In the GCC region, our hospitals achieved a remarkable revenue of INR 4,012 crores, representing a significant 14% year-on-year increase. This growth is a testament to our commitment to delivering exceptional healthcare services. While the EBITDA for our hospitals stood at INR 584 crores, marginally lower than the

In the GCC region, our hospitals achieved a remarkable revenue of INR 4,012 crores, representing a significant 14% year-on-year increase. This growth is a testament to our commitment to delivering exceptional healthcare services.

INR 608 crores recorded in FY 2022, it is important to note that this figure includes the losses from the new hospitals and write-off.

However, when we exclude these exceptional factors and focus on the core performance of our hospitals, the adjusted EBITDA amounted to INR 661 crores. This adjusted figure reflects a robust EBITDA margin of 17%, reaffirming the operational efficiency and financial strength of our hospital segment.

Similarly, our clinics generated a revenue of INR 2,412 crores, experiencing a slight dip compared to the INR 2,440 crores achieved in FY 2022. However, when normalizing for COVID testing, the core business of the clinics demonstrated an impressive 29% growth. Consequently, the EBITDA for the GCC clinics reached INR 450 crores, with a notable margin of 18.7%.

Meanwhile, our pharmacies in the GCC region experienced a remarkable revenue increase of 33% year-on-year, surging from INR 2,245 crores to INR 2,984 crores in FY 2023. Accompanying this growth, the corresponding EBITDA increased from INR 290 crores to INR 350 crores, reflecting a commendable 21% growth. Ultimately, the EBITDA margin for this sector in FY 2023 stood at 11.7%. Moreover, as of March 31st, 2023, our GCC net debt amounted to USD 163 million, showcasing a decline from the USD 197 million recorded on March 31st, 2022.

Embracing new frontiers

Moving forward, our unwavering focus remains on securing the right contracts and favourable rates for the large-scale facilities and infrastructure we are currently developing. Over the course of this year, we have achieved significant milestones in our digital initiatives, most notably the successful launch of our app, surpassing our targeted downloads, increasing active users, and witnessing a significant ramp-up in pharmacy orders.

With a strategic focus on leveraging our digital advancements, seizing opportune moments, and capitalizing on our expertise, we are confident in solidifying our position as a leader in the healthcare industry.

In line with our commitment to growth and expansion, we are exploring new opportunities, such as the establishment of a network of pharmacies in Saudi Arabia. We envision Saudi Arabia as our next major market, given its substantial population of 30 million, equivalent to the combined population of all other GCC countries. We are also in advanced stages of launching our new flagship Medcare Royal Hospital in Dubai with a bed capacity of 126 in FY24. The future growth prospects in the GCC region continue to be highly promising and encouraging.

With a strategic focus on leveraging our digital advancements, seizing opportune moments, and capitalizing on our expertise, we are confident in solidifying our position as a leader in the healthcare industry.

Charting the course

As we move forward, we recognize that the future of healthcare will witness the evolution of various care formats, ultimately bringing us closer to the consumer. With our unwavering dedication, we are well-prepared to seize these emerging possibilities and will continue to grow organically and inorganically, aligning ourselves with the evolving healthcare needs of our people. By harnessing the best in clinical care and cutting-edge healthcare technologies, we remain steadfast in our mission to serve our patients with unparalleled excellence.

In conclusion, I would like to extend my heartfelt gratitude to all our shareholders for their perpetual support and trust. It is through your enduring support that we are able to deliver exceptional healthcare services and achieve sustainable growth. We remain resolute in our commitment to excellence and look forward to continued success in the future.

Best regards,

Amitabh Johri,

Joint Chief Financial Officer

CFO's Review

Message from Mr. Sunil Kumar M R, Joint Chief Financial Officer

Sunil Kumar M R, Joint Chief Financial Officer

Dear Shareholders,

I am pleased to share with you the latest updates and financial highlights of our operations in India. Despite the prevailing external challenges, India's economy is expected to remain resilient, having achieved the growth rate of 7.2% in 2023 and projected growth of 6.5% in 2024, making it the fastest growing major economy globally. Leveraging this favourable economic scenario and our strategic initiatives, our India business has achieved excellent revenue and profitability growth.

On the healthcare front, per capita healthcare expenditure has risen at a fast pace. This is due to rising income, easier access to high-quality healthcare facilities and greater awareness of personal health and hygiene. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade. India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025. Per capita GDP of India is expected to reach US$ 3,277.28 in 2024 from US$ 2,320.40 in 2022. Moreover, changing demographics will also contribute to greater healthcare spending. This is likely to continue as the size of elderly population is set to rise from the current 98.9 million to about 168 million by 2026.

Medical tourism has been a new growth factor for India's healthcare sector. Presence of world-class hospitals and skilled medical professionals has strengthened India's position as a preferred destination for medical tourism. To promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries. Indian medical tourism market was valued at US$ 2.89 billion in 2020 and is expected to reach US$ 13.42 billion by 2026.

Scaling up our presence

As we expand our footprint, we have witnessed remarkable growth in our India business, which is poised to continue its upward trajectory in the coming years. Our hospitals have been operating at near full capacity, prompting us to proactively expand our bed capacity to meet the escalating demand. Moreover, we are strategically establishing new hospitals in areas where the Aster brand is already recognized, emphasizing our promise of "We will treat you well".

To accelerate our growth trajectory, we have embarked on an array of expansion plans. Notably, we are augmenting the capacity of both Aster MIMS Hospital Kannur and Aster Medcity Kochi by adding 100 beds to each facility. Additionally, we have initiated the construction of a new 200-bed project at Aster Hospital Kasargod, while Phase 1 of Aster Hospital in Trivandrum, comprising 350 beds, is well underway. The development of the Phase 2 of Aster Whitefield Hospital in Bengaluru, comprising 275 beds, is nearing its completion, and it is expected to become operational in Q2 of FY 2023-24.

Key financial achievements

Our financial performance is a testament to our success in navigating these opportunities. In the fiscal year 2023, our revenue from operations reached an impressive INR 2,983 crores, marking a remarkable growth of

25% compared to INR 2,384 crores in FY 2022. The EBITDA from our India operations stood at INR 453 crores, with a margin of 15.2% in FY 2023, reflecting a growth rate of 28% compared to INR 353 crores and a margin of 14.8% in FY 2022. Moreover, our post-Non Controlling Interest (NCI) Profit After Tax (PAT) surged to INR 147 crores, demonstrating a staggering growth of 146% year-on-year, compared to INR 60 crores in FY 2022.

In terms of revenue from our India hospitals and clinics, excluding the O&M asset-light hospitals, we achieved INR 2,819 crores in FY 2023, reflecting a notable growth of 20% compared to INR 2,343 crores in FY 2022. Additionally, our EBITDA for this segment stood at INR 527 crores, with a margin of 18.7% in FY 2023, as compared to INR 407 crores and a margin of 17.4% in FY 2022, exhibiting a commendable growth rate of 30%. The increase in EBITDA can be attributed to the implementation of efficiency measures throughout the year, specifically in terms of reducing material costs and ensuring revenue assurance. As for our net debt, Aster India recorded INR 510 crores as of March 31, 2023, in comparison to INR 319 crores as of March 31, 2022. Furthermore, our capital expenses for the fiscal year 2023 amounted to INR 280 crores.

Navigating the road ahead

In pursuit of our strategic goals, we have adopted an O&M asset-light model to increase our bed capacity and extend healthcare services to Tier 2 & Tier 3 cities while maintaining cost efficiency. Moreover, we are diligently evaluating potential mergers and acquisitions that align with our values and strategic objectives, complement our existing operations and transformative opportunities that have the potential to shape our future growth.

To support our expansion plans, we will continue to add pharmacies, diagnostic centres, and patient experience centres. These investments are instrumental in enhancing our capabilities and positioning us at the forefront of the healthcare industry. By expanding our pharmacies and diagnostic centres , we are establishing a robust Aster omni-channel ecosystem that enables us to better serve our patients.

Building on the tremendous success and positive response to our digital initiatives in the GCC region, we are excited to bring the same level of innovation and convenience to our operations in India. The growing penetration of smartphones and increased digital adoption among the Indian population present a remarkable opportunity for us to leverage technology and enhance the healthcare experience for our patients.

With our proven track record in the GCC, where our digital initiatives have surpassed expectations, we are well-equipped to replicate this success in the Indian market. Our focus is on developing a robust and user-friendly mobile app that will empower patients with seamless access to healthcare services.

We have demonstrated a steadfast commitment to continuous growth in capital expenditures (capex) throughout the year, allocating significant resources towards enhancing our operational capabilities and maintaining a competitive edge in the market. By strategically investing in capex, we have modernized our healthcare facilities, upgraded our technological infrastructure, and expanded our capacity to meet growing patient needs, resulting in improved efficiency, productivity, and overall performance.

In FY 2023-24, the company has embarked on an extensive efficiency project targeting various areas including material cost, revenue assurance, manpower cost, and overheads. These initiatives aim to optimize resource utilization, streamline processes, and drive cost savings throughout the organization. By implementing these measures, we anticipate a significant improvement in EBITDA, enhancing our profitability and bolstering our financial performance for the year.

Maximizing growth capabilities

The Indian healthcare market is a vast landscape teeming with immense potential, and we are steadfast in our belief that Aster DM is uniquely positioned to capitalize on these opportunities. With our extensive assets, ongoing developments, and unwavering commitment to excellence, we are poised to unlock sustainable value for our shareholders.

As we reflect on our journey, we remain unwavering in our commitment to deliver best-in-class healthcare services. We are dedicated to enhancing our offerings, embracing innovation, and maintaining the highest standards of patient care. This steadfast dedication will enable us to navigate challenges, seize opportunities, and create a positive impact on the healthcare landscape. Thank you for your continued trust and support on our journey.

Warm regards,

Sunil Kumar M R,

Joint Chief Financial Officer

Quarterly Clinical Highlights

Quarter 1

INDIA

- Aster CMI's plastic surgeon conducted a critical surgery on a 38-year-old woman whose nose was bitten off by a dog. To recover the nose tissue, the exterior skin of the nose was rebuilt using the nasolabial flap, and the inner lining of the nose was covered with Integra dermal substrate.
- At Aster CMI, interventional cardiologists and radiologists treated a type B aortic dissection with aortic stenting in a post-liver transplant patient.
- A multidisciplinary clinic for Prader Willi Syndrome (involving multiple specialists) was held at Aster CMI with 13 children in the pilot project.
- The Cardiothoracic & Vascular Surgery team of Aster Medcity implanted the first open heart suture less aortic valve - Perceval (the first of its kind in Kerala) in a 55-year-old lady. The treatment is a game-changer as it involves a minimally invasive method that prevents the high cost associated with a TAVI.
- The Neurosurgery team of MIMS Calicut conducted a 4th generation pipeline embolization with shield technology to treat two cerebral aneurysms. These were the first two cases reported in Kerala.
- At Aster RV, a cochlear implant was carried out on a 9-month-old child. It was the first model of Med-El Synchrony and Rondo 3 implant carried out in Karnataka on the youngest patient till date.

GCC

- Interventional Cardiologists at Aster Mankhool successfully conducted Minimally-invasive TEVAR procedure.
- The cardiothoracic team at Aster Hospital, Qusais conducted a total arch and ascending aorta replacement on a patient with Stanford Type-A aortic dissection arising in the proximal aortic arch with upper body malperfusion.
- A patient with Stanford Type-A Aortic Dissection in the Proximal Aortic Arch with Upper Body Malperfusion was treated by Total Arch and Ascending Aorta Replacement by the Cardiothoracic team at Aster Qusais.
- Midwest Orthopedic Specialty Hospital Orthopaedic team conducted two high-risk scoliosis surgeries, with one of the patients suffering from cerebral palsy and epilepsy, making it extremely challenging to manage the anaesthesia procedure.

Quarter 2

INDIA

- In Aster CMI, a 65-year-old man with Parkinson's received bilateral STN DBS. SenSight DBS Directional leads from Medtronic were used for the first time in the Asia Pacific during this procedure.
- An African lady from Zambia, on dialysis for the past six years, had bilateral external iliac occlusion due to previous issues with dialysis access. Surgical challenges were faced during the anastomosis for transplanting the kidney ureter to the native ureter. This challenging task was successfully carried out by the transplant team at Aster CMI.
- At Aster Medical City, a 4-month-old infant with biliary atresia had developed jaundice and liver failure. He underwent a left lateral liver transplantation with his mother serving as the liver donor.
- At Aster MIMS Kannur, a patient with a history of Type 1 Respiratory Failure, Influenza A Pneumonia, and severe ARDS had ECMO/CRRT for the first time in North Malabar.

GCC

- Cartoid Revascularization of Near Total Occlusion (99% Critical Stenosis) of Right Carotid Artery was performed successfully using Stent Technology in Aster Quasis.
- At Aster Quasis, extra adrenal paragangliomas- Carotid Body and Aortic Locations were successful removed during a procedure.
- Laparoscopic removal of intraperitoneal cancer with the infusion of Hyperthermic Chemotherapy was performed for the first time in UAE at Medcare Dubai.
- A complex case of Post CABG Medically Resistant Angina was treated successfully through Angioplasty in Aster Hospital, Mankhool.
- Bay Arel from Turkey was treated for Spinal Muscular Atrophy and received gene therapy in Medcare women and children hospital.

Quarter 3

INDIA

- At Aster CMI, to perform Hyperthermic Intraperitoneal Chemotherapy (HIPEC), Mitomycin for Gastric carcinoma and Cisplatin for ovarian Cancer was administered through an FDA-approved, third generation PERFORMER 3-HT Machine from Rand. This is the first installation in India and in the entire South East Asian region.
- Interstitial brachytherapy, a rare procedure, was successfully conducted for a soft tissue sarcoma of the thigh by doctors in MIMS Calicut.
- Zero contrast angioplasty, the latest innovation in interventional cardiology was performed in Aster MIMS Kottakkal. Instead of dye, the latest imaging technique, intravascular ultrasound (IVUS) was used to ensure perfection in the angioplasty. This is one of the very few cases that has been successfully completed in Kerala.
- Per Oral Endoscopic Myotomy (POEM) was performed at Aster Medcity for a 27-year-old patient from Lakshadweep who presented a history of swallowing difficulty for almost 21 years and was diagnosed with Achalasia Cardia.
- A delicate and complex open-heart surgery was conducted on a 54-year-old female patient at Aster RV to remove a tumour inside the heart, without rupturing it or leaving a chance for its recurrence.

GCC

- Achalasia Cardia treated successfully with Laparoscopic Heller Myotomy and Dor Fundoplication at Aster Quasis.
- A large fibroid was treated successfully through Non-Surgical Endovascular Embolization Technique at Aster Quasis.
- The gastroenterology team at Aster Al Raffah, Muscat performed the SpyGlass Cholangioscopy.
- A case of Legionella pneumonia with overlap syndrome was treated in Aster Al Raffah Muscat.
- A case of an Endoscopic Removal of Foreign Body from the Ethmoid Sinus, without postoperative complications, was carried out at Medcare Hospital, Sharjah.

Quarter 4

INDIA

- A 72-year-old lady suffered from D12 fracture. A minimally invasive percutaneous procedure, Vertebral Body Stenting, was performed, to insert a stent into the fractured vertebrae. It was inflated with a balloon and then filled with bone cement. The patient recovered in quick time and was discharged within two days of the operation. It was the first such procedure performed in Bengaluru and in the state of Karnataka. The remarkable achievement was accomplished by the neurosurgery team at Aster CMI.
- A 46-year-old with history of acute is chemic stroke and lacunar infarct of left posterior limb of internal capsule, underwent Transesophageal echocardiogram (TEE) at MIMS Calicut. The TEE detected Patent Foramen Ovale (PFO) and a procedure for closing the hole was carried out with Life tech Cera Flex PFO device. This is south Asia's first such procedure.
- At MIMS Calicut, an Ex-utero intrapartum treatment (EXIT) procedure was carried out on a foetus with large pharyngeal teratoma, with severely compromised airway. A multidisciplinary team conducted the surgery to keep the utero placental circulation uninterrupted and ensure oxygen supply to the neonate. The procedure was a first-of-its-kind performed at the hospital and in the state.
- Using the novel FTRD, a case of endoscopic full thickness resection of rectal neuroendorine tumour was carried out at Aster MIMS Kannur, the first instance of such a surgery in Malabar.
- A 52-year-old patient underwent the first minimally invasive laser enucleation of the prostate (MiLEP) surgery in India. MiLEP is an innovative laser surgery performed with the help of very small endoscopic instruments that minimise injuries to the urethra and bladder.
- An 8-year-old was injured by an air gun pellet stuck in a very sensitive area on the neck. Extraction of the shrapnel was a risky procedure as it could have turned fatal because it was located millimetres away from the boy's trachea and thyroid gland. A multidisciplinary team of Aster Medcity, consisting of Cardiac surgeons & anaesthetists successfully removed the shrapnel.

GCC

- 2.6kg of intramural uterus was removed by total Abdominal Hysterectomy, Cystourethroscopy with indwelling double-J Ureteral Stent at Medcare Hospital, Sharjah.
- Successful replantation of complete post-traumatic metacarpophalangeal (MCP) Amputation of left thumb using venous graft at Aster, Al Qusais.
- Successful primary fixation of type- 3 open bone forearm Fracture in a Polytrauma Patient done at Aster Hospital, Cedar.
- A patient suffered from continuous diarrhea and severe weight loss even after one year of gastric bypass anastomosis. A laparoscopic reversal of the process was carried out at Medcare Al Safa and the surgery revealed a very long bypass of 6 meters. The patient was discharged from the hospital in a stable condition.
- A 59-year old male patient suffered from severe abdominal and back pain. The CT scan showed that the patient had a large infrarenal aortic aneurysm. Endovascular aneurysm repair (EVAR) surgery was conducted on the patient and he was discharged in a stable condition from Medcare, Al Safa.

Business Model

Input

FINANCIAL CAPITAL

Total equity	INR 4,860 Crore
Net Debt including lease liabilities	INR 5,260 Crore
Debt to equity ratio	1.08
CAPEX	INR 852 Crore

MANUFACTURED CAPITAL

Hospitals	32
Clinics	127
Pharmacies	521*
Labs & PEC	205

INTELLECTUAL CAPITAL

myAster app launched in 2022	
Capital Investment Digital Technology	INR 85.69 Crore

HUMAN CAPITAL

Total number of employees	30,330
Total number of employees hired in FY22-23	10,894
Nationalities in the workforce	72
People of determination	112

SOCIAL AND RELATIONSHIP CAPITAL

Total Expenditure on CSR activities	INR 2.86 Crore
Total number of volunteers	56,000+
Total number of suppliers	4,900+

NATURAL CAPITAL

Energy consumption from solar	3,675,000 KWh
Energy consumption from wind	2,300,000 KWh
Energy consumption from hydro	3,569,298 KWh

*257 Pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster

Operating business model

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.

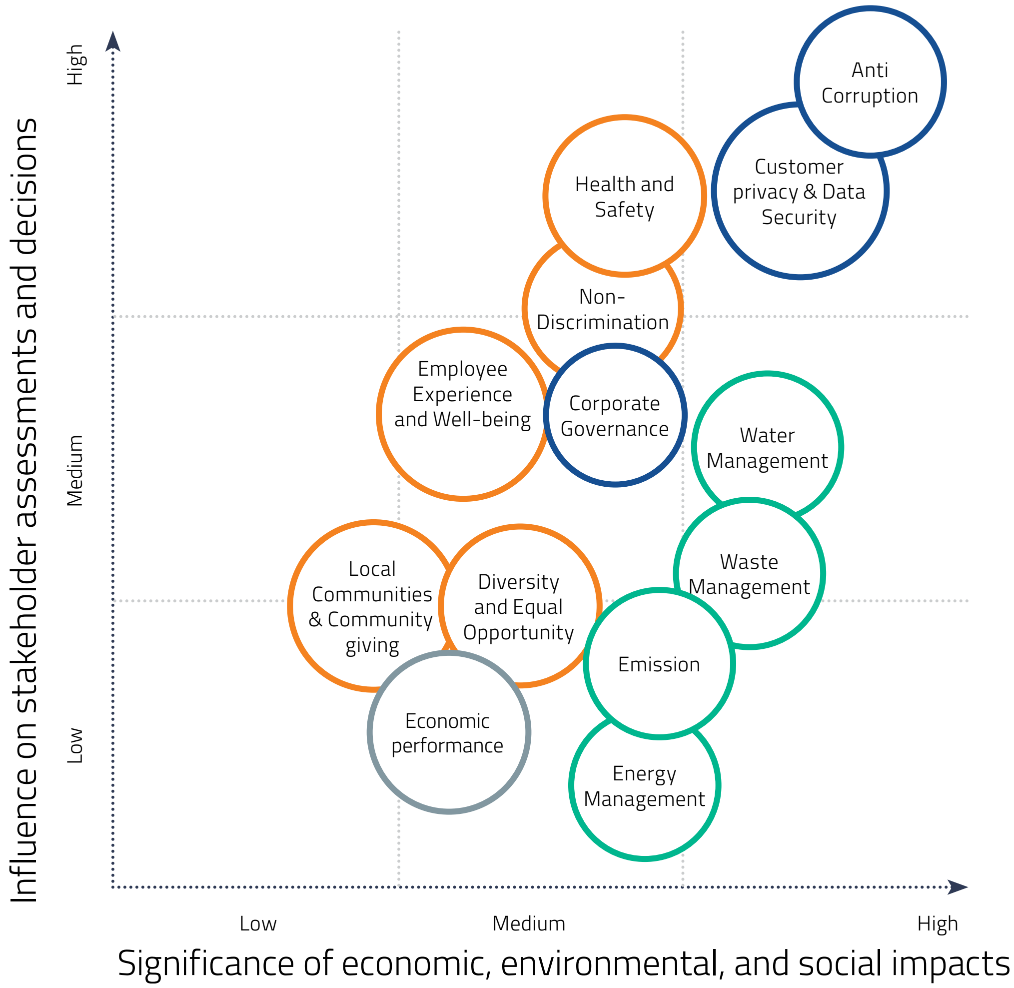
Our Strengths

- Synergies Across Geographies
- Proficient & Experienced Management Team
- De -Risked Business Model
- Robust & Expansive Healthcare Ecosystem
- Sturdy Performance Record
- Asset -Light Business Model
- Touchstone of Healthcare Practices

	Outputs		Outcomes
Our Offerings			
Primary Care	Revenue generated	INR 11,933 Crore	Value created for shareholders; Consistent growth in revenue; Strong financial position
	Net Profit	INR 425 Crore	
	EBITDA	INR 1,565 Crore	
	EBITDA Margin	13.1%	
Secondary Care	No. of visits to Hospital OPDs	4.70 Mn	Increase operational efficiency; Ensure quality service for patients; Staying true to our promise of caring for patients.
	No. of visits to Clinic OPDs	5.09 Mn	
	No. of visits to Pharmacies	9.81 Mn	
Tertiary Care	No. of consultations till date on Aster eConsult	2,40,000+	Adoption of new and innovative technologies to improve patient care; Improvement in operational processes
Quaternary Care	No. of Research Partnerships	17	
	Number of patients analyzed	4.9 Mn	
	Number of patients Engaged	1.9 Mn	
Healthcare Retailing	Percentage of female workforce	59%	Creating a workplace that is safe, non-discriminatory, and inclusive.; Continuous learning and development at professional and personal level; Diverse and committed workforce
Diagnostic Laboratories	No of training sessions (Sessions include development and professional trainings)	4000+	
	No of Nurses up-skilled	8000+	
Digital Health	Total number of people positively impacted	4 million+	Building brand reputation; Enhancing long-term partnerships; Ensuring effective stakeholder engagement
	No. of individuals assisted through Aster Volunteer Mobile Medical Services	0.9 million+	
Medical Education	Net emission reduction from renewable energy consumption	7,500 tCO2e	Reduce environmental footprint; Fulfil obligations towards the environment
	Water consumption from recycled and rain water	24%	
	Waste recycled	423,806 KG	
	Net Zero Emissions Goal by 2050		

Materiality Assessment

Aster DM Healthcare identifies sustainability issues that are most important to its stakeholders and focuses on implementing resolution measures to address those ESG issues that are most likely to have a significant impact on our sustainability performance. A key outcome of stakeholder engagement is the Materiality Assessment Matrix, used for decision- making at Aster. The Materiality Assessment Matrix lists out the issues (also known as material topics) that are relevant and important to the business and its stakeholders. For example, health and safety, good governance, environmental effects and so on. The information in this matrix is organized after consultation with stakeholders and mapping their sustainability concerns to Aster's. The materiality assessment exercise is initiated by identifying Aster's key stakeholders – this includes our customers, partners, investors, suppliers, charitable organizations, healthcare authorities, regulators, communities and others. Our teams consult and gather their inputs on sustainability issues most relevant to them and any concerns about their association with Aster DM Healthcare. This year, we engaged with stakeholders through interviews, focus groups, and surveys. Their responses and feedback were analyzed with the top issues prioritized for the reporting year. Aster has considered the potential impact of each material topic on the business and the level of concern among stakeholders. Through stakeholder consultation 9 material topics were identified. During the management review and materiality assessment it was suggested that although environmental indicators were not identified as material topics by stakeholders still these are priority issues for Aster and were added to the list of material ESG topics.



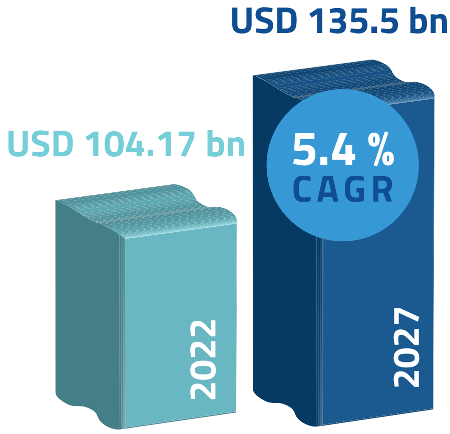
Environment	Social	Governance	Economic
GRI 302: Energy Management GRI 303: Water Management GRI 305: Emission GRI 306: Waste Management	GRI 403: Health and Safety GRI 406 : Non-Discrimination GRI 401: Employee Experience and Well-being GRI 405 : Diversity and Equal Opportunity GRI 413 : Local Communities & Community giving	GRI 205: Anti Corruption GRI 2: Corporate Governance GRI 418: Customer privacy and data security	GRI 201: Economic performance

Macroeconomic Trends

- In view of the anticipated rise in population, GCC is likely to require 12,207 new hospital beds by 2027. This translates into an estimated annual average growth of 1.9% since 2022 to reach a collective bed capacity of 133,731 by 2027.
- Between 2022 and 2027, Saudi Arabia is likely to witness the highest demand for beds in the GCC, at over 8,197 new beds to efficiently cater to patient needs.
- GCC's population is expected to grow at an annual rate of 1.9%, between 2022 and 2027, to reach 66.2 million. The elderly population (50+ years) is likely to account for 20.8% of the total by 2027, up from 15.8% in 2022.

GCC[1]

- The GCC healthcare market is expected to reach **USD 135.5 billion** in 2027 growing at a **CAGR of 5.4% from 2022.**



[1]https://alpencapital.com/research/2023/gcc-healthcare-report-mar20.pdf

TRENDS

Supportive policies for private healthcare providers

To improve healthcare delivery, the GCC states are encouraging public-private partnerships for the development of world-class hospitals and introduction of innovative solutions to the sector. Moreover, in the UAE, 100% foreign ownership in healthcare has been permitted. It is expected to support the entry of new players to the sector while encouraging existing healthcare providers to further elevate their care portfolio.

Emphasis on preventive healthcare

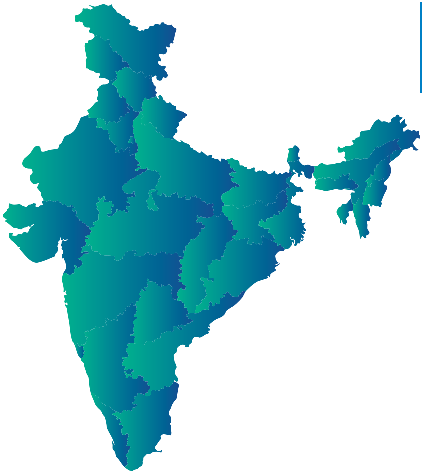
The prevalence of noncommunicable diseases in GCC countries have increased the region's healthcare spending to a great extent. It has also increased the burden on hospitals and available healthcare resources as chronic and lifestyle-related diseases have grown to be a major concern for the GCC population. To counter the growing trend of lifestyle diseases, GCC governments are focusing on preventive healthcare as a means to alleviate these issues. It has also opened up new opportunities in the healthcare sector.

Adoption of new-age technology to aid healthcare

While advanced technologies are being used to improve preventive care, the use of cutting-edge diagnostic tools and more predictive models for health assessment and management have emerged as a key enablers for advancements in the healthcare industry. It is also likely to result in improved methods of treatment, making healthcare more equitable and affordable.

Increasing demand for healthcare services

The demand for Long-Term and Post-Acute Care (LTPAC), including home healthcare and rehabilitation services, is increasing in the GCC countries. The region's ageing population is driving demand for such services as more people require geriatric care, rehabilitation, and home care services. Due to the region's growing demand for complex healthcare services, specialized healthcare service providers are gaining ground in the GCC.



- The hospital industry in India is estimated to value USD 132 billion in 2023, growing at a CAGR of 16% - 17%.

INDIA

- The Indian healthcare industry in India is estimated to reach **INR 110 Tn** by 2027 with a compound annual growth rate **CAGR of 30.7%**[2]

[2]https://www.tatatelebusiness.com/articles/5-emerging-healthcare-trends-in-india-for-2023/

TRENDS

Growing acceptance of telemedicine

Telemedicine facilitates quicker access to medical care, effectively minimizing the strain on India's currently overburdened healthcare system. The use of Artificial Intelligence to improve patient care has resulted in better access to exceptional care facilities and have considerably reduced costs.

Clinical-grade healthcare

Opportunities for non-traditional healthcare providers in the home health sector will increase as consumer and provider preferences change and technology becomes more accessible and affordable.

Government initiatives

The government has allocated INR 88,956 Cr for health expenditure in the Union Budget FY2023-24, an increase of 2.71% from the previous year. Through the Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), the government aims to provide universal healthcare coverage to Indians. With the easily availability of health insurance as well as healthcare services, it is expected to play an important role in the country's healthcare landscape.[3]

Rise of healthcare SaaS unicorns

Growth in India's healthcare SaaS sector will be fueled by a thriving startup ecosystem that is fueling the SaaS revolution and improvements in the digital health stack.

[3]https://www.investindia.gov.in/team-india-blogs/indias-healthcare-industry-navigating-road-health-all-world-health-day

Stakeholder Engagement

Stakeholders	Why these stakeholders are important to us?	Stakeholder expectations
PATIENTS	A patient centric approach keeps us ahead of competition and enables us to provide the best healthcare facilities to our valued patrons. It also empowers us to fulfil our commitment to improve the lives of people.	▶ Provision for quality healthcare facilities ▶ Affordable healthcare ▶ Safety, privacy and confidentiality ▶ Emergency care
EMPLOYEES	Our people empower us to deliver critical care to patients and enable us to enhance operational efficiency. They also help to build a culture of excellence and improve the Company's market reputation.	▶ A thriving, rewarding and engaging work environment ▶ Continuous learning and growth ▶ Fair, transparent and inclusive people practices ▶ Equitable pay structures, performance incentives, and benefit structures ▶ Well being and Recognition
SUPPLIERS, PARTNERS, AND COLLABORATORS	Strong relationships enable us to strengthen our care continuum and make timely services available to patients.	▶ Ethical and transparent business practices ▶ Building long-term relationships ▶ Fair terms of contract and constant communication to ensure superior service
REGULATORY AND INDUSTRY BODIES	We continuously strive to abide by statutory compliances and fulfil our obligations as a socially and ecologically conscious entity.	▶ Compliance with regulations ▶ Healthcare quality and safety ▶ Cost-effective healthcare ▶ Support for public health initiatives ▶ Local investments and tax revenues
COMMUNITY	The long-term success of our Company depends on building stronger bonds with people and enhancing our contribution to improve lives.	▶ Access to quality healthcare ▶ Environmental impact ▶ Community engagement ▶ Ethical business practices ▶ Contribution to communities
INVESTORS AND SHAREHOLDERS	They play a critical role in sustaining a resilient and agile business. The continuous growth and profitability of the Company is dependent on their contribution towards the organization.	▶ Consistent revenue growth ▶ Transparent practices ▶ Adherence to ethics, values and regulatory guidelines

Engagement Activities	Frequency of engagement activities	Stakeholder Value provided
• Health education sessions • Patient portals • Wellness programmes • Patient surveys • Sharing reporting documents to enable transparency in operations	Hourly/Daily/ According to requirement	• Prompt interventions during emergencies • Enhanced patient satisfaction • Timely and quality care • Compliance and completeness of discharge summaries
• Internal advancement opportunities • Flagship learning and developmnet programs • Leadership connects to drive engagement • Employee experience and feedback surveys at key touchpoints • Rewards and Recognition • Well-being initiatives	Weekly/ Monthly	• Career advancement • Capability building, development and enhancement of skills • Recognition • Overall, culture of '"Aster Cares" that promotes, well-being, trust and productivity • Competitive rewards and incentive schemes
• Social Events • Contractual terms and commercial agreements • Collaboration opportunities and award functions • Supplier summits, meets and engagements • Consolidation of spend & vendor	As per requirements	• Ensured operational readiness and delivery • Transparency in business • Strengthened the critical supplier/client relationship • Cost Optimization
• Communication channels • Collaboration opportunities • Industry association memberships • Stakeholder consultations	As per requirements	• Build positive relationships • Timely compliance with laws and regulations • Adherence to environmental laws • Timely payment of taxes • Support for various government schemes
• Volunteer opportunities • Community sponsorships • Community outreach • Community events and functions	As per requirements	• Engagement in philanthropic activities • Addressing needs of the community • Adoption of sustainable practices • Upliftment of communities
• Investor conferences, meetings and calls • Annual reports • Sustainability reporting • Official communication channels: advertisements, publications, websites and social media	Quarterly/ Annually /According to requirements	• Maintaining sustainable growth and returns • Sustain high standards of corporate governance and risk management • Understand concerns and expectations

Our Strengths

Strong geographic footprint

- Revenue from GCC and Indian operations stand at 75% and 25% respectively.
- Promoting medical tourism in India on the back of a strong GCC network
- Recruitment of experienced medical professionals from India
- Ensuring financial prudence on account of lower cost of debt in GCC

Experienced Management

- The top management possess decades of healthcare experience
- Strong second line of management provides stability through extensive managerial, healthcare and regulatory experience

De-Risked Business Model

- Multi-geographic presence enables revenue diversification from stratified segment operations
- Brands such as Medcare, Aster and Access help to diversify business offerings
- The stability of GCC currencies help to hedge against dollar fluctuations

Robust Healthcare Ecosystem

- A comprehensive healthcare ecosystem with primary, secondary, tertiary and quaternary care
- Network of 32 hospitals equipped with state-of the-art equipment
- Extensive network of 127 clinics
- Strategic location of 521 pharmacies*
- 205 Labs & PEC

*257 Pharmacies in India are operated by Alfaone Retail Pharmacies Private Limited under brand license from Aster

- A track-record of financial and operational success in the GCC
- Steady scaling-up of operations across segments and geographies
- Improvements in Indian business on account of additional capacity addition and maturing of assets

- Maintaining the highest standards of patient care, reiterated through numerous industry recognitions and patient endorsements

- 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

- Provide omni channel experience for patients through our virtual care initiatives.
- Digital CRM program being scaled to benefit 4.9 million customers across pharmacy, clinics, hospitals and Medcare

Risk Management

Our framework

We have a comprehensive enterprise risk management framework in place that includes a set of policies, procedures and practices for identifying, assessing, mitigating and monitoring risks across our extensive network of healthcare facilities and services.

Our risk identification and assessment process

- We conduct Board risk identification workshops to gain insights into risks and opportunities from a top-down approach.
- We identify the risks associated with our business and plan mitigation strategies to control the process.
- Our risk committee monitors the business verticals to identify emerging risks, optimize assurance activities and report risk interconnections.

Our workshop session

Crisis management

We organize multiple Crisis Simulation scenario workshop sessions with Business Leaders and Department Heads, each focusing on the distinct executive-level decision-making and communication strategies that are critical to any crisis response.

Disaster Recovery Plan

Every organization needs a Disaster Recovery Plan (DRP) to deal with unforeseen events that could affect our facilities, such as earthquakes, sandstorms, floods, explosions, power outages and so on. The HVA and vertical risk assessment registers are in line with each other and risks against all recognized hazards are listed in the vertical risk assessment register. The disaster management plan and related policies are reviewed and updated periodically.

Risk awareness session

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 a bi-monthly newsletter named 'Risky Times'.

Risk Management Committee (RMC)

Controls and measures have been identified for each risk to decrease or mitigate it. Action plans are monitored and major risks, mitigation measures, and actions are reported to the RMC on a quarterly basis. Additionally, major risks are discussed weekly with corporate leaders and updated quarterly for reporting to the RMC. The quarterly reporting to the RMC includes risk trends and key risk indicators that aid in understanding risk movements. At least once a year, the RMC reviews the Risk Management process.

For more details on Risk Management please refer MDA Report

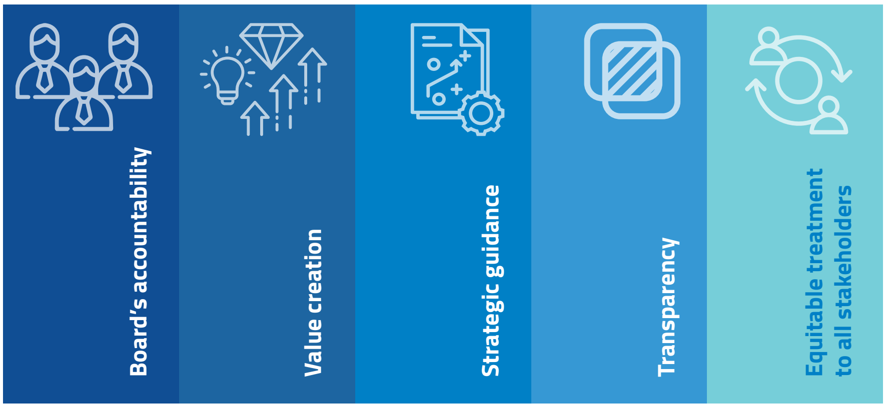
Our Governance

At Aster, we believe in fostering a strong corporate governance framework, aligned to regulatory guidelines and a commitment to create and share value responsibly. Our emphasis on adhering to industry best practices and upholding a culture of honesty, integrity and accountability enables us to maximize benefits for our diverse stakeholders.

Corporate governance philosophy

Our corporate governance strategy is based on a holistic approach that maximizes benefits for the Company as well as the shareholders, employees, consumers, government, and the general public. Transparency and accountability are the core foundations of our solid corporate governance structure and it enables us to adopt a patient-centric approach.

Our philosophy is based on five principles-



6

Familiarization programs for Independent Directors

100%

Resolved data privacy breach cases reported In 2022-23

100%

Compliance for the Code of Conduct Policy

For more details on Corporate Governance please refer Corporate Governance Report.

Code of Conduct

Our code of conduct helps us to promote a positive organizational culture and ensure ethical behaviour across the organization. Every employee signs the Code of Conduct every year. New employees are also made aware of the expectations during their induction. We also abide by a disciplinary policy to address inappropriate or unethical behaviour. Moreover, the employees are required to comply with the applicable laws and regulations, including those related to anti-corruption, anti-bribery and data privacy.

Diversity and Inclusion

We focus on creating an inclusive and diverse workforce that promotes creativity, innovation and better decision making. It allows us to lay the foundation of a workplace where employees feel valued and respected. A positive work culture plays an integral role in retaining employees and increasing the productivity of the organization.

Financial Capital

We use our financial resources to deliver exceptional service, upgrade our investments in people, process and technology. It empowers us to maintain a robust balance sheet, judiciously allocate capital and sustain healthy liquidity. Our sound financial approach empowers us to deliver clinical excellence and expand our reach.

Cost optimization

To improve operating margins, we strive to reduce expenses and adopt cost-effective methods to ensure efficiency. We also resort to a pay-per-use investment plan that allows us to lease equipment instead of buying them. Besides, we are enhancing investments in technology and medical equipment to adopt cost efficiency across our operations. We prioritize enhancing our clinical specialities and procedures and implementing revenue assurance measures to close revenue gaps. This assists us in sustaining these revenues while also sharply focusing on cost lines through material cost optimization programmes and maintaining tight control over our HR expenditures.

To minimise expenditure, we have consolidated the hospital lab business with the help of Aster labs. We have also focused on hiring local staff to handle peak loads and keep fixed costs under control. With the integration of telehealth facilities, we have consolidated the radiology business and lowered expenses on human resource. Alongside, we have adopted a cluster-based approach that promotes resource sharing and consolidation within and across the clusters.

Geographical expansion

Aster Labs

We are expanding our reach in the states of Karnataka, Kerala, Andhra Pradesh, Telangana, Tamil Nadu, and Maharashtra through Aster Labs. Since our inception, we have successfully served over 3.24 million patients and performed 12.3 million tests. As of March 31, 2023, we have 1 global reference lab, 189 patient experience centres and 15 satellite labs. As part of our ambitious growth strategy, we will also be expanding our geographic footprint into other states.

Aster Pharmacies

The 'Aster Pharmacy' brand in India has been licensed under Alfaone Retail Pharmacies Private Limited (ARPPL) to operate retail outlets and online pharmacies. There were 257 pharmacies as of March 31, 2023, with 106 in Karnataka, 85 in Kerala, 61 in Telangana and 5 in Andhra Pradesh. We focus on delivering high-margin private labels. Our large-format pharmacies have a better assortment in the home healthcare, body support, and vitamins, minerals and supplements (VMS) areas.

GCC growth

We aim to increase the current 1,439 beds in GCC by 240+ in the next two years. Kingdom of Saudi Arabia (KSA), one of the GCC nations, is regarded as a key market for future growth. Through our partnership with the Al Hokair Holding Group, we have begun operating a pharmacy in Saudi Arabia. In the next five years, the partners want to establish a network of more than 250 Aster pharmacies throughout the Kingdom.

Initiatives

- We have entered into a partnership with Sukoon which is a leading insurance provider in UAE to launch two new health insurance plan with Aster products.
- We signed a partnership with Dr. Reddy's Laboratories to look at producing quality medication and making it more accessible in UAE and GCC through Aster Pharmacy

Strategies for future growth

Over the years, we have proactively responded to opportunities in the operating landscape and continued to align our services with emerging needs for patient care. With a patient- centric business model, we aspire to enhance the use of advanced technology and digital platforms to improve margins, generate cash flow and high return on investment. We are also expanding our network of laboratories, diagnostic facilities and pharmacies across India to enhance our reach.

We are also implementing lean and scalable operational practices along with the adoption of innovative methods of treatment. Going forward, we aim to ensure the effective utilization of existing assets for better returns and the adoption of digital platforms in the form of apps, e-pharmacy, teleconsultation, and others.

To further strengthen a resilient and future-proof business, we aim to accomplish the following:

- Healthy revenue growth from Indian and GCC operations
- Positive EBITDA and PAT margins with strong ROCE and ROE return on capital
- Strong cash flow generation to cover operating and capital costs
- Consistent EPS growth to increase shareholder return
- Improve capacity to control costs, debt and quality of service

INR 11,933 Cr

Total revenue generated

16%

Revenue growth (Y-o-Y)

INR 1,565 Cr

EBITDA

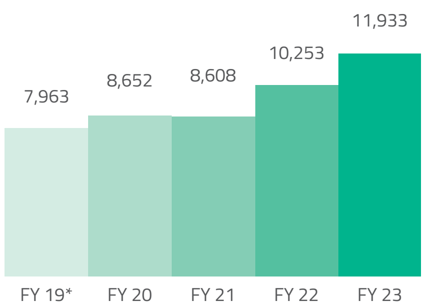
INR 425 Cr

PAT (Post NCI)

Consolidated

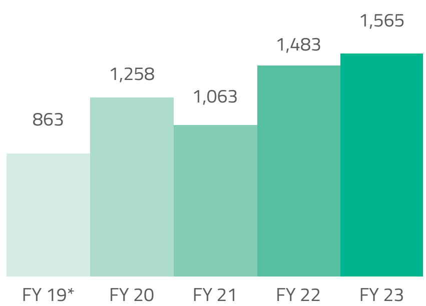
Revenue from Operations
(INR in crore)

16% YoY Growth

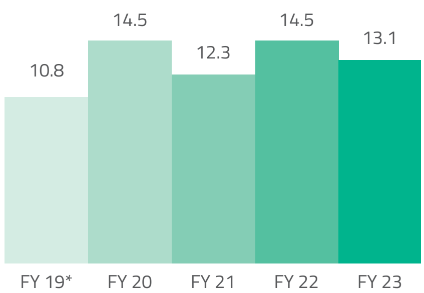


EBITDA
(INR in crore)

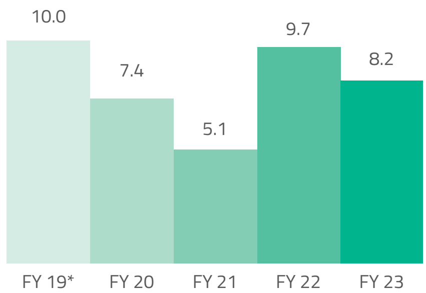
6% YoY Growth



EBITDA Margin
(in %)



ROCE (pre-tax)
(in %)



*Pre IndAS 116

Asset-light models

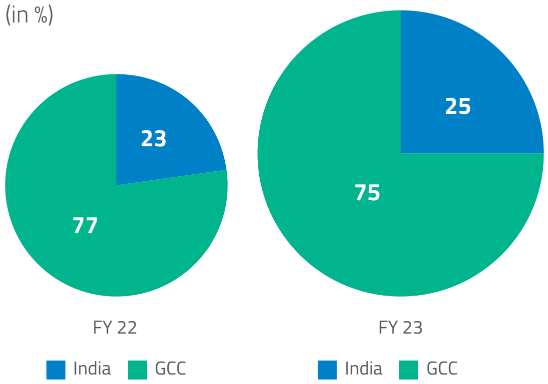
We have ventured into O&M asset-light models by acquiring existing hospitals in Tier II and Tier III cities. This will increase our revenue and EBITDA in a short period of time while also assisting in the expansion of our footprint and acting as a feeder to major hospitals for challenging patients. When compared to greenfield and brownfield hospitals, these O&M asset-light hospitals require considerably less capital expenditure. These O&Ms enable us to deliver affordable and high-quality healthcare in Tier II and Tier III areas.

Stakeholder value creation

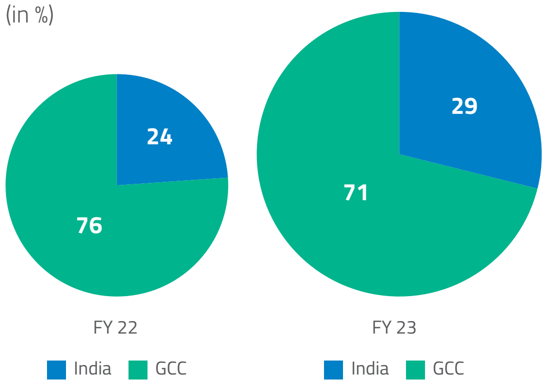
Our prudent capital allocation strategy empowers us to create long-term value for stakeholders. We have also made investments in state-of-the-art technology and medical care facilities to improve the quality of life of patients.

Continued stakeholder confidence in our business has fuelled our growth narrative and it has been instrumental in our success.

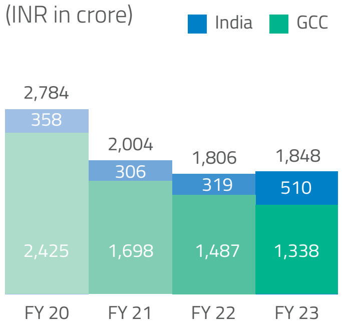
Revenue
(in %)



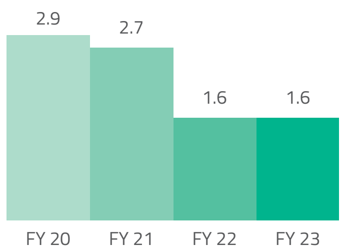
EBITDA
(in %)



Net Debt (Excl. Lease Liabilities)
(INR in crore)

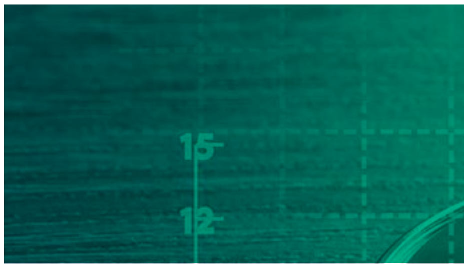


Net Debt (Excl. Lease Liabilities)/EBITDA



* Post IndAS 116
FY21 numbers have an impact of COVID

Aster India



India's contribution to the group revenue has increased from 23% to 25%, primarily owing to normalization of operations in the post-Covid period and ramping up of operations of Aster MIMS Kannur, Aster RV Hospital and Aster Whitefield Women and Children Hospital. The contribution of our Indian operation to the group EBITDA has increased to 29% compared to 24% in the previous year.

Our revenue from operations stood at INR 2,983 crore, up 25% from INR 2,384 crore in FY22. EBITDA from India operations has increased to INR 453 crore with a margin of 15.2% in FY23, up from INR 353 crore with a margin of 14.8% in FY22, representing a 28% increase. Our PAT (Post NCI) has increased 146% year-on-year to INR 147 crore from INR 60 crore in FY22.

Maturity Wise Hospital Performance*

GULF COOPERATION COUNCIL (GCC)

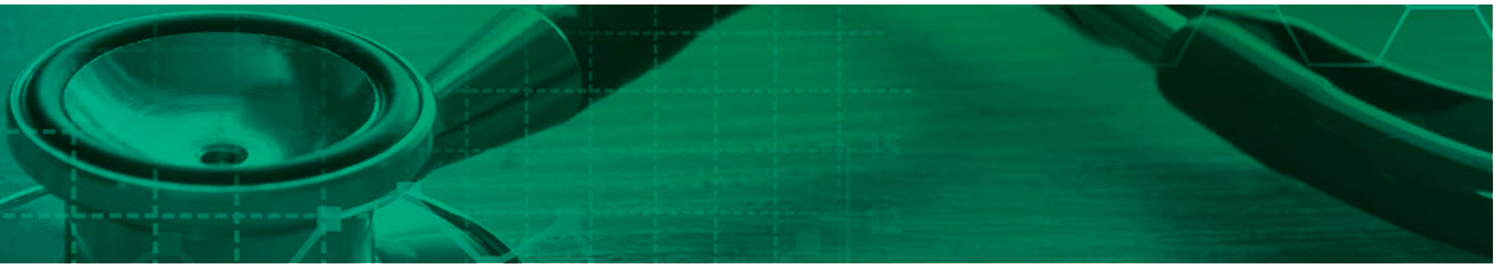
Maturity	Hospitals	Revenue (INR in Crs.)	Operational Beds (Census)	Key Performance indicators		
				ARPOBD	Occupancy	EBITDA
0-3 Years	3	3% INR 125	19% 217	INR ~135,200	16%	INR (77) NM
Over 3 Years	12	97% INR 3,887	81% 897	INR ~204,600	56%	INR 661 17%
	15	INR 4,012	1,114	INR ~201,000	50%	INR 584 14.6%

* **GCC hospitals** 0-3 Years: Aster Hospital Sharjah, Aster Hospital Sonapur and Aster Royal Hospital, Muscat
Note: 1. Revenue and EBITDA shown above excludes other income; 2. Above financials are presented in INR crore; 3. Wahat (Homecare) Revenue is considered under Hospital segment; 4. All the numbers above are post IndAS 116; Financial numbers are rounded to the nearest integer

INDIA

Maturity	Hospitals	Revenue (INR in Crs.)	Operational Beds (Census)	Key Performance indicators		
				ARPOBD	Occupancy	EBITDA
0-3 Years	4	3% INR 73	9% 307	INR ~24,900	49%	INR (21) NM
Over 3 Years	12	97% INR 3,729	91% 2,997	INR ~37,000	69%	INR 537 19.7%
	16	INR 2,802	3,304	INR ~36,500	68%	INR 516 18.4%

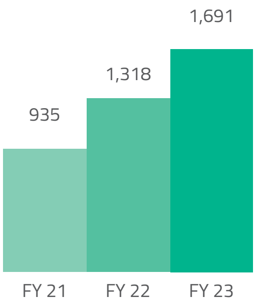
* **India hospitals** 0-3 Years : Aster Mother Hospital Areekode, Aster Whitefield Women and Children Hospital, Aster Narayandari and Ramesh IB
Note: 1 India Clinics, Labs and Wholesale Pharmacy operations are not included in Revenue and EBITDA shown above
2. Wayanad Institute of Medical Science (WIMS) details are not included above. Considering WIMS, count of hospitals in India is 17
3.Revenue and EBITDA shown above excludes other income; All the numbers above are post IndAS



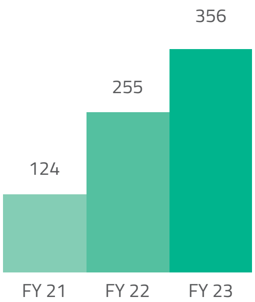
India Cluster-Wise Trends

Kerala cluster

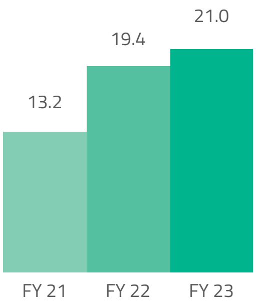
Revenue
(INR in crore)



EBITDA
(INR in crore)

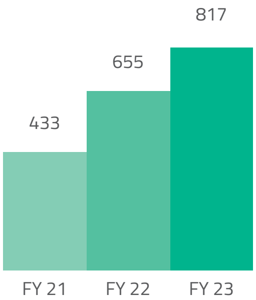


EBITDA margin
(in%)

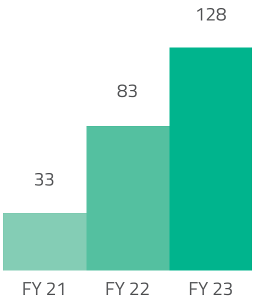


Karnataka and Maharashtra cluster

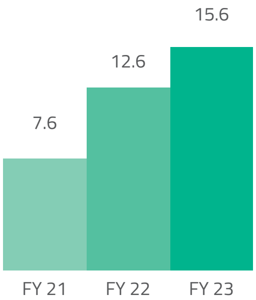
Revenue
(INR in crore)



EBITDA
(INR in crore)



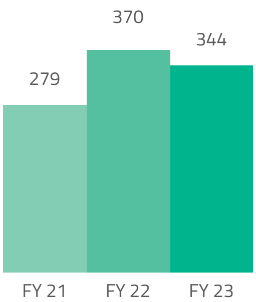
EBITDA margin
(in%)



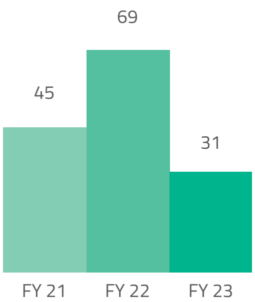
* The EBITDAR for KM cluster For FY21 is 9.3%, FY22 is 15.9 % & FY23 is 19.0%

Andhra and Telangana cluster

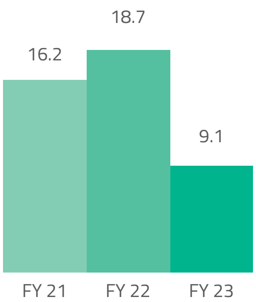
Revenue
(INR in crore)



EBITDA
(INR in crore)



EBITDA margin
(in%)



Historical Trends

Capacity Beds

Financial year	Total	GCC	India
2022-23	5,756	1,439	4,317
2021-22	5,065	1160	3,905
2020-21	4,907	1150	3,757
2019-20	4,804	1111	3,693
2018-19	4,561	1101	3,460
2017-18	3,882	875	3,007
2016-17	3,739	668	3,071

Patient Count

Financial year	Outpatient (in million)	Inpatient (in 000')
2022-23	9.8	326
2021-22	10.3	273
2020-21	7.7	220
2019-20	9.4	254
2018-19	8.7	218
2017-18	7.8	202
2016-17	6.7	158

Manufactured Capital

At Aster, we aspire to achieve clinical excellence through our wide network of hospitals, clinics, pharmacies, diagnostic facilities and an entire range of primary to quaternary care facilities. It empowers us to enhance patient care through world-class facilities and advanced treatment methodologies, specifically designed to offer a better life to patients.

17

Hospitals in India

15

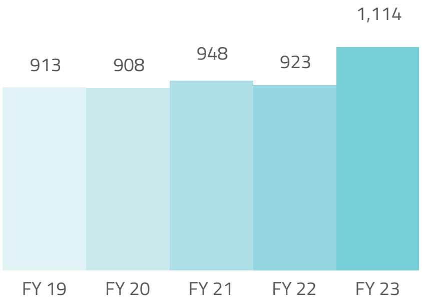
GCC hospitals

32

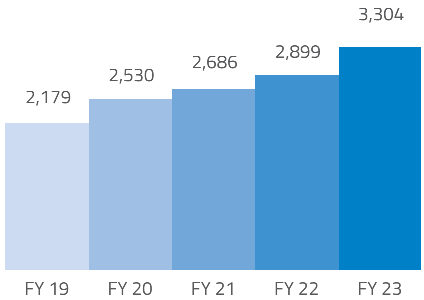
Total number of hospitals

Operational beds (Census)

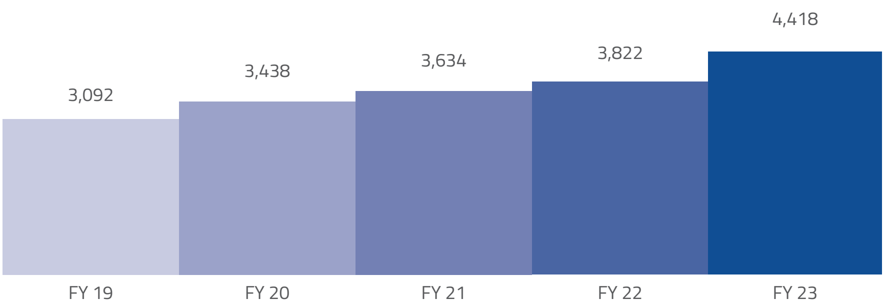
Gulf Co-operation Council (GCC)
(Numbers)



India
(Numbers)



Total
(Numbers)



4,418

Operational Beds (Census)

Hospitals in GCC

Aster Hospitals, UAE

449
Bed Capacity

0.59 Mn
Outpatient visits in FY23

42,900+
Inpatient visits in FY23

As a leading hospital chain in the UAE, Aster offers excellent care facilities to patients. Over the past three decades, we have focused on patient needs and adopted medically advanced procedures to ensure excellence across our operations.

We have 5 Hospitals in Dubai. The multispecialty hospital in Mankhool is a 136-bed facility. The hospital at Quasis and Cedar has 158 and 20 beds respectively. We also have a 34-bed hospital in Sonapur. In 2022, we launched a multispecialty hospital in Sharjah to extend our care facilities to a larger number of people. Equipped with state-of-the-art facilities, these hospitals employ the most technologically advanced equipment and medical procedures to carry out challenging surgeries and complex treatments.

Awards and Accolades

- Aster Hospitals UAE received the UAE Innovation Award
- Aster Hospitals UAE received the IHF award
- Aster Hospitals UAE received the title of World's Best Hospitals by Newsweek
- Aster Hospitals UAE received the Smart Innovation Awards 2022
- Aster Hospitals UAE is recognized by the Cyber Security Council

Aster Hospital and Medical Centres, Qatar

61

Bed Capacity

0.13 Mn

Outpatient visits in FY23

2,800+

Inpatient visits in FY23

Inline with Qatar's National Health Strategy 2030, which aims to build a comprehensive healthcare system that is effective, affordable and easily accessible to people, we have developed Aster DM Healthcare Qatar. With an aim to offer the finest medical facilities under one roof, we have developed a holistic and affordable healthcare delivery ecosystem through our operations in the country.

In Qatar, we have a multispecialty hospital, 5 pharmacies, and 6 Aster Medical Centres. The 61 bed Aster Hospital Qatar is located at Old Airport Road and is equipped with advanced facilities and 24-hour emergency services. It provides interdisciplinary, integrated medical care through a team of experienced doctors, nurses, and healthcare professionals.

Hospitals in GCC

Aster Al Raffah Hospitals and clinics, Oman

363
Bed Capacity

0.49 Mn
Outpatient visits in FY23

15,600+
Inpatient visits in FY23

Since 2009, Aster is catering to the needs of patients in the Sultanate of Oman. We have four multispecialty hospitals (2 in Muscat, 1 in Sohar, and 1 in Ibri) with a combined capacity of 363 beds. We also operate 6 clinics and 6 pharmacies in the country. In the past year, we have opened the doors of another hospital in Muscat and it continues to carry forward our quest for clinical excellence. In Oman, Aster has a long legacy of 13-years with a sustained track record of exceptional healthcare performance. We currently have 1100+ people, including 500+ nurses and 140+ trained doctors, including VCs in Oman.

Awards and Accolades

- Aster Al Raffah Hospital received the IHF award
- Aster Al Raffah Hospital is recognized by World Endoscopy Organization COE
- Aster Al Raffah Hospital received the Healthcare Asia Awards

Aster Sanad Hospital in Riyadh, KSA

230

Bed Capacity

0.18 Mn

Outpatient visits in FY23

14,200+

Inpatient visits in FY23

Aster Sanad Hospital is located at a prime location in Riyadh with quick access to the airport and it is close to the Saudi Red Crescent Centre. It enables Aster's multidisciplinary team of neurosurgeons, cosmetic, spinal, and maxillofacial surgeons to provide prompt services for trauma and accident care. Aster Sanad Hospital is recognized by the Saudi Central Board of Accreditation for Healthcare Institutions (CBAHI) and is renowned for offering excellent healthcare facilities.

Major medical specializations and subspecialties offered by the hospital include neuro and spine surgery, orthopaedics, Cath lab, bariatrics, cosmetic and reconstructive surgery, maxillofacial surgery, and vascular surgery. It has a team of 160+ doctors, 190+ nurses and 350+ other staff and it is one of the few healthcare organizations that offers its services to the Ministry of Health and Security Forces Hospital in Riyadh. It has a comprehensive home care unit that is properly trained, well-equipped, and capable of offering the best medical services at home.

Awards and Accolades

- Association of Healthcare Providers Award
- MOSH- Patient-Friendly hospital
- SANAD- Nursing excellence;
- Phenomenal performance in clinical excellence & quality

Hospitals in GCC

Medcare Hospitals and Medical Centres, UAE

336
Bed Capacity

0.61 Mn
Outpatient visits in FY23

24,900+
Inpatient visits in FY23

Medcare is a premium private healthcare service provider, operating under the Aster brand. In addition to 23 medical facilities and two speciality hospitals for women and children, orthopaedics, and spine, Medcare also runs two multispecialty hospitals in Dubai and Sharjah. Medcare enjoys a significant position in the UAE's healthcare industry.

Medcare Orthopaedics & Spine Hospital provides comprehensive care for the prevention, diagnosis, and treatment of a variety of disorders affecting the bones, joints, and spine. The hospital has been accredited by DNV Healthcare USA as a centre of excellence for foot and ankle surgery, hip and knee replacement, and spine surgery. It is the first private hospital in Dubai with a focus on women's health and a team comprising mostly of female clinical specialists.

The hospital offers finest maternity and gynaecology services in a safe and multidisciplinary setting, offering specialized treatment for gynaecology and obstetrics, breast health, minimally invasive surgery, high-risk pregnancy, NICU, and paediatrics.

Awards and Accolades

- Specialty Hospital of the Year - UAE
- Patient Care Initiative of the Year - UAE
- Patient Safety Initiative of the Year - UAE

Hospitals in India (Kerala Cluster)

Aster Medcity Hospital, Kochi

759

Bed Capacity

0.54 Mn

Outpatient visits in FY23

45,500+

Inpatient visits in FY23

Aster Medcity, set in a soothingly beautiful 40-acre waterfront campus, is a 759-bed quaternary care facility & one of the best hospital in Kochi, Kerala. The hospital has been delivering quality healthcare at affordable cost through its Centres of Excellence and a multi-specialty hospital since 2013. It is the first JCI accredited quaternary care multispecialty hospital in the state and combines the best of talent and technology to provide holistic treatment with a multidisciplinary approach.

Across the years, Aster Medcity has evolved into a medical destination one that attracts not just thousands of patients across the world but also attracts and nurtures the best talent, keeps upgrading technology as well as fosters research, education and a distinctive work culture that is ethically and socially relevant.

Kerala's first quaternary care hospital, Aster Medcity has also been accredited by NABH, received NABH certification for Nursing Excellence, Green OT (Green Operation Theatres) Certification by Bureau Veritas all within a year of opening its door to the world.

With a multidisciplinary treatment approach at its core, Aster Medcity offers quality healthcare under Centres of Excellence in Cardiac Sciences, Neurosciences, Orthopaedics & Rheumatology, Nephrology & Urology, Oncology, Women's Health, Child & Adolescent Health, Gastroenterology & Hepatology, and Multi-Organ Transplantation.

Awards and Accolades

- Aster Medcity Hospital received the ICC Healthcare Excellence Award
- Aster Medcity Hospital received the title of the World's Best Hospital Award from Newsweek
- Aster Medcity Hospital is recognized by Outlook's Best Hospital Ranking
- Aster Medcity Hospital is recognized by the Model Service Society -Nurses for fighting against COVID
- Aster Medcity Hospital is recognized for excellence in the Therapeutic Food Service Management
- Aster Medcity Hospital is recognized by the FICCI

Hospitals in India (Kerala Cluster)

Aster MIMS, Calicut

695
Bed Capacity

0.55 Mn
Outpatient visits in FY23

41,900+
Inpatient visits in FY23

The 695 Beds multispecialty hospital is located in a prime location in Calicut. The hospital is renowned for its excellent medical care facilities, nursing and diagnostic service quality. The hospital has established itself as a pioneer in giving the common man access to top-notch medical care at affordable rates. It keeps up with the most recent technological advancements to ensure patient health and wellbeing.

Through its 25+ specialities, it provides in-depth expertise for advance medical and surgical interventions.

Awards and Accolades

- Aster MIMS, Calicut, is recognized by the World Stroke Association Rating
- Aster MIMS, Calicut, is recognized by the Times All India Multispecialty Hospitals Ranking Survey 2021
- Aster MIMS, Calicut, is recognized by the IBARC as the Iconic Leader of the Year

Hospitals in India (Kerala Cluster)

Aster MIMS Hospital, Kottakkal

340
Bed Capacity

0.33 Mn
Outpatient visits in FY23

22,700+
Inpatient visits in FY23

Aster MIMS Kottakkal is a multispecialty hospital with NABH accreditation that offers a wide array of medical services. It is a tertiary level hospital offering advanced medical technology and medical specialties, including neurosurgery and nuclear medicine. Due to its superb facilities and dedication to upholding the highest standards of safety, cleanliness, integrity, and honesty, the hospital in Kottakkal is a great choice for patients seeking specialty treatment for a wide range of clinical issues. It offers comprehensive care by utilizing state-of-the-art technology and first-rate facilities for Trauma Care, Intensive Care, and more. It is also focusing on new medical innovations to offer affordable treatment to patients in a comfortable setting.

It also has a 'Women and Children Wing' which focuses on complete gynaecological care, starting from childbirth to motherhood and menopause. It also offers excellent neonatal and paediatric care, including paediatric surgery. Obstetrics care, including normal and high-risk pregnancies, are also treated at the hospital. Additionally, the hospital offers maternal and paediatric emergency services round-the-clock. It has labour and delivery rooms, an innovative modular operating room, cardiotocography monitoring of the foetus' heartbeat, 3D and 4D ultrasound capabilities, paediatric and neonatal intensive care units, X-ray, and a walk-in pharmacy that is open 24x7.

Awards and Accolades

- Aster MIMS Hospital, Kottakkal, is recognized by the National Neonatology Forum (level 2 to level 3)
- Aster MIMS Hospital, Kottakkal, received the International Patient Safety Awards recognized by the FICCI

Hospitals in India (Kerala Cluster)

Aster MIMS Hospital, Kannur

302
Bed Capacity

0.36 Mn
Outpatient visits in FY23

26,500+
Inpatient visits in FY23

Aster MIMS hospital is located in the coastal city of Kannur and spreads over a 1.5-acre campus. The 302-bed multispecialty hospital is a first-of-its-kind in the city. The medical specialists, medical practitioners, nurses, technologists, and support staff of Aster MIMS Kannur is trained to handle challenging medical procedures.

The hospital's ICUs are staffed with a group of expert critical care doctors and are fully equipped with newest technologies, such as ECMO, to monitor and attend to the needs of critically ill patients. Its well-equipped Emergency & Critical Care department provides patients the best possible care. It has 25 emergency beds and offers emergency services round-the-clock. The hospital's radiology department is equipped with highly advanced MRIs, 128 slice CTs, 4D ultrasound equipment, and mammograms. It also has MR Angiogram and viability study packages. The OBG department provides excellent treatment for women's health.

Awards and Accolades

- Aster MIMS Kannur received the AHPI award
- Aster MIMS Kannur received the Digital Health Summit Awards

Hospitals in India (Kerala Cluster)

Aster Mother Hospital, Areekode

140

Bed Capacity

69,377

Outpatient visits in FY23

1,227

Inpatient visits in FY23

The 140-bedded multi-speciality hospital is the first of its kind in the healthcare landscape of the culturally rich city, of Areekode. The tertiary care hospital has 4 OTs, 40 single rooms, 4 suite rooms & 27 ICU beds. Aster Mother Areekode is complemented by medical experts, Medical practitioners, nurses, technologists & support staff who bring professionalism that has no parallel. The newly built hospital is set to move forward with its commitment to strengthening the health care system of the city.

This facility features a level 3 neonatal intensive care unit which is among the most advanced. With a fully equipped inborn & outborn NICU. The ICUs are first of their kind in Areekode manned with a team of excellent critical care physicians, with fully equipped the 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 Areekode, offering the best treatment for patients, equipped with 25 emergency beds and 24x7 emergency services.

Hospitals in India (Karnataka and Maharashtra Cluster)

Aster CMI Hospital, Bengaluru

508
Bed Capacity

0.34 Mn
Outpatient visits in FY23

27,000+
Inpatient visits in FY23

With nearly above 500 bed, the Aster CMI Hospital in Bengaluru is a modern, cutting-edge facility that provides a full 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

- Aster CMI Bengaluru is ranked 1st in the Times of Indian – all-India multi-speciality hospital ranking
- Aster CMI has been recognized by the Economic Times as the Best Hospital for Paediatrics

Hospitals in India (Karnataka and Maharashtra Cluster)

Aster RV Hospital, Bengaluru

237
Bed Capacity

0.10 Mn
Outpatient visits in FY23

9,200+
Inpatient visits in FY23

Aster RV Hospital was founded in Bengaluru to offer the finest patient-centric facilities, supported by innovative and advanced treatment methods. It is a 237 bed hospital and centres of excellence in cardiac sciences, neurosciences, gastro sciences, orthopaedics, organ transplant, and minimally invasive surgeries. The super speciality hospital provides comprehensive primary care to quaternary care services. The hospital has state-of-the-art facilities like an intraoperative MRI and a biplane Cath lab. The 62 bed ICU Facility at Aster RV Hospital also has paediatric and neonatal ICUs.

Awards and Accolades

- Times All India Critical Care Hospital Ranking survey 2022
- 5th in cardiology
- 6th in Obstetrics and Gynaecology
- 5th in Neuroscience
- 10th in Paediatrics
- 5th in Nephrology
- 4th in Urology
- 10th in Emergency & Trauma
- 6th in Gastroentrology & Hepatology

Hospitals in India (Karnataka and Maharashtra Cluster)

Aster Whitefield Women and Children Hospital

61

Bed Capacity

0.05 Mn

Outpatient visits in FY23

2,900+

Inpatient visits in FY23

Aster Women & Children Hospital in Whitefield, Bengaluru, is a specialty hospital that focuses on the specific medical requirements of women and children. A comprehensive treatment plan is offered to treat various gynaecological conditions. It also provides the best diagnostic services to ensure efficient and timely treatment. The facility has a 61 bed, level 3B NICU and 24-hour neonatology care facility. The experienced team of obstetricians, gynaecologists, neonatologists, and paediatricians at the hospital adhere to international medical standards to provide the finest care facilities.

Awards and Accolades

Medcare Women and Children Hospital-IPSG-PREM Tool

Hospitals in India (Karnataka and Maharashtra Cluster)

Aster Aadhar

228

Bed Capacity

0.07 Mn

Outpatient visits in FY23

14,000+

Inpatient visits in FY23

Aster Aadhar Hospital in Kolhapur is a 228-bed facility. It offers one of the best healthcare facilities in western Maharashtra in terms of infrastructure, skill sets, and doctoral legacies. The hospital provides quaternary care facilities through a multispecialty hospital with Centres 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 a NABH accredited facility, one of the first hospitals in the region to have received the certification.

Internal medicine, general surgery, endocrinology, aesthetics and 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 round-the-clock emergency care services can be availed at the multispeciality hospital.

Apart from medical services provided by the hospital, it has set benchmarks through its CSR initiatives such as Nirdhar for Flood rescue and Sankalpa for Organ donation awareness.

Hospitals in India (Andhra Pradesh and Telangana Cluster)

Aster Prime Hospital, Hyderabad, Telangana

158
Bed Capacity

0.06 Mn
Outpatient visits in FY23

4,800+
Inpatient visits in FY23

Aster Prime Hospital, located in Ameerpet, delivers quaternary medical care to ensure access to world class medical facilities for patients. With access to recent technology and advanced treatment methods, it is at par with global facilities and maintains the highest standards of clinical care. As one of the finest healthcare facilities in Hyderabad, the hospital offers patients the most advanced medical and nursing expertise, round-the-clock individualised care, and technologically empowered diagnostic services and treatment for severe conditions.

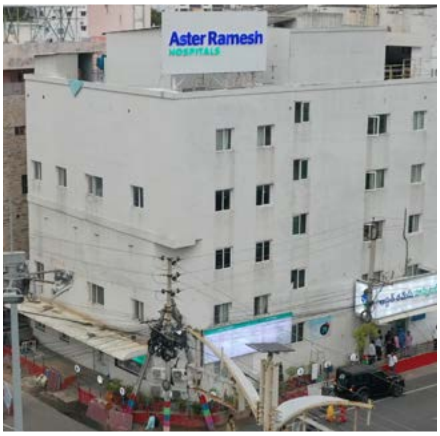
It is a 158-bed multispecialty hospital, accredited by NABH & NABL and it was the first hospital in Telangana to perform TAVR, making it one of the state's first corporate healthcare institutions. The hospital offers academic programmes in the Cardiology department, including DNB and PGDCC as well as paramedical courses under the Osmania University. The hospital has advanced medical technology including the Philips 3D Echo CVX Machine, 1.5 Tesla MRI, Multi Slice CT & Dexa Scan, Digital 500 KVP X-Ray, and Cath-lab capabilities.

Awards and Accolades

Aster Prime Hospital received the ICC Healthcare Excellence Awards

Hospitals in India (Andhra Pradesh and Telangana Cluster)

Ramesh Hospitals



739

Bed Capacity

0.22 Mn

Outpatient visits in FY23

25,100+

Inpatient visits in FY23

It is a renowned multispecialty tertiary care chain located in coastal Andhra Pradesh. Established in 1988 with a 6-bed facility, Ramesh Hospitals now runs 5 hospitals in Vijayawada, Guntur, and Ongole, with a combined capacity of 739 beds. All of these facilities are NABH approved, and the Guntur site is JCI accredited. Since acquiring Ramesh Hospitals in 2016, Aster Ramesh has become a prominent NABL accredited healthcare service provider that has also received the nursing excellence certification. Our extensive network of over 30 tele-medicine and outpatient outreach centres, spanning 5 districts of coastal Andhra Pradesh, contributes to our continued success.

Additionally, we offer academic programmes like DNB in Cardiology & Cardiothoracic, Radiology, Orthopaedics, Paediatrics, Obstetrics & Gynaecology, Critical care, and Neurology. Aster Ramesh Hospital is one of the few facilities in the area with a licence for liver, heart and kidney transplants in Guntur, with an overall success record of more than 95%.

Hospitals in India (Andhra Pradesh and Telangana Cluster)

Aster Narayanadri

150
Bed Capacity

8,918
Outpatient visits in FY23

4,425
Inpatient visits in FY23

Aster Narayanadri Hospital, Tirupati, a 150-bed state-of-the-art Multispeciality Hospital, is DM Healthcare's continuation of its endeavour to create world-class, patient-centric hospitals.

At Aster Narayanadri Hospital, innovation and a culture of excellence are all set to bring comprehensive medical care to the city of Tirupati, in the form of quaternary to primary care services. Aster Narayanadri Hospital would be the best Hospital and one point Health care destination for Tirupati and some other parts of Andhra Pradesh, which would extend advanced medical services to the people. The world-class, patient-centric hospital will feature Centres of Excellence in Cardiac Sciences, Neurosciences, GI Sciences, Orthopaedics and Minimally Invasive Surgeries, backed by High-End Critical Care and Emergency Services.

The Clinical staff at Aster Narayanadri Hospital includes some of the best specialists, who bring years of expertise to you and provide evidence-based care to deliver the best treatment. In addition, it offers patients the most up-to-date medical and nursing expertise, round-the-clock individualized care, and cutting-edge technological.

Aster Clinics

127

Total number of Aster Clinics

115

GCC

12

India

Considered among the finest clinics in the UAE, it is renowned for providing the best healthcare services. The first Aster multispecialty clinic was established in 1987 and since then, it has become one of the largest and most widespread network of clinics across the Middle East, including countries such as Oman, Qatar and Bahrain. The organization has spent the last 3 decades in strengthening and evolving the brand, which has now become synonymous with high quality and excellent service across the communities we serve.

Aster medical speciality clinic is not only one of the biggest integrated networks in the region, but it has also successfully reshaped the healthcare landscape in the regions where it operates. Keeping patient-centric care at the core of our operations, we have developed robust quality standards, enhanced professional expertise and created spacious infrastructure to render the most comfortable and satisfying experience to patients.

Over the years, we have opened new clinics across the UAE and particularly in Dubai and Sharjah to keep up with the growing demand for our services and the faith reposed by patients in the Aster brand. We have also made efforts to utilize speciality services in existing clinics while enhancing our focus on medium as well as premium service verticals.

Aster Pharmacies - GCC

264

Total number of pharmacies

With over 20 years of experience in pharmaceutical retailing, Aster Pharmacy, a branch of Aster DM Healthcare, is a trusted name in the industry. Aster Pharmacy began with a focus on 'delivering good health and happiness'. It is a household name in the UAE and has emerged as the brand of choice among pharmacies due to its reliability, accessibility and customer-first philosophy. It offers a full range of curative, nutritive, baby, lifestyle, wellness, FMCG, cosmetics, personal, and homecare products.

Aster Pharmacies have already dotted the GCC healthcare landscape with over 200 pharmacies in its network. In order to achieve our goal of having an Aster pharmacy in every region, Aster Pharmacy continues to expand its footprint in the Middle East as well as in India. Our untapped potential in Kerala and the rest of Karnataka allows us to provide consistent and high-quality services among the region's generally unorganized pharmacies.

Indian Market - Aster Pharmacies

106

Stores in Karnataka

85

Stores in Kerala

61

Stores in Telangana

5

Stores in Andhra Pradesh

In India, Aster pharmacies are operated by Alfaone Retail Pharmacies Private Limited (ARPPL) and it manages 257 pharmacies in Kerala, Karnataka, Telangana and Andhra Pradesh. The store ambience, prescription fulfilment capability and the availability of an extensive selection of pharmaceutical and wellness products keeps Aster Pharmacies a step ahead of competition. Patients are also offered free home delivery, monthly offers and prescription refill reminders. The Doctor Connect programme links Aster Pharmacy and the nearby doctors and community through Cluster Camps and In-Store Events which in turn enhance value creation.

Strengthening our position in India

- Enhancing our footprint in Telangana and Kerala while putting into practice a go-to-market plan to enter Andhra Pradesh
- Concentrating on sales of FMCG, wellness products, and private labels to increase gross profit margins
- Focusing on the e-commerce segment to make our services accessible to patients

Indian Market - Aster Labs

3.24 Mn

Clients served

1

Reference Lab

15

Satellite Labs

189

Patient experience centres

In the midst of the pandemic in 2020, Aster Labs established operations in India with its Global Reference Laboratory in Bengaluru. It utilizes innovative technology including integrated biochemistry platform Atellica, Haematology on Advia on an automated track, LCMS (Waters), Flowcytometry, Digital Pathology of Philips, and others. It has a clear focus on delivering True Quality reports and a positive patient experience.

The NABL ISO-15189 certified Global Reference Lab produces highly accurate results with minimum human involvement, and its strong online presence allows patients to easily schedule tests and collect reports on time.

We strive to strike a balance between the hub-and-spoke model at Aster Labs and the patient collection centres. By driving the visibility of our Franchise patient Experience Centers (FPECs) by introducing a mobile application and website revamp, we provide a key tool for generating leads and attracting patients. Simultaneously, adopting technologies to redesign our supply chain and logistics systems enables us to enhance collections effectively, ensuring convenience for our end consumers.

Aster International Institute of Oncology

We introduced Aster International Institute of Oncology (AIIO) during the year 2022-23. AIIO places a major emphasis on delivering advanced robotic oncology services, ensuring precision and optimal outcomes for our patients. As part of our commitment to comprehensive cancer care, we have unified all oncology subspecialties across all our units under the umbrella of AIIO.

We also prioritize advanced research through international collaborations, partnering with renowned institutions around the world to drive innovation and enhance our understanding of cancer treatment and management.

To foster academic excellence, AIIO offers international academic exchange programmes, providing opportunities for knowledge-sharing and professional development under the mentorship of our esteemed senior faculty. Leveraging innovative technology platforms, we strive to establish a comprehensive data repository to preserve oncology records and develop a robust cancer registry.

Ensuring optimum utilization of resources

We have implemented a comprehensive due diligence mechanism that is deeply rooted in Lean management principles. By adopting a lean 'value-engineered' operational model, we ensure that our strategic direction aligns with optimal resource and capacity utilization. Our focus on financial and operational excellence is reinforced through parameters such as financial ratio analysis, balanced scorecard measures, and core operational levers.

These include key metrics like ARPOB (Average Revenue per Occupied Bed), manpower per occupied bed, capacity utilization benchmarking, and occupancy analysis. By closely monitoring these parameters, our leadership team maintains a strong grasp on operational efficiency. Additionally, service excellence forms a core pillar in our balanced scorecard. We believe in the concept of 'Patient Delight' and consistently analyze patient satisfaction scores and benchmarked Net Promoter scores (NPS) across all business units.

Maintaining quality and safety standards at new facilities

We prioritize the maintenance of quality and safety standards while establishing new facilities. Each new facility undergoes a thorough risk stratification process, ensuring that appropriate risk mitigation measures are implemented. We also lay emphasis on compliance with legal and statutory requirements to uphold ethical practices and meet regulatory standards. To ensure the safety of both patients and our people, we conduct regular clinical and patient safety audits. This helps us identify areas of improvement and take necessary actions to ensure a safe medical infrastructure.

Additionally, we perform business risk evaluations to proactively identify and address any potential threats to the business while capitalizing on market opportunities. We have established a robust Healthcare Quality framework, serving as a scalable benchmark for all new facilities. This framework ensures that new facilities adhere to stringent quality and accreditation standards, guaranteeing consistent delivery of high-quality healthcare services.

Integration of new facilities

Integrating existing Aster hospitals with newly acquired facilities is a challenging process. The following strategies have been adopted to address the challenges.

Develop a clear integration plan

We meticulously design and outline the objectives, establish realistic timelines, and identify key stakeholders involved in the integration. We understand that effective communication is vital during the process and our plan includes a comprehensive communication strategy. It allows us to keep our stakeholders informed about the changes taking place and understand their roles during the integration process.

Establish a cross-functional integration team

At Aster DM, we recognize the importance of establishing a cross-functional integration team comprising representatives from various departments such as operations, finance, IT, HR, and clinical personnel. This team plays a critical role in ensuring a successful integration process. Each team member has clear roles and responsibilities that align with their areas of expertise. Communication channels are established within the integration team to facilitate seamless information sharing and coordination.

Standardize processes and procedures

For integrating existing hospitals with newly acquired facilities we require standardizing processes and procedures across all our facilities to ensure consistency in patient care and operational efficiency. This involves creating and implementing standard operating procedures (SOPs) for various departments, including clinical, financial, and administrative functions.

Invest in technology

We are Investing in technology solutions such as HIS and electronic health records (EHRs) which help to standardize processes and procedures, improve communication, and increase operational efficiency. We also ensure that the technology solutions selected are compatible with existing systems.

Develop a culture of collaboration

We focus on developing a culture of collaboration among our people to ensure a smooth transition. This involves encouraging open communication, promoting teamwork, and providing opportunities to the people to share their experiences and best practices.

Staff training

To ensure that the teams are equipped to work in a newly integrated system, we provide training on different processes and procedures. This training is ongoing and tailored to each department's needs to ensure that everyone is up-to-date with the latest practices.

Monitor progress

We monitor the progress of the integration process regularly and adjust the plan as needed. This involves measuring key performance indicators (KPIs) to ensure fulfilment of objectives and identifying areas that require further attention.

Supply chain management

India

We ensure efficient supply chain management to deliver uninterrupted patient care while optimizing costs. Through consolidated negotiations and the request for quotation (RFQ) process, we have achieved a cost-saving opportunity of INR 53 crores for the entire Aster India. Additionally, we have implemented a group formulary and a unit formulary, standardizing medication practices across our facilities.

To guarantee uninterrupted availability of essential medications , we recommend alternate brands for every formulation. By establishing a network of alternate vendors, we mitigate the risk of stockouts, ensuring a continuous supply of crucial medical supplies. We closely monitor the Vital and Essential Items list as well as the Crash Cart inventory to maintain an adequate stock of life-saving drugs. We ensure comprehensive maintenance with a 99% uptime guarantee for all medical equipment.

Our partnerships

GCC

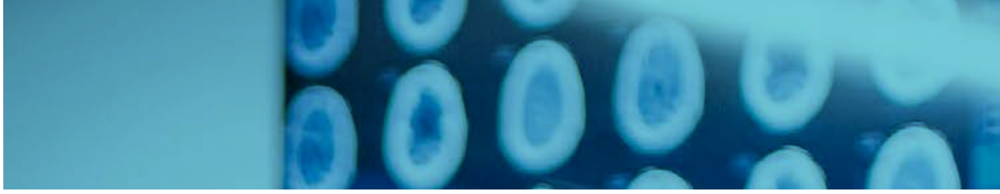
We have implemented several innovative solutions to enhance our supply chain processes. Through our partnership with Cafu Petroleum, we are able to refuel our delivery vehicles directly at our Aster warehouses, eliminating the need for time-consuming stops at petrol stations. This not only saves an average of 20 minutes per truck but also helps us benefit from discounted diesel prices of 0.12 AED per litre.

Warehouse automation

We recognize that pharmaceutical warehouse automation solutions are crucial for complying with government regulations and upholding industry best practices. Ensuring safety and compliance is critical in pharmaceutical warehousing and distribution. By implementing robust and efficient systems customized to our needs, we are able to maintain operational efficiency while adhering to serialization requirements for tracking and tracing drug packages. These solutions enable us to manage our pharmaceutical inventory more efficiently, minimise errors and ensure seamless distribution to our various healthcare facilities.

Intellectual Capital

At Aster, our digital health initiatives focus on providing a dynamic blend of technological advancements, medical expertise, and data-driven insights, to drive the transformation of healthcare delivery. We have deployed cutting-edge procedures like robotic surgery, OT imaging facilities, nuclear medicine and interventional radiology suites to further enhance the ambit of clinical excellence at our facilities.



Digital Initiatives

DCRM

We effectively analyze patient data and create segments and deliver personalized messages tailored to each segment, enabling direct and targeted communication with our patients. This approach increases engagement levels, enhances brand recall, and establishes our expertise in providing personalized healthcare services. Through DCRM, we aim to optimize patient experiences, strengthen relationships, and deliver exceptional care at every touchpoint.

4.9 Mn
Customers analyzed

1.9 Mn
Customers engaged

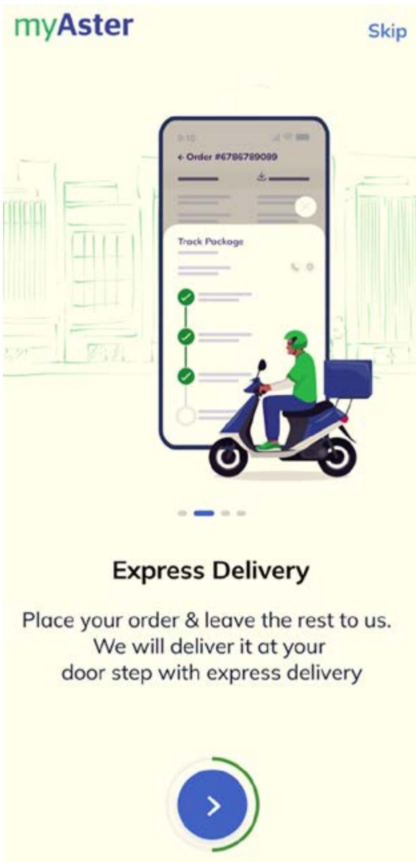
myAster

myAster is a one-stop solution designed to provide patients with seamless, convenient and personalized healthcare experience. Patients can access a wide range of healthcare services, including in-person appointment booking, virtual consultation, online medication ordering, medical record management and lab report access, all with the click of a button. With 700,000 downloads in FY23 alone, myAster has grown quickly to become a leading E-commerce platform for medicine delivery and ranks as the no. 1 free medical app on play store and app store in UAE. Key upcoming services on myAster include labs and home care, with the help of which myAster would be able to enable end-to-end facilitation for all of Aster's key healthcare services.

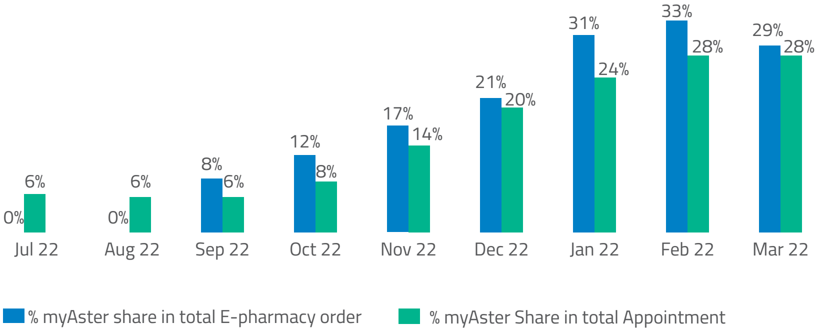
Ranked amongst Top Downloaded Health & Fitness Apps in EMEA

E-pharmacy

With myAster's e-commerce stack, we offer patients the ability to order both prescription and non-prescription medicines on the platform via a user-friendly, easy to navigate platform. Patients can enjoy express delivery on their medication within 90 minutes and choose from a diverse assortment of products at competitive prices. Since launch last year, we have experienced remarkable growth in our E-pharmacy business in the GCC, with a significant increase of over 400%. This digital transformation has enabled us to streamline operations, reduce manual processes and operational costs, allowing us to deliver exceptional pharmacy services to our valued customers. Key upcoming features like prescription automation journey, recommendation engine and personalization will help myAster establish a strong competitive edge in the market



myAster as a % of total appointments & E-pharmacy orders FY-23



Digital Hospitals & Clinics

With this service, patients can find their preferred doctors in clinics & hospitals, view schedules and book in-person appointments with them. They can even schedule virtual consultations and interact with general practitioners in as early as 10 minutes. Post the consultation, patients can view their prescriptions, lab records and can directly order lab tests and medicines via myAster. It also acts as a single source of all health records for patients. Current active user base for consultation stands at 105,000 (24x growth since launch), and this will only continue to grow rapidly with the scale-up of recent hospitals launch.

Digital transformation of workforce

We have implemented continuous training programmes to ensure the adoption of new tools and technologies. Our employees are trained and retrained to ensure that they remain updated with the latest trends and best practices in their respective fields. Our clinical staff and support teams are provided with regular training and development opportunities to enhance their skills and knowledge. We have invested in developing a robust training infrastructure, including e-learning platforms and online training modules. The focus is on ensuring that the workforce has the necessary skills to leverage new tools and technologies effectively.

Aster Connect

Aster Connect has a profound impact on HR processes to create a seamless journey for employees from the time of their recruitment to their retirement. The platform has recently onboarded tools like Aster Wiz, a chatbot, which has transformed the way employees access information. It provides quick and accurate responses to basic queries without requiring HR intervention.

Aster Connect integration with the Visa module has made the visa application and renewal processes more transparent and efficient, reducing the turnaround time and eliminating the need for manual paperwork. This has increased employee satisfaction and productivity while also contributing to the overall improvement in retention rates. Furthermore, the platform provides access to dashboards and analytics, enabling informed decision-making and helping HR personnel to understand employee preferences.

Our partnership

Intelpixel

Our collaboration with Intelpixel spans across couple of projects that aim to enhance medical imaging analysis using sample images provided by us, as per protocols. Automated tool for image interpretation using AI for Carotid Ultrasound and improving the workflow in the echocardiography laboratory by automatically identifying echocardiogram views and extracting quantitative parameters using AI and CNN were some of the projects worked in partnership with Intelpixel.

Siemens Healthineers

Our partnership with Siemens Healthineers focuses on the 'Digitalization of Healthcare', to enhance the patient experience and streamline healthcare processes. Together, we leverage digital platforms and solutions to enhance healthcare services and provide a seamless, connected experience for patients. Our partnership objectives include research collaboration, workflow optimization, a road map for implementing future-ready technologies, education and training programs utilizing Siemens Healthineers' expertise and global footprint.

Qure.AI

This collaboration focuses on optimizing a CE approved tool for the interpretation of chest X-rays utilizing advanced algorithms and machine learning techniques to our radiology workflow requirements. The aim is to reduce diagnosis time and enabling radiologists to focus on complex cases and critical decisions.

LTTS

We have partnered with L&T Technology Services (LTTS) to develop a tracheal tree navigation protocol using AI and ML. This collaboration aims to improve precision and confidence in navigating the tracheal tree, ultimately enhancing patient outcomes.

Logy.AI

We aim to validate the Logy.AI Eye screening solution for validation of the AI models for cataract screening using just smartphones. As a clinical validation partner, through the chatbot validation and rigorous testing of the AI models on the ground patient data, we aim to validate the accuracy of the AI models developed by Logy.AI.

Growing with Aster Telehealth

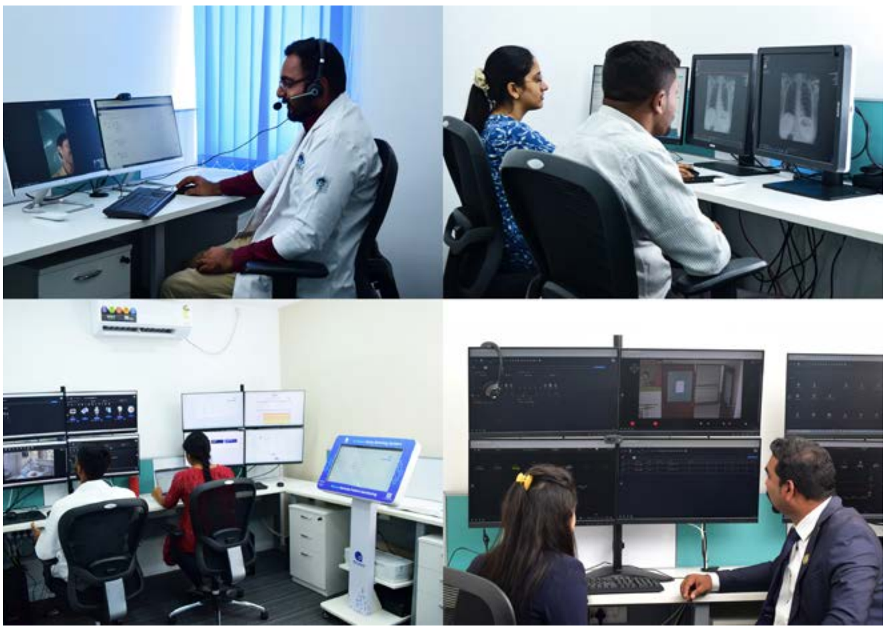
Aster Telehealth has progressively grown to extend the services of its experts beyond the boundaries of its hospitals and clinics leveraging technology.

In line with organization's commitment to leverage technology to improve the accessibility to the needy, Aster has started its first **"Telehealth Command Centre"** in Bengaluru. The centre will be the backbone of all telehealth operations offering a range of services, including virtual consultations,

remote patient monitoring, teleICU, teleradiology and telemedicine-enabled interventions.

As part of its digital initiatives, Aster has successfully consolidated Radiology services across the group, to establish "**Aster Medical Imaging**". The consolidation of radiology operations has helped leverage expertise, extend coverage, and extend its services to non-Aster entities across the globe, while bringing in efficiency across the organization. Aster Medical Imaging currently supports & operates nearly 165 centres, across 9 countries reporting over 1.6 million cases annually.

One Aster: One Aster provides a digital portal for patients to book appointments online via the web or mobile devices. This platform is integrated with existing hospital information management system to create a unified booking platform and provide a centralized access to patients record across Aster hospitals in India.



Aster e-Consult: Aster e-Consult is the teleconsult platform for patients to consult Aster clinicians and avail quality consultation remotely. The platform enables patients to select doctors across multiple criteria like qualifications, languages spoken and availability. The mobile version of the app provides an added convenience to patients for connecting with their doctors. Users can also upload their medical records prior to the consultation for review by the doctor. Consultations notes and prescriptions generated by the doctors are also available to the patients within the Aster e-Consult platform, with a functionality order medicines at home.

Aster Connected Care: Aster's Tele-ICU model enables remote monitoring and management of critically ill patients in client ICUs using technology platform. It connects Pediatric, Neonatal, and Adult ICUs of clients with Aster command center for surveillance by intensivists & trained critical care paramedics and ensure 24/7 critical care delivery. The remote-monitoring service is a sophisticated remote healthcare solution that enables healthcare providers to monitor patients' vital signs and health data from their homes or remote locations, by utilizing advanced technology such as sensors and wearable devices.

The Digital Innovation and Research vertical of Aster is involved multiple projects that have potential to provide a better patient experience and across multiple spectrums of healthcare. The Research Team is involved in multiple projects at various stages of evaluation and testing, primarily focusing on Artificial Intelligence with external partners and with internal stakeholders to drive data insights for better decision making and patient outcome.

Data Privacy

We have implemented a comprehensive set of measures to ensure the protection of sensitive information and comply with data privacy regulations.

- Our data loss prevention strategy includes disabling USB ports, implementing firewalls, enhancing internet security, and maintaining round-the-clock threat detection capabilities.
- We are actively investing in a Data Loss Prevention (DLP) solution to mitigate risks and plan to implement it across our operations by the end of this year.
- We are adopting EMR (Electrical Medical Record) and refining access controls to protect data and restrict access to authorised personnel.
- We have appointed a dedicated Data Protection Officer to oversee and manage data privacy.
- We conduct thorough vendor due diligence processes to assess data security and privacy risks.
- We conduct regular risk awareness campaigns to educate our employees about data privacy risks and best practices through newsletters, sessions, and flyers.

Human Capital

At Aster we are driven by our mission to become the most preferred healthcare employer by 2025 in the regions we operate where every Asterian finds purpose and aspires to be the best in providing care for our patients and customers.

3,863
Doctors

13,318
Enabling & Support

8,975
Nurses

4,174
Outsourced staff

Aster Cares

As we reflect on the achievements and progress of our organization over the past year, we firmly believe that success at Aster hinges on the dedication, expertise, and passion of its people. Our commitment to nurturing and empowering our workforce has been a guiding principle in achieving sustainable growth and delivering exceptional value to our stakeholders. Our culture of "Aster Cares" stems from the brand promise of "We'll treat you well" and builds engagement and high performance through the 3 pillars of Trust, Productivity & Wellbeing. We seek to build trust through leadership connects, feedback surveys and focus group discussions. We drive higher levels of productivity through upskilling our workforce, promoting internal career opportunities and digitization of people processes. We promote well-being through dedicated well-being interventions that address physical, mental, social and financial aspects of well-being. We take pride in recognizing our high performers and in creating people practices that attract and retain top talent in industry.

As we continue to invest in talent, foster a culture of innovation and inclusivity, prioritize employee well-being and enhance engagement and retention, we are confident that our human capital will remain a valuable asset at Aster, driving us towards even greater heights of success in the years to come.

People Excellence Strategy

Our unified people strategy enables a high-performance culture and strives towards creating a rewarding employee experience

Employer Brand & Culture

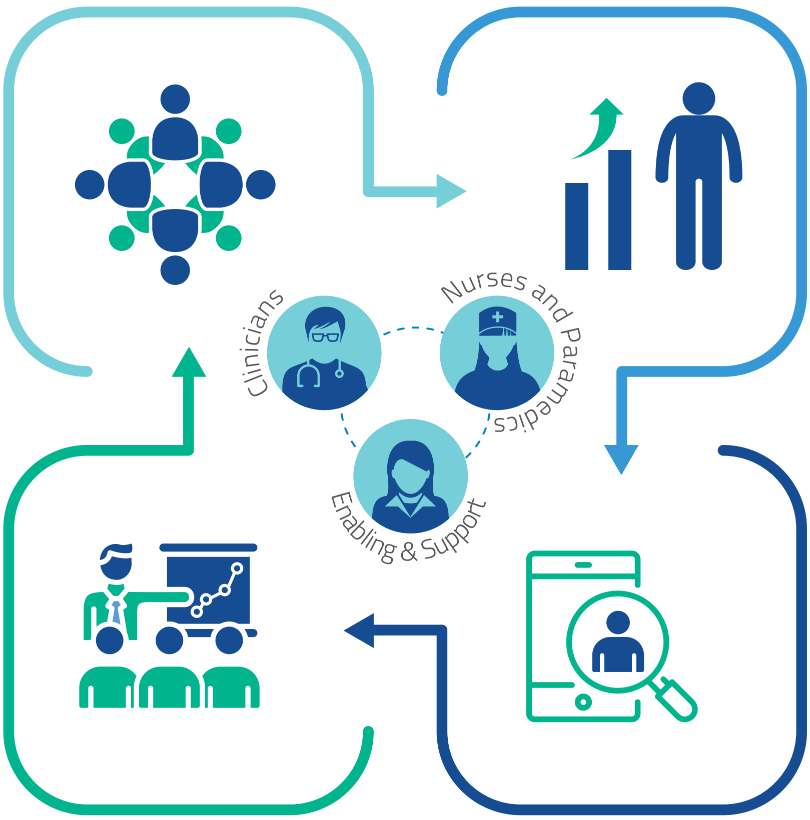
Become a great place to work for current and future Asterians

- **Aster CARES Culture**
- **Talent Diversity & Inclusion**
- **Well- being & Engagement**

Digital

Digital people solutions to enhance connectivity, engagement and productivity

- **Digitize employee experience**



Performance, Development & Sustainability

A sustainable high performing and equal opportunity organization

- **Integrated Performance & Talent development**
- **Learning & Career Growth**

Efficiency & Productivity

Highly efficient and productive workforce that drives our performance and impact

- **Competitive Reward Schemes/Incentives**

Employer Brand & Culture

Become a great place to work for current and future Asterians

Talent Diversity & Inclusion

At Aster we take pride in our journey towards building a diverse and inclusive workplace that fosters innovation, creativity, and long-term success. We embrace diversity by hiring individuals from different backgrounds, cultures, genders, ethnicities, ages, and abilities.

People of Determination

72

Nationalities

The focus of this year was to add diverse workforce and nationalization in GCC

Group wide we have 112 people of determination, POD (64 in India, 48 in UAE)

We have established the partnership with Ministry of Community Development (MOCD) in UAE and with social service trust in India for any POD hiring.

Gender Bifurcation Group Wide

	GCC	INDIA
Male	42%	40%
Female	58%	60%

Women representation (GCC) :

- Entry level: **89%**
- Mid Management to Senior Management : **11.4%**

Women representation (India)

- Entry level: **90%**
- Mid Management to Senior Management : **10%**

Our focus has been to steadily increase the representation of women in management and leadership roles over the period of next 3 years.

Aster Discover: Early Talent program

We have a robust early talent program for full time employment and internship opportunities for management graduates, clinicians, engineers and high school students.

Wellbeing & Engagement

Our journey towards creating an engaging workforce starts by building a listening culture at Aster where employees participate through flagship leadership connect programs called Frontline Obsession to share suggestions to build a better Aster everyday. The main objective of the Frontline Obsession Initiative at Aster DM Healthcare is to create an environment where all employees, especially those directly involved in patient care and services, feel heard, valued, and empowered. We received over 1000+ suggestions out of which, 900 suggestions have been actioned upon. This has also led to several group wide projects such as the Service Wallet, Drone Delivery of medicines, Internal Job opportunities and expansion of hospitals etc.

Encouraged by the positive outcomes of the first FLO, we introduced FLO 2, which is specifically designed to foster connections among clinicians across the organization. Through this initiative we also aim to help clinical administrators and renowned doctors to evolve into managerial roles to facilitate hospital operations, to support the COO and CEO. Since its inception, FLO 2 has conducted 17 townhalls, during which we received an impressive number of 600+ suggestions from doctors alone.

At Aster we understand the multidimensionality of wellbeing and the importance of taking care of our people in a comprehensive manner through pulse surveys and wellbeing initiatives that address holistic wellbeing of employees. Our Wellbeing initiative is called Meet the Moment which is propelled by a simple, unifying goal: helping Asterians feel empowered to put their wellbeing first – so they can be their best self at home, work, and everywhere else.

1500 +

employee suggestions to build a better Aster every day

101

Wellbeing champions trained across employee segments on promoting a psychologically safe workplace

948 nurses trained

Promoting Awareness of Mental health challenges across frontlines

We also conduct multiple awareness sessions for our frontliners and enabling and support employees on sensitive topics such as suicide prevention. The objective of this program is to improve wellbeing and provide timely counselling support especially for our frontline staff who are at risk of high stress and burnout

Performance Development & Sustainability

A sustainable high performing and equal opportunity organization

Integrated Performance and talent development

Our High-performance philosophy is anchored on goals that connect with the Aster's mission, vision and brand promise of "We'll treat you well" along with values that are anchored on the 9 Aster competencies. The performance philosophy guides and inspires all 30,000+ employees to bring their best to the workplace while driving individual and organizational success.

The 3 enablers of high-performance culture at Aster

- Purpose driven goals
- Managers and Leaders who act as mentors
- Aster Cares culture that promotes trust amongst all stakeholders

At Aster we take a comprehensive view of Organization performance as reviewed through 7 pillars of performance to drive sustainable growth across all stakeholder communities

- People Excellence
- Service Excellence
- Clinical Excellence
- Technology, Digital Transformation & Innovation
- Brand Equity
- Sustainability & Community Connect
- Business Performance

At Aster we also look at comprehensive and integrated talent reviews for all Managers and above to identify and track high potentials for critical roles and build leadership succession pipeline. We have so far identified more than 130+ Managers who are now a part of ongoing development initiatives to prepared them for future roles which also aligns with their career aspirations.

Learning & Career Growth

At Aster we take pride in creating personalized learning opportunities and career paths to fast track development of our high performers and high potentials. Our learning interventions are an offshoot of continual feedback conversations which involve quarterly check-in, mid year evaluation, multirater feedback and end year evaluation.
We also have dedicated programs to continuously upskill our frontline staff.

Our people initiatives have been celebrated across forums and we are proud to be recognized as top employer in the UAE for internal career mobility by LinkedIn as a testament of our internal development programs

Learning Purpose & Culture

- Developing for today, building for tomorrow – ensuring convergence of performance & potential
- Enabling Career mobility by offering diverse learning experiences
- Organizational Learning to ensure alignment of individual purpose with Aster's mission
- Organizational Learning on embedding right Cultural mindset, behaviours & ways of working, across responsibility levels, to enable alignment with evolving business needs. Trust workshops conducted for creating the right mindset among the employees

Learning Philosophy

The Learning & Development initiatives are progressively organized across distinct areas, for creating focused interventions

- Foundational courses that ensure the workforce, at all levels, is updated on policies & systems at Aster so that consistent & quality onboarding experience enable lower time- to-productivity. The Global On-boarding process is designed to ensure consistency across the group for new joiner assimilation
- Professional Development courses with clear focus on our top 200 managers – developing for today & building skills for tomorrow
- Organized interventions for fostering personal development including physical & emotional well-being - to help manage self & team better

Learning Practices – Enabling Enhanced Productivity & Efficiency

- Micro-Learning enablement through self-paced bite-sized digital modules for 'anytime-anywhere' learning
- BU-specific customized learning sessions to focus on operational excellence capabilities for frontline staff capability development
- Group-level interventions for building perspective, sharpening acumen, and enabling strategic orientation through exposure to
    - Customized Leadership programs, co-created with leading academic think-tanks
    - 1:1 Executive Coaching sessions with leading international coaches of repute
    - Engagements for focused skill building of Middle-management

GROW (Get Ready for Opportunities at Work) with Aster

Building Aspirational Career Road map for the Nursing Fraternity

The Nurses at Aster are at the forefront of providing patient care and the dynamic workforce, driving the service excellence mission on being one of the most sought after healthcare providers, through seamless patient experiences, covering their journey from wellness to illness. The holistic Aster GROW (Get Ready for Opportunities at Work with Aster) intervention was launched with a focus to proactively provide extensive structured personal development, career growth and management opportunities for all nurses, across levels, across the group.

There are three key tracks as part of this initiative

- Intra Movement & Development to facilitate abundant opportunities within the Nursing Fraternity through
  a. Horizontal Progression to enable movement across geographies and lateral movements (specializations)
  b. Vertical Progression to enable movement to the next level/grade
- Inter movement and development to cater to the aspirations of nurses who want to explore roles outside nursing, across Business / Functions
- Well-being and Engagement through reorganization of work-life and retention benefits and Recognition platforms

As an organization, Aster is committed to providing aspirational career journeys to its Nursing fraternity within and beyond the function. Aster aspires to see future business leaders emerge from Nursing. To aid Career Mobility, NEST (Nurses Enhancement of Skill and Training) was launched to create "ready now" bench strength of nurses. A total of 42 candidates were onboarded across 4 batches.

Aster Health Academy

Aster Health Academy is a modern day healthcare ed-tech initiative focused on professional education for both clinical and non-clinical functions. The Academy draws from the Aster resource pool in addition to management veterans and healthcare specialists from across the world to contribute to the learning and development of the next in line. Aster Health Academy has forged the right partnerships for both content and delivery to ensure an industry-first experience in the domains of online and blended learning. The Academy aims for a transformation that changes lives, businesses, and nations through digital upskilling and collaboration to nurture a dynamic skillset capable of facing the challenges of tomorrow.

With first set of courses live for internal and external audiences, and plenty more in the works, the Academy is poised to increase their sphere of influence across geographies and impact healthcare learning through the Leadership & Management Programmes, Clinical Trainings, Life Saver Trainings, Allied Health Courses, Nurse Go Abroad Programme and Technology courses for healthcare.

Aster EDVantage

Aster EDVantage, a Digital Health & Innovation Learning intervention was launched in the year 2021. It is predominantly designed for the Doctors to not only imbibe an adaptive, digital mindset but also be able to foresee future possibilities in their arena using Artificial Intelligence & applications and Digital Healthcare. The blended certification journey includes webinars developed and delivered by Aster DM doctors and internal experts, videos, and research articles. Aster's customized Learn Management system – My Learn – is also being leveraged to drive personalized learning experiences as part of this intervention.

Aster EDVantage is aimed at enabling doctors to impact digital transformation at Aster DM by proactively addressing the needs of the constantly evolving Healthcare landscape and establishing gold standards for clinical and patient care.

Aster EDGE

We recognize the importance of nurturing strong leadership capabilities within the Middle Management team. In line with this objective, we launched a people leadership programme, Aster EDGE Aster EDGE (Explore, Develop, Grow & Empower) – Making Leaders in February 2023 with the vision of driving "Great People Culture" among our People Managers. This programme is specifically curated to build and enhance the capabilities of Assistant Managers, Deputy Managers, and Managers across the entire group. It is a mandatory programme that aims to equip participants with a comprehensive set of leadership tools, case studies, and theories.

Participants delve into topics such as self-resilience, conflict management, and leadership styles. They also gain awareness and understanding of essential social skills, emotional intelligence (EI), and action planning. They also gain valuable insights into strategy formulation, operational excellence, and the intricacies of driving business growth.

Going Digital to improve employee experience and build connectivity

Our digitization initiatives across the employee life cycle enriches the employee experience from hiring to development. Digitization enables data-driven decision-making, ensures smooth on boarding and enhances compliance and security. Overall, our goal has been to leverage technology to drive efficiency, employee experience, and organizational agility

Aster connect

HR Digitization

Aster started its digital transformation journey in 2018 with the implementation of Oracle HCM and the entire hire to retire cycle was moved from a manual processes to the system. Aster today manages 30000+ employee and contractor records on a single system.

Key Highlights

1

To ensure compliance with country wide labour laws , we have standardized and digitized the overall attendance monitoring and payroll process improving the efficiency of the entire process.

2

Groupwide probation and performance reviews are managed online for all employees. Performance Management for Clinicians a one of its kind initiative was piloted in India for a few units and is in progress for GCC units.

3

For talent acquisition, the system at any given point, has a huge pool of 400K+ active candidates and requirement based recruitments are initiated every month through Aster Connect which is also connected with job portals.

4

Employee Visa processing was digitized to the last mile and Robotic Process Automation added to reduce manual efforts and improve employee experience.

Employee Experience Management

During employment at Aster, we focus on creating the best experience for them at various touchpoints through feedback surveys. Each HR transaction is quantified and bounded with SLA/ TAT and woven around creating superior employee experience. While leaving the organization as well, we connect with exit employees ensuring that benefits are settled on time. A major highlight in our journey is amalgamation of HR Analytics in improving our People Experience scores and our Glassdoor ratings. Our rating has increased to 4.1 for Aster DM Healthcare. We endorse Design Thinking to make our experience better not only for our Patient Care but also improvements seen in SLA/ TAT and compliance.

Our score for Employee Experience during Onboarding process stands at 98% which cites an improvement from last FY scores. We are also happy to share that our Glassdoor reviews have increased from 3.7 last year to 4.1 this year which is a testament of our strong employer brand.

Efficiency & Productivity

Highly efficient and productive workforce that drives our performance and impact

We have a comprehensive Total Rewards philosophy for the organization which help us us attract and retain high performers across all employee categories, while also ensuring that we are productive.

Key elements of our Total Reward Strategy:

- **Alignment to Business Strategy**
  Incentivize actions and behaviors aligned to organizations vision, mission and strategy
- **Performance Based**
  Based on individual & organization performance with objective criterion and differentiation basis performance
- **Fairness & Equity**
  Design and delivery of rewards is fair, transparent and objective with no bias
- **Flexible to address Short & Long term needs**
  Flexible on both organization & employee needs and accommodate pay differentiation
- **Continuous Evolution**
  Reviewed and evaluated regularly to ensure alignment with business needs and employee expectations
- **Communication & Transparency**
  Clear & transparent communications on structure, criterion and process used to determine rewards

Our salary structures our designed according to the talent segment for each of our brands and in line with the differentiated HR strategy. We have multiple incentive/bonus plans designed in the organization to promote pay for performance. These could range from sales incentive plans to promote topline growth in our retail businesses to various gain sharing plans with our clinician community. We have a comprehensive review of our benefit schemes across the group where we review the utilization data along with our insurance partners to ensure that benefits are competitive and relatable to different generations of employees that we have in our workforce. Our end of service benefits are compliant to country wise labour laws wherever our employees operate.

Social and Relationship Capital

At Aster, our value-based healthcare approach lays a profound emphasis on building stronger bonds with people as well as communities. It allows us to deliver patient-centric solutions, aim for clinical excellence and expand our footprint within the country.

Building relationship with patient

Training programmes to enhance customer experience

We have a structured, two-day induction programme that all employees must complete as part of our mandated policy. We conduct finishing school programmes for nurses, which are 5-day workshops where nurses are coached on the importance of patient experience and how they can contribute towards the same in their routine tasks, to ensure that all Patient Facing Roles provide superior customer experience. Thorough service excellence training programme is also completed by all front-line employees, and it educates and coaches them to use the appropriate resources and delight patients.

Initiatives to improve patient care

We provide a number of tools, including the voice of the customer, a query management system, one touch, and a care continuum which together works to enable the development of a customer-centric culture. In order to accurately understand customer needs and respond to it, we gather real time feedback, on qualitative as well as quantitative aspects.

We periodically conduct a benchmarking activity with other service industries to stay ahead of the curve. We recently introduced the Medcare Look-Grooming Guideline for all customer-facing roles within the company. We launched a reward and recognition programme, whereby we strive to enhance customer delight through means that go well beyond pre-defined criteria. In each quarter, the winners are recognized in front of the Group CEO, Hospital and Clinic Operations Heads, and Functional Heads.

Feedback from patient

We have several learning and listening portals available to record unbiased feedback from clients and attendees and we use it to inspire advancements and innovations at work. On the day of discharge, we receive feedback from our patients about the patient journey. We have established a queue, specifically to receive feedbacks from inpatient visits and 5% of outpatient visits to learn about their experiences while they were with us. QR codes have also been installed at receptions to enable patients to gather feedback from outpatient visits.

We have introduced the following service offerings and product enhancements based on customer feedback.

One Touch Application is used to resolve an increasing number of nursing complaints regarding call bell adherence.	Query Management System receives frequent complaints from patients about a lack of response time and an SLA for responding to queries.	We introduced Molton Brown in all restrooms and public areas for complaints about poor quality toiletries.	We installed coffee and Nespresso machines in rooms in order to respond to increasing patient complaints about the inadequate supply of tea or coffee in rooms.	We introduced a pillow menu to the room in response to patient complaints about the hospital's pillow selections.	We Introduced Instant Feedback System whereby the patient can give feedback on 5-point rating scale without revealing his or her identity.

Engaging with our patients

Promoting health and safety awareness through BLS program

We provide range of advance courses through our basic life support training programme which includes advanced courses such as Advanced Cardiovascular Life Support (ACLS), Pediatric Advanced Life Support (PALS), and Neonatal Resuscitation Program (NRP), Pediatric Advanced Emergency Assessment, Recognition and Stabilization (PEARS), and others. By offering a broader range of courses, we cater to diverse needs of healthcare professionals and community members to create more opportunities for engagement and continuous education.

Partnerships

We have collaborated with public service organizations and non-profit groups to offer training programmes to members. It has allowed us to reach a wider audience and promote health and safety awareness in a more targeted and impactful manner.

Promotion

We have created engaging content on social media platforms such as Facebook, LinkedIn and Instagram to spread awareness about the importance of BLS training. We use digital marketing channels such as email marketing and pay-per-click advertising to reach a wider audience and drive engagement for our programmes.

Events

We host community events such as health fairs, seminars, and workshops to promote health and safety awareness and provide opportunities for individuals to learn about our training programmes. By hosting these events, we create a sense of belonging to the company and build lasting relationships.

Value based healthcare

Our Healthcare delivery

We are dedicated to deliver high-quality healthcare services through a comprehensive range of initiatives. We conduct clinical audits based on standard treatment guidelines to ensure adherence to best practices and quality care. Our key performance indicators relate to clinical processes and outcomes are meticulously monitored across all clinical departments to ensure excellence. Our preventive health checkups are offered to identify potential health issues early and initiate prompt intervention.

Our services

We also provide homecare services for chronic disease management, with the distinction of being the first JCI (Joint Commission International) accredited homecare service in the country. Post-discharge care is prioritized through regular calls, follow-up consultations, and convenient lab test and pharmacy deliveries to patients' homes. Health camps are also organized to enhance healthcare accessibility, followed by diligent follow-up procedures.

Digital initiatives

Our cutting-edge digital healthcare innovation helps in evolving patient care through telemedicine and the Tele ICU concept. The implementation of a 5G ambulance, emergency network, and satellite ERs enable swift and efficient response during critical situations. Remote monitoring capabilities allow real-time monitoring of cardiac failure patients and help to reduce re-admissions. It also enables us to provide care proactively. Through the integration of smart wearables, patients can conveniently track and transmit vital health data to healthcare professionals, facilitating early intervention and personalized care.

Building a robust supplier network

India

We strive to foster strong, mutually beneficial relationships with our suppliers in India. To ensure the best selection, we engage multiple vendors and conduct rigorous evaluations. Additionally, we encourage effective communication and transparency, establishing clear expectations and requirements from the outset. This ensures that both parties understand each others needs and objectives. By working collaboratively, we can align our goals and find mutually beneficial solutions.

We value quality, reliability, and timely delivery from our suppliers and have established key performance indicators (KPIs) to monitor and evaluate their performance. Also, regular feedback sessions and performance reviews are conducted to identify areas for improvement.

GCC

In the GCC region, our supplier evaluation process entails thorough assessments of their facilities to gain firsthand insights into their operational capabilities. By reviewing their infrastructure, equipment, production processes and quality control measures, we ensure that our suppliers have the necessary resources and comply with relevant regulations and industry standards. In addition to this, we also focus on supplier development programmes, which are designed to enhance the capabilities of our suppliers. This enhances their efficiency and enables them to deliver higher-quality products and services. Through training, support and collaboration, we assist suppliers in developing their technical skills, operational processes and innovation capabilities. This approach not only benefits our company but also contributes to the overall competitive edge and growth of our suppliers.

Building stronger communities

Aster Volunteers

Aster Volunteers, the social contribution arm of Aster DM Healthcare, is actively involved in the planning and implementation of projects that encompass various domains such as community development, medical and wellness initiatives, national and international aid, disaster recovery, child health, and support for People of Determination. In a remarkable duration of only 6 years, Aster Volunteers has made a significant difference in the lives of over four million individuals. This impressive achievement has been made possible through the dedicated efforts of 56,000+ volunteers, who actively engage with people and communities to create tangible impact on the ground.

Each year, Aster Volunteers actively participate in cleaning water bodies, planting trees, organizing medical camps, and extending assistance to the underprivileged in various ways. They demonstrate remarkable responsiveness during times of calamity by swiftly providing essential necessities like food, water, medical supplies, and other vital items to those affected.

With a collective effort, a total of 56,157 volunteers have joined Dr. Moopen in his mission to serve the less fortunate and promote values of humanity, empathy, and social welfare wherever Aster DM Healthcare operates.

We are thrilled to observe a remarkable 24% surge in Aster Volunteer Registrations compared to the previous year. This significant increase is a testament to our commitment to our social cause, and we are determined to continue fostering even greater numbers as we expand our efforts further.

Aster Volunteers Mobile Medical Services (AVMMS)

In 2013, we initiated the Mobile Medical Services program with the objective of delivering primary medical care to individuals residing in remote regions of India, the UAE, and other parts of the world.

Our mobile clinic team conducts health talks in various languages, educating people on health care practices. We collaborate with our partners and take part in important campaigns to provide medical services in six countries. During the year, we added four new places to our network, including Kaithal in Haryana, Railmagra, Barmer and Qatar.

4

New AVMMS in 2022-23 (Kaithal-Haryana, Railmagra, Barmer and Qatar)

AVMMS operating in

13

Countries

Mission Kaithal – Haryana

We have collaborated with the government of Haryana, Ashok Leyland and Roots Foundation, to extend our efforts to underserved communities through AVMMS. Our dedicated team from Aster Volunteers India led the way in providing vital healthcare services. More than 150 drivers from Haryana benefited from these essential services. We have plans to deploy additional AVMMS units in remote areas of Haryana. Our aim is to bridge the gap in healthcare access, especially in the last-mile regions where people have limited access to medical facilities.

Mission Railmagra – Rajasthan

We have collaborated with the government of Rajasthan, Ashok Leyland and Roots Foundation, and launched a new Mobile Medical Services Unit in North India. Our goal is to bring healthcare services directly to people's doorsteps, making it easier for them to access the care they need. We are excited about this collaboration and the opportunity to make a positive impact on the lives of individuals in the region.

Mission Barmer – Rajasthan

We have partnered with the Ruma Devi Foundation, Human Welfare Foundation and Roots Foundation to launch a life-changing Mobile Medical Services programme in Barmer. Initiative makes healthcare accessible to underserved communities. Our dedicated team of volunteer doctors, including Obstetrics and Gynaecology specialists from Aster Hospitals Clinics and Pharmacies in Dubai, Senior Paediatric Consultants from Aster CMI Bengaluru and Paediatric Cardiac Surgeons from Aster Medcity Kochi, joined forces with local volunteers to organize a six-day medical camp.

Aster Sick KIDS Foundation (ASK)

The ASK Foundation is the philanthropic arm of the Aster DM Foundation, located in Kochi. Our mission is to ensure that every child, regardless of their financial situation, receives superior-quality healthcare facilities. While evaluating a child's needs, we work closely with the Aster DM Foundation, Aster Medcity and Aster CMI. Together, we make it possible for 75% of the total medical bill to be waived off, with the family being responsible for only the remaining 25%. Our aim is to alleviate the financial burden on families while providing the best possible healthcare for their children.

Blood donation drives

Our blood donation camps focus on maintaining an adequate and safe blood supply for medical treatments and emergencies. These camps help save lives, support crucial medical procedures and provide a lifeline to individuals in need of blood transfusions. We encourage people to donate blood through multiple blood donation camps held across India and the GCC.

29

Blood donation drives

1,076

Donors

World Diabetes Day – Diabetes Screening Camp

On World Diabetes Day, we organized a campaign to raise awareness about diabetes, its prevention and management globally. As an active participant in this campaign, we offered complimentary initial assessments and HbA1c tests, which measure average blood glucose levels over the past three months. These assessments and tests were made available at designated Aster Hospitals and Aster Labs in India. Through these efforts, we aim to contribute to the early detection and management of diabetes, ultimately promoting better health outcomes for individuals affected by this condition.

Aster sets a new Guinness World Record

To commemorate World Diabetes Day, Aster DM Healthcare organized a remarkable event at Dubai Investments Park, wherein the largest free diabetes screening and awareness camp for low-income workers was conducted.

This camp made history by setting a new Guinness World Records title for the most pre-diabetes/diabetes forms completed in a single venue within a span of 24 hours. A total of 12,714 individuals were screened during the camp, and the officials from Guinness World Records were present to assess the event. Following the assessment, a prestigious Guinness World Records certificate was presented to Dr. Azad Moopen, the Founder Chairman and Managing Director of Aster DM Healthcare, acknowledging this outstanding achievement. We extend our heartfelt gratitude to all the dedicated volunteers whose selfless support contributed to the success of this remarkable feat.

Mega Medical Screening Camps

Aster Volunteers organized around 150 mega health camps to provide healthcare services to underprivileged communities across geographies. These camps aim to address the healthcare needs of individuals who lack access to quality medical facilities.

A wide range of healthcare services are provided to the attendees, including ophthalmology, cardiology, pediatrics, and general medicine. Free medical check-ups, consultations, and diagnostic tests to identify and address various health concerns are carried out by medical professionals and Aster Volunteers. Additionally, awareness sessions on topics like basic life support, hygiene practices, and disease prevention were conducted to educate the participants and empower them to take charge of their well-being.

The mega health camps witnessed a significant turnout, with around 10,000 individuals. Through the collective efforts of Aster Volunteers and the support of partner organizations, these camps have played a crucial role in improving the health outcomes of underserved communities.

Heart-to-Heart Walk

Aster Volunteers launched the "Heart-to-Heart Walk" initiative that captured the hearts of many and aimed to improve the heart health of underprivileged children. For every 10,000 steps walked, Aster Volunteers pledged to contribute INR 100 towards the funding of pediatric cardiac surgeries through the Aster DM Foundation.

The initiative quickly gained momentum, attracting the attention of 7,960 compassionate individuals who registered to participate in this noble cause. These volunteers wholeheartedly embraced the initiative and eagerly took on the challenge of accumulating steps. The collective effort of all the walkers yielded a staggering 18 crores steps an awe inspiring testament to their dedication and determination. Each step represented a commitment to better heart health and a brighter future for underprivileged children suffering from heart conditions.

With every stride taken, Aster Volunteers fulfilled its promise of contributing INR 100 for every 10,000 steps completed. The cumulative efforts of the participants resulted in a generous donation of INR 17.87 lakhs towards funding pediatric cardiac surgeries. This substantial sum, facilitated through the Aster DM Foundation, will provide crucial medical interventions to children who would otherwise be unable to access or afford the life-saving treatments they urgently require.

The impact of this initiative goes beyond the numbers. It embodies the spirit of empathy, unity, and compassion that exists within the Aster community and its volunteers. By coming together, they have not only raised funds but also raised awareness about the pressing issue of pediatric heart health.

'Kindness is a habit' campaign

Our campaign aims to inspire individuals worldwide to embrace and practice kindness as a daily habit. We recently introduced several environment-friendly initiatives to promote sustainable practices. Leveraging our network of 30 hospitals across seven countries, we are committed to providing 1,000 subsidized surgeries to disadvantaged individuals globally. We have pledged to perform the first 250 surgeries completely free of charge. For the remaining surgeries, we are offering a generous 50% discount. Through these efforts, we aim to make quality healthcare more accessible and contribute to the well-being of those in need.

Aster Green Choice Initiative

Planting trees for a greener future

We have partnered with the Emirates Environmental Group to conduct a tree plantation drive at the Ras Al Khaimah-Hatta Border in the UAE. This collaborative effort brought together our volunteers from various units of Aster DM Healthcare. Through this initiative, we were able to reduce CO_2 emissions, create carbon sinks, promote biodiversity and contribute to environmental sustainability in the region.

2,000+

Saplings planted

Smile 5.0

To bring smiles to the faces of underprivileged children, we have collaborated with the Emirates Red Crescent and the Landmark Group. We have organized special shopping trips for them in numerous places, providing children with memorable experiences and spreading happiness in their lives. We believe in the power of compassion and are dedicated to making a difference in the lives of those in need.

350

Volunteers participated

Aster MIMS provides employment opportunities to the differently-abled

At Aster MIMS Hospital, we have recently taken a significant step towards inclusivity by offering employment opportunities to 10 individuals with disabilities. To find the right candidates, our HR Department conducted interviews, onboarded around 50 differently-abled individuals. This initiative demonstrates our commitment to building a diverse and inclusive workforce, empowering individuals with disabilities.

Delivering the right care to fight cancer

We have organized a series of webinar programmes and screening camps as part of our observance of World Cancer Day. Our primary objective was to raise awareness about the early detection and prevention of cancer. The cancer screening camps were especially crucial as they provided accessible and affordable screening services to individuals who may not have regular access to healthcare facilities. During these camps, we offered a range of screening tests, including mammograms, Pap smears and oral cancer examinations.

650

Women benefited from screening camps

Aster Disaster Aid

The "Disaster Aid" pillar of Aster Volunteers plays a critical role in providing immediate relief and support during times of crises and natural disasters. With a swift and coordinated response, this pillar mobilizes volunteers and resources to affected areas, ensuring the timely distribution of essential aid such as food, water, medical supplies, and shelter. These dedicated volunteers work tirelessly to alleviate the suffering of those impacted by disasters, offering comfort, care, and assistance when it is most needed.

Aster Homes

Our efforts also included supporting the flood-ravaged state of Kerala. Although our initial goal was to construct 250 homes for those who had lost their shelters during the disaster, we surpassed expectations by building a total of 255 homes across 9 districts in Kerala over a span of four years. The project reached its final milestone with the inauguration of 37 cluster homes, situated on approximately 1.37 acres of land. These cluster homes provide a sense of belonging and offer assistance to the families affected by the floods, offering them a fresh start and a safe place to live.

Supporting the earthquake victims of Turkey and Syria

As Turkey and Syria experienced a series of devastating earthquakes, support poured in from across the globe to help the distressed residents of the two countries. Aster Volunteers UAE, worked 7 days continuously to support 'Bridges of Giving', a relief mission led by the Emirates Red Crescent. As part of the campaign, 50+ volunteers joined forces with the Emirates Red Crescent Team to sort and pack relief boxes at the Mega Collection Drive organized in Expo City Dubai. An incredible 9,500 relief aid boxes were sorted, packed, and arranged for shipment. Additionally, Aster Volunteers in association with Aster Pharmacy and Neopharma donated 2 million AED worth of medicinal supplies for the disaster victims.

AID for Assam

Aster Volunteers, in collaboration with the Rotary Club of Silchar, Assam, and local NGOs, stepped forward to provide support to the flood-affected state of Assam in three phases. A total of INR 486,281 was collected to aid the mission. Multiple medical camps were conducted, and emergency preparedness kits were distributed in Silchar and the Barack Valley, benefiting over 1,500 individuals. The second and third phases focused on longterm solutions. Ultrafiltration Water Units were installed in several educational institutions and the Central Jail of Assam, ensuring access to clean and potable water not only for flood victims in relief camps but also for students and neighboring communities.

Key achievements of Aster Volunteers

905,481

Mobile Medical Services
Care provided by AVMMS to the doorstep of underprivileged people

304,161

Disaster Aid
Beneficiaries in Somalia, Jordan, Bangladesh, UAE, India, Yemen

255

Aster Homes
A new home for the people who have lost their home in Kerala flood

2,047,214

COVID Support
Individuals impacted through Food Distribution, Webinars, Covid Camp, vaccination

222,384

BLS Awareness Training
Basic Life Support awareness provided

49,955

Treatment Aid
INR 15 crores+ worth treatment aid provided on yearly basis

142

Employment to People of Determination (PoD's)

780,526

Individuals treated via 6,517 medical camps

Natural Capital

At Aster, we prioritize energy efficiency, waste management, and water conservation as key pillars of our sustainable operations. As a responsible corporate, we aim to minimise our impact on the environment and build a stronger foundation for a greener future.

The healthcare sector has a vital role to play in meeting the Global Greenhouse Gas (GHG) reductions and climate action. Healthcare facilities are significant contributors to GHG emissions due to their energy consumption, waste generation, and transportation needs.

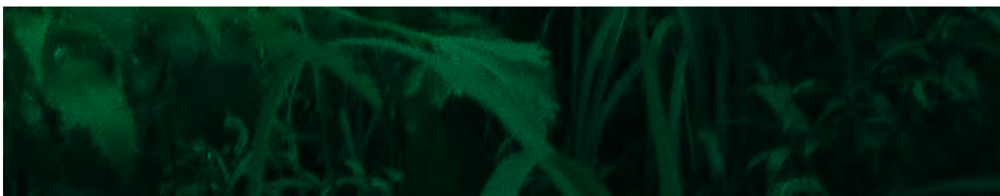
As such, adopting sustainable practices and implementing climate action initiatives within the healthcare sector can have a profound impact on reducing carbon footprints and mitigating climate change.

24%

Water consumption in our operations is from recycled and rain water

7,500 tCO_2e

Net emission reduction from renewable energy consumption



Managing emissions

Efficient Lighting Project at Ramesh Sanghamitra Hospital

Dr. Ramesh Sanghamitra Hospital in Ongole has upgraded its lighting system by replacing its old, inefficient lighting fixtures with new, more energy efficient ones.

As a first step, an assessment was conducted on the existing lighting fixtures to identify potential areas for improvement. This involved inspecting the specific type of bulbs, their wattage, and the lighting fixtures themselves. Any defective or inefficient fixtures were replaced.

In the second step, the hospital implemented a switch to LED lighting fixtures, which consume less energy and have a longer lifespan compared to conventional fluorescent or incandescent lights. LED lights also generate less heat, reducing the strain on cooling systems and resulting in lower energy usage and costs.

To further reduce energy consumption, timers and motion sensors will soon be introduced alongside the new LED fixtures. These additions will automatically switch off lights in vacant spaces.

Overall, the installation of new lighting fixtures at Dr. Ramesh Sanghamitra Hospital has improved lighting quality, reduced energy usage and costs, and promoted sustainable practices.

Environmental Sustainability Measures in Our New Hospitals

Aster DM Healthcare continues to reinforce its commitment to environmental awareness and sustainability with the launch of its new hospitals. As a socially responsible healthcare provider, we understand the importance of incorporating eco-friendly practices into our operations. To minimize our ecological footprint, we have implemented a range of energy-efficient measures throughout our facilities.

- Installation of solar water heaters enables us to harness the power of the sun to meet our hot water requirements, thereby reducing our reliance on conventional energy sources.
- Through strategic architectural design, we have prioritized maximizing natural daylight, allowing us to minimize the use of artificial lighting during daylight hours.
- Embracing cutting-edge technology, we have installed a sophisticated Building Management System (BMS) that allows for intelligent monitoring and control of various energy consuming systems, ensuring efficient utilization of resources and minimizing waste.
- The traditional lighting sources have been replaced by LED lighting fixtures, significantly reducing energy consumption, and promoting a greener environment.
- Additionally, we have invested in efficient chillers and water fixtures to conserve energy and reduce water consumption.
- Effective insulation has been integrated into the hospitals, ensuring optimal temperature control, and reducing the need for excessive heating or cooling.

With these comprehensive measures, Aster DM Healthcare reaffirms its commitment to being environmentally aware and actively contributing to a sustainable healthcare ecosystem.

Energy efficiency

At Aster, we are committed to adopting energy-efficient practices to minimise our environmental impact. As part of our initiatives, we are replacing old HVAC units with energy-efficient and environment-friendly equipment, such as split ACs. This transition not only reduces energy consumption but also contributes to a healthier and greener environment. We have replaced traditional lighting fixtures with energy-efficient LED lights, to significantly reduce electricity usage.

In addition to equipment upgrades, we make our people aware of energy conservation. We encourage practices such as switching off lights when not in use, installing motion sensors for

efficient lighting control, and setting correct temperatures on thermostats for optimal energy usage.

To further enhance our energy management efforts, we are implementing an IoT-based central monitoring system in our hospitals. It enables real-time analysis of the indoor environment, allowing us to identify energy inefficiencies promptly. It allows us to take corrective actions in real-time, to optimizing energy usage and minimise waste.

Solar energy

We have initiated the installation of Solar PV panels across our hospitals in the UAE. Solar PV projects have also been initiated in Qatar and KSA, demonstrating our emphasis on utilizing renewable energy sources. We have conducted third-party energy audits for all GCC hospitals. These audits allow us to assess our energy consumption and identify areas of improvement. The recommendations from these audits are implemented using a revenue-sharing model, to ensure that the benefits are maximized for both Aster and the energy audit partners. As part of our future plans, we aim to expand solar projects to other units in the GCC.

Solar PV project at Aster Hospital Al Qusais (AHQ) and Medcare Hospital Al Safa

The installation of solar pv at AHQ and Medcare Hospital Al Safa has been completed with annual generation capacity of 277 MWh and 799 MWh respectively. The total electricity generation per annum would be approximately 1.1 Million KWh and would reduced about 500 tCO_2e of emissions in a year. In addition the two installations shall result in net annual savings of AED 436K. We are exploring the feasibility of installing solar PV at other hospitals to further reduce our GHG intnsity.

SOLAR PV AT DM WIMS WAYANAD

Our decarbonisation initiatives continued across multiple hospitals, at DM WIMS Wayanad a solar plant of 650 kWp has been commissioned that shall reduce 460 tCO_2e per annum.

Waste management

We have implemented a comprehensive strategy to reduce the generation of medical waste while ensuring its proper disposal. We conducted thorough analyses to identify the sources and root causes of medical waste generation within our facilities. Additionally, awareness training sessions were conducted for our medical staff, housekeeping staff, and facility management team to promote responsible waste management practices and create a culture of waste reduction.

We set targets across all departments to actively reduce biomedical waste, emphasizing the importance of segregating waste and implementing best practices. Guidelines were circulated throughout the organization to ensure consistent adherence to waste

management protocols. We installed new machines capable of converting medical waste into general waste, following all necessary approvals from relevant authorities. This investment helps minimise the volume of medical waste and ensures compliance with environmental regulations.

Our project

We have launched a project to reduce the amount of medical waste generated per bed per day by 10%. The goal is to find ways to decrease the volume of waste produced in our facilities. We closely monitor our waste management progress through a monthly tracking system, calculating the ratio of BMW (Biomedical Waste) generated per bed per day. This helps us evaluate the effectiveness of our waste reduction efforts and determine if we are achieving our goal of reducing waste volume by 10% per bed. Any deviations were promptly addressed through corrective actions, ensuring continuous improvement and compliance with waste reduction goals.

Waste recycling at Aster Medcity

At Aster Medcity, we have made significant strides in our waste recycling efforts, ensuring a sustainable and environmentally responsible approach. Our commitment to recycling is evident in the composition of waste recycled, where we have successfully recycled 71% of waste cardboards, 26% of metal scrap, 2% of plastic waste, and 1% of paper waste.

This impressive breakdown showcases our dedication to maximizing the recycling potential of various materials, minimizing waste generation, and reducing our overall ecological footprint. By prioritizing recycling initiatives across these waste categories, we strive to create a circular economy model that not only benefits our organization but also contributes to the broader goals of sustainability and environmental stewardship.

Biomedical waste management

We prioritize minimizing the generation of bio-medical waste and ensuring its proper containment to prevent contamination and hospital-acquired infections. Our waste management practices encompass general, infectious, hazardous, and radioactive waste types. We take proactive measures to avoid waste generation, employing appropriate receptacles to safely contain the generated waste. To maintain safety and environmental standards, we transport the waste to designated disposal facilities, where it undergoes treatment based on its specific type.

Water conservation

Going beyond the essential elements of drinking water, sanitation, and hygiene, our commitment extends to comprehensive water management strategies. By embracing SDG 6, we actively tread towards responsible water stewardship, aiming to secure a sustainable future for patients, communities, and the environment. Our unwavering focus on optimizing water usage enables us to ensure equitable access, minimize environmental impact, and uphold rigorous sustainability standards within the healthcare industry.

The primary consumers of water within our healthcare system are our hospitals, while clinics, pharmacies, and laboratories utilize smaller amounts. Although the majority of water consumed in our facilities is sourced from local providers, we also supplement some of the water consumed in our India operations with groundwater.

We also proactively engage in recycling rejected or wastewater whenever feasible, effectively easing strain on local water sources and fostering a heightened focus on environmental responsibility.

We have implemented various measures to reduce water consumption throughout our facilities. To optimize water usage, we have installed water pressure reducers in washrooms, wash basins, and kitchens. These devices help regulate water flow, minimise wastage and promotes efficient water usage. Additionally, we collect condensation water from HVAC (Heating, Ventilation, and Air Conditioning) units and reuse it for irrigation purposes.

By utilizing this collected water for irrigation, we reduce reliance on freshwater sources and contribute to sustainable water management. We are also aiming to install waterless urinals during building upgrades and new projects. It provides an innovative solution that eliminates the need for flushing, significantly reducing water usage while maintaining hygiene standards.

Waste Water Treatment and Reuse

Aster DM Healthcare's dedication to waste management and resource optimization is reflected in the way we handle wastewater across multiple hospitals. It has constructed a number of sewage treatment facilities so that the wastewater that is produced by its hospitals can be treated and reused for flushing, horticulture, and cooling tower applications.

Recycling

We have taken proactive steps to implement recycling practices across our hospitals in the UAE. By partnering with a reputable recycling company in Dubai, we have initiated the recycling of paper, plastics, and metals from our healthcare facilities. To support waste segregation, we have strategically positioned waste bins throughout our hospitals, making it convenient for staff and visitors to segregate waste easily. We have made a conscious choice to use recycled paper bags, reducing our reliance on single-use plastic bags and promoting the use of eco-friendly alternatives. Looking ahead, we aim to launch an electronic waste recycling project in the coming year.

24%

Water consumption in our operations is from recyled and rain water

Sustainability across our operations

In our construction projects, we are exploring the use of sustainable materials to qualify for LEED certification, promoting eco-friendly practices and reducing our carbon footprint. For current projects involving clinics and retail spaces, we prioritize small fit-out works to optimize resource utilization. We have transitioned to paperless invoices and reports from vendors, minimizing paper usage and promoting sustainable practices across our supply chain. Plastic bags have been replaced with eco-friendly paper bags within our pharmacies, reducing plastic waste and encouraging responsible consumption.

Corporate Information

Board of Directors

Dr. Azad Moopen
Chairman and Managing Director

Ms. Alisha Moopen
Deputy Managing Director

Mr. T J Wilson
Non-executive Director

Mr. Anoop Moopen
Non-executive Director

Mr. Shamsudheen Bin Mohideen Mammu Haji
Non-executive Director

Mr. Daniel Robert Mintz
Non-executive Director

Mr. Chenayappillil John George
Independent Director

Dr. James Mathew
Independent Director

Mr. Sridar Arvamudhan Iyengar *
Independent Director

Mr. Wayne Earl Keathley
Independent Director

Mr. Emmanuel David Gootam
Independent Director

Ms. Purana Housdurgamvijaya Deepti
Independent Director

*Mr. Sridar Arvamudhan Iyengar resigned with effect from May 23, 2023

Dr. Nitish Shetty
Chief Executive Officer- Aster DM Healthcare Limited- India

Mr. Amitabh Johri
Joint Chief Financial Officer

Mr. Sunil Kumar M R
Joint Chief Financial Officer

Mr. Hemish Purushottam
Company Secretary and Compliance Officer

Registered Office

Aster DM Healthcare Limited
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bengaluru-560102, Karnataka, India

Secretarial Auditors

M Damodaran & Associates LLP
Practicing Company Secretaries,
MDA Towers, New.No.6, Old No.12,
Appavoo Gramani 1st Street, Mandaveli,
Chennai – 600 028, Tamilnadu, India

Statutory Auditors

Deloitte Haskins & Sells
Chartered Accountants
Prestige Trade Tower, Level 19,
Palace Road, High Grounds,
Bengaluru – 560001, Karnataka, India

Registrar and Transfer Agent

Link Intime India Pvt Ltd
C-101,1st Floor, 247 Park,
Lal Bahadur Shastri. Marg,
Vikhroli (West), Mumbai -400 083,
Maharashtra, India

Management Discussion and Analysis

Global Economy

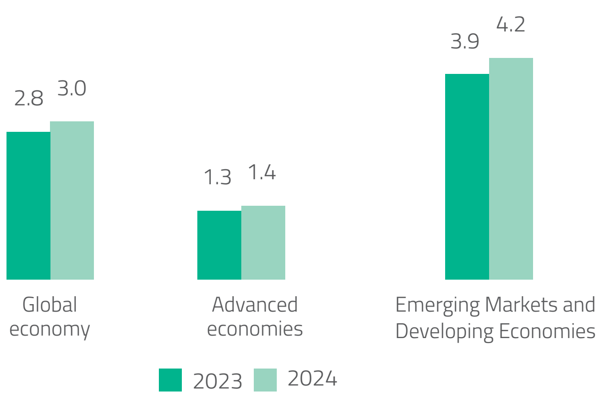
Over the past year, the global economy has continued to bear the burden of several macroeconomic pressures, impacting various sectors including the healthcare industry. In addition to the impact of the war between Russia and Ukraine, the countries around the world have been affected by supply chain disruptions and rising inflationary pressures. The resurgence of Covid-19 in China has also slowed down growth prospects, while the global economy has witnessed an inflation of 8.7% in CY22. Furthermore, it is expected that inflation will slow down to 7% in CY23 before slowing down to 4.9% in CY24.[1] This has put an additional strain on healthcare budgets and affordability, necessitating careful financial management within the industry.

A recessionary environment prevailed in Europe and United States too. On the back of rising commodity prices, consumer demand continued to be muted. Alongside, the fragility of the US financial system has come to the fore with the banking crisis in the country and this may have potential ripple effects on the healthcare industry, resulting in changes of funding mechanisms and regulations.

Outlook

The global economy is expected to grow by 2.8% in 2023 and 3% in 2024. Efforts by the Central banks to tighten monetary policy are also anticipated to ease global inflation.[2] This is likely to reduce the price of essential commodities and in turn, reduce the burden on the common man. Overcoming Covid woes, China has ramped up production and is expected to rebound in the near term which is likely to contribute to the recovery of global healthcare supply chains. Besides, emerging and developing economies are anticipated to play an integral role in shaping the way forward for the global economy.

Fig 1: GDP growth (%) predictions for the year 2024



(Source- IMF World Economic Outlook, April 2023)

GCC Economy

A strong economic recovery has been witnessed across the oil exporting Gulf Cooperation Council (GCC) countries, mostly buoyed by high oil prices. This recovery is expected to have positive implications for the healthcare sector, as increased economic stability and revenue streams can potentially lead to higher healthcare investments and improved access to quality healthcare services. Supporting new supply-demand dynamics, policymakers remain focused on securing energy supplies from this region. As a result, growth prospects for the GCC remain upbeat. Additionally, countries in the GCC are also looking to diversify revenue streams, away from oil exports, to sustain its growth momentum. This provides expansion opportunities for the healthcare sector too.

Moreover, the GCC countries are also planning to increase the utilization of renewable energy for electricity generation. They are also aiming to minimise the role of the public sector and enhance private participation in the energy sector to explore growth prospects. The transition towards green energy is expected to lead the transformation towards a low-carbon economy and in turn, enhance GDP growth.[3]

Outlook

The economic outlook for the GCC countries remains positive as the countries in this region grew by 2.5% in 2023 and are expected to grow by 3.2% in 2024. The GDP of the GCC would increase to an anticipated US$ 6 trillion by 2050, if they retain the growth momentum. However, the GDP of the GCC nations might increase to approximately US$ 13 trillion by 2050 if they adopt a green growth plan that would aid and speed up their economic diversification. The transition towards sustainable and low-carbon healthcare practices, along with increased investments and private sector participation, can contribute to the growth and development of the healthcare industry, ultimately benefiting the population by providing improved healthcare services and advancing medical innovation. For this, private sector investment would play a leading role in job creation and the adoption of green energy.[4]

Indian Economy

Despite economic weakness witnessed all over the world, the Indian economy remained remarkably resilient and has become one of the fastest growing major economies in the world. According to the second advanced estimate of NSO, the GDP growth for the financial year 2022-2023 has been 7.2%[5]. Amidst robust domestic demand and improved investor sentiment, the Indian economy is well on track to rebound growth. Formal sector employment rates have improved and business performance of the private sector continue to be encouraging. Besides, the government's concerted efforts to increase capital expenditure has added impetus to economic activity.

[1]https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023
[2]https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023
[3]https://www.worldbank.org/en/country/gcc
[4]https://pib.gov.in/PressReleseDetailm.aspx?PRID=1928682
[5]https://pib.gov.in/PressReleseDetailm.aspx?PRID=1928682

In the recently released Union Budget, the government announced a capex of around 10 lakh crore rupees, which amounts to 3.3% of GDP.[6] It is expected to crowd-in private investment, increase job opportunities and demand, which will help in enhancing India's growth. The recent pandemic has also shifted focus on the healthcare industry and investments for improving medical facilities continue to be prioritised. Healthy collection of goods and services tax (GST) and direct tax receipts indicate a positive momentum and it is anticipated to cushion the Indian economy against concerns of a global downturn.

Outlook

In FY 2023-2024, India's economic growth is projected at 6.5 percent and effective monetary policies are expected to curb inflation considerably. On the back of rising domestic demand, declining inflation, rising employment rates and strong fiscal policies, the Indian economy is expected to withstand the combined pressures of a tough macroeconomic environment[7]. Figure 1 depicts the GDP growth of India as compared to the BRIC Nations for the period 1990-2023. In the last eight years (2015-2023), India has been growing at a rate greater than the other nations, making it the most attractive business market for the investors.

INDUSTRY OVERVIEW

Global Healthcare Industry Post-COVID-19

Global healthcare has been irrevocably altered by the COVID-19 pandemic, which has accelerated the adoption of new technology and service delivery methods. At the same time, it has also shown the way in which healthcare systems need to be modified to provide people services in an effective manner. After the pandemic, virtual healthcare has gained momentum. A huge potential awaits the virtual healthcare sector due to the use of advanced technology and growing awareness about the need to avail quality healthcare services. It will allow people to easily connect with experienced doctors and help in better management of various health issues.

Emerging technologies like Artificial Intelligence, Blockchain, telehealth and monitoring devices provide continuous update on health and wellbeing. By 2024, nearly 440 million consumer health and wellness wearable devices are expected to be shipped worldwide as medical professionals continue to be more comfortable in using them[8].

Applications of Artificial Intelligence (AI) are increasingly focusing on numerous aspects of healthcare such as assistance for clinical decisions, prevention, treatment and monitoring of diseases. It is also aiding diagnosis and treatment of various health issues. Besides, the use of advanced technology and innovative methods of doing work have helped healthcare personnel to effectively overcome challenges.

The Covid-19 pandemic tested the resilience of healthcare systems around the world. It allowed medical professionals to undertake innovative methods to deliver quality care. In many instances, lack of information affected people's well-being. These issues were also addressed with online campaigns and virtual sessions. To tackle the requirements of the healthcare sector, the demand for trained and experienced medical specialists is expected to increase manifold in the coming years. However, there will be an estimated shortage of 10 million healthcare workers worldwide by 2030[9].

Climate change has also been one of the biggest health threats for the human race. Whether it is the availability of safe drinking water, fresh air or adequate food supply, people have been impacted due to changes in climatic conditions. A quarter million more deaths are expected to be caused by malnutrition, malaria, diarrhoea and heat stress between the year 2030 and 2050, in the absence of sustainable and resilient healthcare ecosystems.[10]

Attributing to the above factors, the average global expenditure on medicine is expected to increase from USD1000 billion in 2023 to USD 2000 billion by the end of 2027 (Figure 2). This surge in spending reflects the increasing demand for healthcare services, advancements in medical research, and the need for innovative therapies and treatments. The evolving healthcare landscape, coupled with the rising burden of chronic diseases and aging populations, is driving the need for greater investment in pharmaceuticals and medical technologies. As countries strive to enhance healthcare access and quality, the expenditure on medicine is poised to play a pivotal role in shaping the future of global healthcare systems. It is imperative for policymakers, healthcare providers, and industry stakeholders to collaborate and develop sustainable strategies that ensure affordability, accessibility, and efficacy in the delivery of medical services and medications. By proactively addressing these challenges, we can pave the way for a healthier and more prosperous future for individuals and communities worldwide.

Outlook

The health sector demonstrated phenomenal resilience in the face of crisis. From overcoming the Covid-19 pandemic to dealing with novel infections and diseases in different parts of the world, its impact on well-being continues to evolve. Governments and nations have taken stock of healthcare requirements and are heavily investing in upgrading medical facilities. In the years ahead, private as well as public healthcare expenditure is expected to rise. With a proper plan to handle crisis and enhance patient care, the healthcare sector needs to focus on upgrading facilities and improving its care portfolio with technologically advanced methods of treatment and diagnosis.

GCC Healthcare Industry

The GCC healthcare industry has completely evolved after the pandemic. Accelerated digitalization, increased use of data analytics, proactive wellness regulations and increased health awareness has completely changed the dynamics of healthcare and wellness industry. The technology, telecommunications, and consumer industries have seen

[6]Reserve Bank of India

[7]https://www2.deloitte.com/us/en/insights/economy/asia-pacific/india-economic-outlook.html

[8]https://www.deloitte.com/content/dam/assets-shared/legacy/docs/gx-UPDATED-Health-care-Outlook-2023_Consolidated.pdf

[9]https://www3.weforum.org/docs/WEF_Global_Health_and_Healthcare_Strategic_Outlook_2023.pdf

[10]https://www.deloitte.com/content/dam/assets-shared/legacy/docs/gx-UPDATED-Health-care-Outlook-2023_Consolidated.pdf

a flood of investments as a result of disruption and a multidisciplinary approach to innovation. Looking ahead, the healthcare industry is expected to grow at a 6.4% CAGR from 2021 to 2027, reaching US$ 23.6 billion in 2027.[11]

Currently, the GCC healthcare industry is in transformative phase, transitioning from cure to prevention, due to the growing awareness about health and well-being. Digital transformations have also taken place and governments are focused on investing in smart technologies to transform the healthcare sector. Organizations are developing strategic plans to implement data integration and make use of cross-functional capabilities that will increase their competitive advantage and promote the development of integrated healthcare networks.

However, numerous challenges such as shortage of healthcare personnel prevail in the healthcare industry. Moreover, the region is highly reliant on imports. Disruptions in the supply chain may increase global prices. The cost of healthcare services in the GCC region continues to rise because of lack of specialized treatment, dependence on imports and the demand for complex treatments. To overcome these challenges, the regulatory authorities are encouraging investments from private players through the PPP model. They are also prioritizing investments in technology and is moving towards a value-based care model that places patient care at the centre of their growth strategy.

United Arab Emirates (UAE) Healthcare Industry

UAE, one of the Middle East's most economically developed and diverse marketplaces, has an excellent healthcare system driven by innovative technologies. The digital healthcare commitment by the country's government is accelerating the growth of the healthcare industry. For the federal budget 2022-26, the UAE government has allocated Dh4.9 billion (8.4 per cent of the total budget) for healthcare and community protection[10].

The adoption of smart technologies including Artificial Intelligence and Machine Learning continues to rise. Healthcare service providers are also committed to use new and advanced technologies to ensure service excellence and better treatment for patients. Furthermore, the quick expansion of infrastructure, increasing emphasis on precautionary care and robust policies by the government has played a key role in boosting the sector. The country's reputation and the liberalising policies by the government is also attracting foreign direct investments from private companies to invest in sectors like home nursing, tele-health, virtual care and many more.

Saudi Arabia Healthcare Industry

In the past few years, technology has become an important part of the kingdom's healthcare system. The power of Artificial Intelligence, metaverse, blockchain and virtual reality is being harnessed to increase the healthcare capabilities as well as quality of operations and medical care in the country. It has made great progress in enhancing its healthcare infrastructure, which is one of the key pillars of its economy.

In 2022, Saudi Arabia established a Health Sector Transformation Programme which aims to ensure continuous development of healthcare services and aims to offer 88% of the population inclusive medical facilities by 2025. The regulatory authorities also plan to invest in the healthcare sector to build resilient and sustainable healthcare models. According to a report published by Mashreq and Frost & Sullivan, a total of US$66.67 billion is planned to be invested in healthcare infrastructure and it is anticipated to increase from the current 40% to 65% by 2030. It aims to privatize 290 hospitals and 2300 primary health centres[13].

Qatar Healthcare Industry

Qatar has one of the best healthcare sectors in the world and in the coming years this sector is expected to gain prominence as medical tourism continues to drive the country's economic diversification strategy. The healthcare industry has experienced tremendous growth and is expected to reach $12 billion by 2024.[14]

Additionally, investments in the sector is consistent with Qatar's desire to create a population that is both physically and psychologically fit, as expressed by the Qatar National Vision 2030's human development pillar. The country, therefore, plans to shore up investments in cutting-edge healthcare infrastructures, facilities and technologies as well as the development and improvement of the current healthcare services.

Oman Healthcare Industry

The Sultanate of Oman has made many attempts to create a robust healthcare ecosystem that is inclusive, sustainable, and extremely flexible to community needs. With a keen focus on the well-being of its people, Oman's health vision 2050 aims at creating a well-organised, just, effective, and responsive health system that is based on society principles of social justice and equity. To reduce the public sector healthcare burden, the government is also focused on regulating the private sector to address the healthcare needs of the people. However, there are many challenges in Oman and with significant government policies, the healthcare sector in the country is poised for tremendous growth.

Bahrain Healthcare Industry

Bahrain's hospitals and clinics are growing on account of rising demand for specialty treatments. The country's healthcare system has seen great prospects for more investments due to the growth of general and specialty medicine as well as the development of medical facilities in hospitals. Bahrain's healthcare sector is also influencing the healthcare in the Gulf because it has strong foundations, attractive development potential, a strategic position, and promising talent. The government's economic vision for 2030 aims to provide all residents access to quality medical facilities. They are also investing in new technologies and encouraging the private sector to build a sustainable healthcare system.

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[11] https://www.businesswire.com/news/home/20221006005550/en/GCC-Health-Insurance-Market-Report-2022-A-Market-Valued-at-23.6-Billion-by-2027---Industry-Trends-Share-Size-Growth-Opportunity-and-Forecasts---ResearchAndMarkets.com

[12] https://www.zawya.com/en/economy/gcc/uae-spends-about-35-of-gdp-on-healthcare-expert-tf9a6ha6

[13] https://insights.omnia-health.com/saudi-arabia/healthcare-saudi-arabia-industry-overview

[14] https://www.invest.qa/sectors-and-opportunities/healthcare-and-life-sciences

Growth opportunities in the GCC healthcare industry

Aster DM Healthcare is a leading integrated healthcare services provider operating in multiple countries across the Middle East. The presence of the following factors facilitates growth of our company in the GCC healthcare segment:

- **Partnerships and adoption of technology**

  To address the challenge of low awareness about digital health technology and the high cost of acquiring customers directly, Aster's focus is shifting towards B2B2C partnerships. These partnerships between health solution developers and healthcare professionals aim to make specialist medical treatments more accessible and affordable. Effective collaborations with healthcare providers can help raise awareness about the benefits of digital healthcare technologies and improve their adoption among patients.

- **Expansion of digital therapeutics**

  Digital therapeutics is a field that makes use of evidence-based treatments to treat or manage a disease or condition by supplementing or substituting current treatment methods. Chronic illnesses that are commonplace, like diabetes and hypertension, cause considerable pain in people, rob them of years of healthy life, and place a significant financial load on healthcare systems. Expansion of digital therapeutics in the KSA and the UAE could help patients and lessen the strain on healthcare staff by integrating digital therapeutics technologies into patient care, for example to monitor blood sugar levels and dispense insulin. The digital-therapeutics market in KSA and UAE has far from reached its full potential and new service providers can explore opportunities in this segment. There is also less usage of apps in these countries because limited number of solutions are available for patients.

- **Medical tourism**

  Medical tourism has impacted the growth of the healthcare sector in the region but, there remains ample scope for improvement. UAE is one of the fastest growing medical tourism hub in the GCC. There is a huge opportunity for private players to offer quality services as the UAE government continues to extend its support for delivering excellent medical care.

Indian Healthcare Industry

India's healthcare market has been expanding at a compound annual growth rate (CAGR) of 22% due to factors such as population demographics, a growing middle class, higher earnings, increased health awareness, and an increase in lifestyle disorders. The Indian healthcare market is expected to reach US$ 638 billion by 2025[15]. The rapid expansion in the industry is facilitated by advancements in healthcare coverage and services, as well as rising investments from both public and private entities. Following the Covid-19 pandemic, there has been a heightened emphasis on self-sufficiency within the Indian healthcare system, with a shift in focus towards innovation and research, the manufacturing of pharmaceuticals and medical equipment, the digitalization of health services, equitable access to healthcare solutions, and the promotion of mental health and well-being.

The Indian healthcare industry, with its remarkable diversity, presents numerous opportunities across various sectors of medical care. Stakeholders within the healthcare service provision sector are earnestly scrutinizing novel dynamics and market trends to fuel further growth within the industry. The medical device manufacturing sector, in particular, has identified promising growth potential within India.

Key segments of Indian Healthcare sector

Hospitals and Infrastructure

The hospital business in India is rapidly growing sector, fuelled by increasing demand for quality healthcare services and advancements in medical technology. With a large population and rising middle-class, the demand for healthcare facilities has surged, leading to significant investments in the hospital industry.

Presence of world-class hospitals and skilled medical professionals has strengthened India's position as a preferred destination for medical tourism. Superior quality healthcare coupled with low treatment costs in comparison to other countries is benefitting Indian medical tourism, and in turn, has enhanced prospects for the Indian healthcare market. Indian medical tourism market was valued at US$ 2.89 billion in 2020 and is expected to reach US$ 13.42 billion by 2026[13].

Synergy Between Health Insurance Market Growth and Hospital Expansion in India"

The percentage of the Indian population covered under health insurance has been relatively insignificant. However, there has been a noticeable increase in the number of individuals opting for health insurance over time, indicating a growing demand for health insurance in India. The India health insurance market is expected to grow at a compound annual growth rate of 11.55% from 2023 to 2030 to reach USD 30 billion by 2030 The growth of the health insurance market in India is expected to have a positive impact on hospitals as well. As more individuals opt for health insurance coverage, it will increase their ability to access healthcare service bills, including hospital care. This, in turn, can lead to higher patient footfall and increased revenue for hospitals. With a larger customer base and the assurance of insurance coverage, hospitals may also have more financial stability to invest in advanced medical technologies and infrastructure, further enhancing the quality of healthcare services provided. Overall, the growth of the insurance market presents an opportunity for hospitals to expand their reach and cater to a larger population in need of medical care.

Pharmaceuticals

India currently has a $41 billion pharmaceutical market, and by 2030, the market is projected to grow to $130 billion. According to World Trade Organization (WTO), India is the third-largest pharmaceutical market in the world where production costs are around 33 percent lower than in the US. It is believed that pharmaceuticals industry in

[15]https://inc42.com/datalab/decoding-india-ehealth-opportunity-post-covid-19/

the country will continue to grow and India is expected to become a pharmaceutical hub[16].

Retail Pharmacy

In FY 2020, the industry was valued at 21.56 USD bn and is projected to grow at a 12.02% CAGR over the next five years. Because of a rise in internet users and technical improvements, online pharmacy retail channels are predicted to grow at a CAGR of 44.34% between 2022 and 2026. The pharmacy retail market is also divided into generic, over-the-counter, and patented pharmaceuticals based on drug type. Generic medications have the same chemical composition, dose effects, side effects, and administration routes as patented originals[17].

Diagnostic service market

The India diagnostic services market achieved a valuation of approximately US$ 14.57 billion in FY22. Further, it is projected that the market will grow at a compound annual growth rate (CAGR) of 11.6% from 2023 to 2032.[18] This growth can be attributed to several factors, including the rise in healthcare expenditure, the expanding elderly population, and the mounting prevalence of chronic ailments. In addition to that, advancements in medical technology are expected to contribute to a surge in the demand for diagnostic services.

Home Healthcare

It provides a range of medical and supportive services to patients in the comfort of their homes. It is a cost effective and efficient way to deliver care to patients who do not require hospitalization. These types of services include skilled nursing, physical therapy and occupational therapy. Home healthcare is currently in a nascent stage in India.

This specialized form of care is designed to cater to individuals who may have chronic conditions, disabilities, or require post-operative care. The home healthcare business is influenced by various factors, such as the size and scale of the company, its geographic presence, the range of services offered, patient demographics, and the overall demand for home healthcare in the market. With the aging population and increasing preference for home-based care, the demand for home healthcare services is on the rise, making it an attractive investment opportunity.

Emerging trends in the healthcare industry Tele-medicine

By bridging the gap between patients and their doctors or carers, telemedicine has profoundly transformed the healthcare sector, and its use will only increase over time. Consequently, it will play a big role in the growth of home healthcare. With the use of healthcare apps, patients and doctors can communicate in real-time and prevent medical emergencies.

Digital Prescription and Health Records

The usage of digital prescriptions are expected to increase significantly due to an emphasis on reducing the use of paper and creating a digital database. The global digital health market was estimated to be worth $96.5 billion in 2020, and by 2028, it is anticipated to rise at a CAGR of 15.1%. Only 14% of doctors were available for virtual consultations in 2016 but, this number increased to 80% in 2022. Unprecedented rates of digital adoption and change is expected to revolutionise the healthcare ecosystem like never before.[19]

Remote Patient Monitoring and Wearables

Remote patient monitoring helps to increase the effectiveness of healthcare services. By keeping an eye on patients outside the hospital or clinic, doctors are able to monitor patients more effectively and expand the reach of the healthcare system. It is now quite convenient to treat chronic illnesses like heart disease or diabetes with remote monitoring devices. To ensure preventive care, real-time access to data via connected wearable devices can be extremely useful. Access to such data might also encourage changes in unhealthy habits, which can aid in the management of chronic illnesses.

Personalized Medicine and Genomics

Medicines are typically developed on 'one-size-fits-all' basis. The study of DNA, digital twins, and AI have enabled carers to adopt a far more personalized approach, leading to the development of treatments that are tailored to individual needs. Drug companies need to collaborate with hospitals, clinics, and medical specialists to develop specialized medical devices and medications. Based on blood sugar measurements and other specific characteristics, personalized treatment offers recommendations for exercise, diet, and illness management that are customised for each patient.

Retail Healthcare

As major retailers have begun to offer medical services including immunisations, blood testing, and medical checks, retail healthcare is rapidly evolving. Traditionally, only trained professionals, doctors, and other medical staff provided these services in hospitals, clinics, and other healthcare facilities. Compared to traditional healthcare providers, retail healthcare services are much more easily accessible and do not require prior appointments and hence, these services have a huge growth potential in the future.

Government Initiatives in FY23

In the Union Budget 2023-24 the Government of India allocated budgets for various segments of healthcare.

- The Ministry of Health and Family Welfare has been allocated INR 89,155 crores (US$ 10.76 billion)in FY23, an increase of 3.43% compared to INR 86,200.65 crores (US$ 10.4 billion) in 2021-22.
- Allocation of INR 3,365 crores (US$ 0.41 billion) for Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)
- Human Resources for Health and Medical Education was allotted INR 6,500 crores (US$ 780 million).
- Allocation of INR 29,085 crores (US$ 3.51 billion) for National Health Mission

[16]https://www.india-briefing.com/news/indias-healthcare-ecosystem-key-segments-market-growth-prospects-26225.html/
[17]https://www.researchandmarkets.com/reports/5568509/pharmacy-retail-market-in-india-2022
[18]https://www.polarismarketresearch.com/industry-analysis/indian-diagnostic-services-market
[19]https://www.healthleadersmedia.com/innovation/ama-survey-finds-physicians-embracing-virtual-visits-remote-patient-monitoring-tools

- Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted INR 7,200 crores (US$ 870 million).
- INR 5,156 crores (US$ 675.72 million) was allocated to the newly announced PM-ABHIM to strengthen India's health infrastructure and improve the country's primary, secondary and tertiary care services.

In July 2022, the World Bank approved a US$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission. India's government is also making the e-medical visa option available to nationals of 156 countries to encourage medical tourism in the nation. The Union Government authorised funding in May 2022, of INR 190 crores (US$23.78 million), for five new medical colleges that are going to come up in Navsari, Porbandar, Rajpipla, Godhra, and Morbi in Gujarat .[20]

Challenges for the Indian healthcare industry

Lack of infrastructure

For a long time, India has struggled with a lack of well-equipped medical facilities as a result of inadequate infrastructure. Moreover, compared to the current need, the rate of construction for such medical teaching or training facilities is still lower.

Shortage of efficient and trained manpower

The lack of qualified personnel in the medical field, including doctors, nurses, paramedics and primary healthcare workers, continues to be one of the most serious concerns of the domestic healthcare sector.

High out-of-pocket expenditure remains a stress factor

Nearly 30% of Indians, or 42 crore people, do not have a health insurance, according to NITI Aayog, though true estimates are likely to be higher. The majority of Indians must pay out-of-pocket (OOP) in order to receive healthcare services. Numerous expenses, such as those for medical exams, prescription drugs and post-operative care, are mostly not covered by government programmes and commercial health insurance policies.

Rural health infrastructure

Most pharmacies and hospitals are located in urban areas, leaving rural areas underserved. In India, there is little to no emphasis placed on preventative healthcare.

COMPANY OVERVIEW

Aster DM Healthcare Limited is one of the largest private healthcare service providers operating in GCC and in India. Established in 1987 by Dr. Azad Moopen, it has grown into an integrated healthcare service provider that offers people the full spectrum of quality care through its network of hospitals, clinics, labs, and pharmacies, providing primary, secondary, tertiary, and quaternary care to all segments of the population. The organization has consistently upheld its 35-year-old mission of delivering high-quality and affordable healthcare, pushing the boundaries of healthcare excellence and creating international standards for patient care.

The Company is headquartered in Dubai, United Arab Emirates and has grown from a single clinic to a healthcare enterprise spread across 885 establishments in 7 countries. Aster has strengthened its reputation as a quality care provider and continues to earn the trust of patients from different parts of the world. Aster's portfolio is diverse, including 32 hospitals, 127 clinics, 521 pharmacies, 16 labs and 189 patient experience centres in 7 countries, as of 31st March, 2023. It has over 26,156 dedicated staff including 3,863 doctors and 8,975 nurses committed to ensure service excellence.

Key strengths

- **Driving synergies through global networks**

  Aster provides services through a wide network of hospitals, clinics, and pharmacies throughout the GCC, focusing largely on primary, secondary, and tertiary/quaternary care. Its team of qualified medical professionals also help to sustain its operations in India and the GCC. It has a robust global network in 7 countries and strives to make a positive impact on millions of lives through its top-notch healthcare services.

- **Medical Excellence**

  In order to provide high-quality healthcare to millions of people, Aster DM Healthcare strives for excellence and perfection. It aims to offer affordable healthcare and emphasize on advanced healthcare solutions to deliver patient-centric care. Additionally, it uses innovative technology to further upgrade its care portfolio and has received numerous industry accolades that attest to its constant commitment to quality healthcare.

- **Robust and expansive healthcare ecosystem**

  The company offers holistic healthcare solutions including primary, secondary, tertiary and quaternary care. It follows a de-risked business model to diversify revenues from operations in different countries.

- **Experienced team**

  Over the years, Aster has expanded its range of healthcare services with a group of skilled and experienced medical professionals, effectively led by its top management to provide each patient the finest care possible.

[20]https://www.ibef.org/industry/healthcare-india

BUSINESS OVERVIEW

GCC Segment

In the GCC region, we are mainly present in the United Arab Emirates, Oman, Qatar, Saudi Arabia, Bahrain and Jordan. We are currently planning the restructuring of our GCC Business.

GCC hospitals

The Company operates 15 hospitals across the GCC, through two renowned brands - Medcare and Aster. Table 1 provides the details of these facilities in terms of their location, year of acquisition, capacity beds and operational beds.

Table 1: GCC Hospitals Overview

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	81	63
Sanad Hospital	Riyadh, KSA	2011	230	192
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
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
Aster Hospital	Sharjah, UAE	2022	101	75
Aster Royal Hospital	Muscat, Oman	2022	179	117
Total			**1439**	**1114**

GCC Clinics

Aster has the largest clinic network in the UAE, abiding by the highest standards of medical excellence. With affordable services, it aims to improve the quality of life of patients. The Company operates 101clinics in the United Arab Emirates, 6 clinics in Oman, 6 clinics in Qatar, and 2 clinics in Bahrain.

GCC Retail Pharmacies

Aster has a huge pharmacy network of 264 stores, offering customers a wide range of products including nutritional supplements, baby care, personal care, medical devices, rehabilitation products and others.

India Segment

In India, the company operates mostly in Kerala, Karnataka, Maharashtra, Andhra Pradesh and Telangana and provides medical facilities through hospitals, clinics, pharmacies, labs and patient experience centres.

India Hospitals

The company's focus on evidence-based medicine ensures that medical treatments and procedures are supported by the most recent scientific research and best practices, resulting in better patient results. The Centres of Excellence of Aster hospitals are staffed with highly skilled medical personnel who are experts in their respective fields. This comprehensive approach guarantees that patients receive personalized and specialized care. Continuous training and professional development programmes for healthcare professionals guarantee that they are up to date with the newest medical developments and technologies, hence improving overall quality of care. The company's emphasis on patient safety, quality assurance, and adherence to international standards develops a culture of excellence in patient care. Adoption of digital health technologies and platforms improves patient engagement, accessibility, and convenience, resulting in improved healthcare experiences.

The Company operates 17 hospitals in India with an installed bed capacity of 4317 beds, as of March, 2023 and the same has been detailed in Table 2. These hospitals offer a wide range of services including Cardiac, Orthopaedic, Neurology, Oncology and others.

Table 2: India Hospitals Overview

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	695	518
Aster MIMS Kottakkal	Kottakkal, Kerala	2013	340	263
Aster CMI	Bengaluru, Karnataka	2014	508	374
Aster Medcity	Kochi, Kerala	2014	759	615
Aster Prime	Hyderabad, Telangana	2014	158	98
Dr. Ramesh Hospital	Guntur, Andhra Pradesh	2016	350	225
Dr. Ramesh Hospital	Main Centre, Vijayawada, Andhra Pradesh	2016	135	125
Dr. Ramesh Hospital	Labbipet, Vijayawada, Andhra Pradesh	2016	54	47
Dr. Ramesh Sanghamitra Hospital	Ongole, Andhra Pradesh	2018	150	130
Aster MIMS Kannur	Kannur, Kerala	2019	302	237
Aster RV	Bengaluru, Karnataka	2019	237	172
Aster Whitefield Women and Children	Bengaluru, Karnataka	2021	61	51
Aster Mother Hospital	Areekode, Kerala	2022	140	101
Aster Narayanadri	Tirupati, Andhra Pradesh	2023	150	113
Ramesh (IB)	Vijayawada, Andhra Pradesh	2023	50	42
Total			**4317**	**3304**

Aster Labs

With the introduction of Aster Lab, Aster DM Healthcare gained more control over diagnostic services, resulting in faster turnaround times and precise test findings. A more simplified and effective patient experience was the result of this integration. In addition to having a sizable presence in Kerala and Karnataka, Aster Labs have made headway in regions like Andhra Pradesh and Maharashtra. The Company shall consider broadening the scope of its diagnostic offerings in order to meet the changing needs of the healthcare industry and accommodate a wider range of medical specializations.

The Company's operational performance, which included 189 Patient Experience Centres (PEC), 15 Satellite Labs, and 1 Reference Lab, was successful. Through this network, it was made sure that patients could easily receive diagnostic services in various locations.

Aster Pharmacy

Aster DM Healthcare established the Aster Pharmacy business to provide the southern states of India with pharmaceutical and wellness products. The pharmacy division aims to provide accessibility to healthcare products and services by providing items across a variety of markets, including nutrition, baby care, skincare, and home healthcare.

Aster Pharmacy increased the size of its network in FY23, opening 106 locations in Karnataka, 85 in Kerala, 61 in Telangana, and 5 in Andhra Pradesh. The expansion of stores gave the business the ability to serve a bigger client base and offer a variety of services, which helped to improve operational performance.

Omni-channel presence of Aster pharmacy

The Aster Pharmacy's omni-channel refers to its thorough strategy for offering services through a variety of channels, including internet platforms, mobile apps, and in-person visits to medical institutions. The omni-channel allows patients to communicate with Aster DM Healthcare through their preferred channels, improving accessibility and convenience of healthcare services.

The omni-channel approach has contributed to improved revenue generation by:

- **Expanding the customer reach:** The availability of online appointments, teleconsultations, and health monitoring apps attracts a broader customer base, resulting in increased revenue opportunities.
- **Improving patient engagement:** The convenience and ease of using digital channels lead to higher patient engagement and satisfaction, increasing loyalty and repeat visits.
- **Cost-effective operations:** Digital solutions can streamline processes, reduce overhead costs, and optimize resource utilization, contributing to improved efficiency.

OPERATIONAL OVERVIEW

Bed Capacity

The total bed capacity increased from 5,065 beds to 5,756 beds by the end of FY2023. In GCC, the number of beds increased from 1,160 to 1,439. In India, the total number of beds increased from 3,905 to 4,317. The total number of operational beds have increased from 3,822 to 4,418. In India, the total number of operational beds increased YOY from 2,899 to 3,304 and in the GCC, it increased from 923 to 1,114.

On capacity management, we prioritize allocating the appropriate space to each bed based on qualitative operational key metrics. Our focus lies in ensuring that the allocation is optimized to enhance overall operational efficiency and patient experience. By carefully considering the specific needs and requirements of each bed, we strive to provide a conducive environment for quality care delivery. This approach allows us to maximize resource utilization and maintain a high standard of service throughout our facilities.

Hospital Patient Visits

The number of in-patient visits increased from 273,350+ in FY2022 to 326,300+ in FY2023. In GCC, in-patient visits jumped from 90,900+ in FY2022 to 100,600+ in FY2023 and in India it rose from 182,400+ in FY2022 to 225,650+ in FY23. The number of out-patient visits increased from ~4.09 mn in FY2022 to ~4.70 mn in FY2023. In India, the out-patient count increased from ~2.03 mn in FY2022 to ~2.70 mn in FY2023 and in GCC from ~2.06 mn in FY2022 to ~2.01 mn in FY2023.

ALOS (Days) and ARPOB (INR.)

The average length of stay reduced from 3.1 days in FY2022 to 2.9 days in FY2023. Although, for the GCC hospitals, this number stood constant at 1.9 in FY2022 and FY2023, it reduced for the India business from 3.7 in FY2022 to 3.4 in FY2023. The average revenue per occupied bed grew from INR 66,000+ in FY22 to INR 69,550+ in FY2023 for the consolidated business. The numbers showed an increasing trend for both GCC and India Business segment. For GCC, it grew from INR 192,600+ in FY2022 to INR 200,650+ in FY2023 and for India, it increased from INR 33,500+ in FY2022 to INR 36,500+ in the year ended March, 2023.

FINANCIAL OVERVIEW

On the financial performance of Aster for the year 2023, while there has been significant revenue and profit growth in India, the EBITDA growth and percentage was muted. The margins were muted in GCC due to the major expansions leading to early EBITDA loss. At a consolidated level in financial year 2023, we posted a revenue of INR 11,933 crores, an increase of 16% as compared with the last financial year. EBITDA stood at INR 1,565 crores when compared to INR 1,483 crores in financial year 2022, an increase of 6%. The EBITDA growth was impacted due to losses from new hospitals. Adjusted for this loss, EBITDA was INR 1,655 crore, an increase of 11% over the last year.

Profit after tax post-NCI stands at INR 425 crores when compared to INR 526 crores in financial year 2022. The impact of new hospitals, including the depreciation and interest costs on account of the capital allocation towards these investments was visible. Profit after tax post-NCI excluding losses from new hospitals and post adjusting for onetime other income is INR 581 crore, a growth of 7%. Figure 3 tabulates the change in key financials from FY2022 to FY2023. Table 3 details the changes in key financials and Table 4 depicts the YOY changes in the financial ratios.

India Performance

In FY2023, Aster India's revenue from operations increased from INR 2,384 crores in FY22 to INR 2,983 crores, reflecting a notable growth of 25%. The EBITDA for the India segment also showed a positive trend, increasing from INR 353 crores in FY22 to INR 453 crores, representing a growth of 28%. The profit after tax (post-NCI) improved significantly from INR 60 crores in FY22 to INR 147 crores in FY23, indicating a substantial growth of 146%.

Table 3: Change in Key Financials

Parameters	FY 2022-2023	FY 2021-2022	Growth %
Revenue from Operation (INR Cr.)	11,933	10,253	16
EBITDA	1,565	1,483	6
PAT(Post- NCI)	425	526	-19

Table 4: Changes in Financial Ratios

Ratio	FY 2022-2023	FY 2021-2022	Change
Debtor Turnover Ratio (times)	5.48	5.08	0.4
Inventory Turnover Ratio (times)	3.03	3.09	-0.06
Interest Coverage Ratio (times)	2.37	3.28	-0.91
Current Ratio	1.06	1.15	-0.09
Net Debt Equity Ratio	1.08	1.01	0.07
EBITDA Margin(%)	13.1%	14.5%	-1.4%
PAT (Post-NCI) Margin (%)	3.6%	5.1%	-1.5%
Return on Net Worth (%)	10.2%	14.5%	-4.3%

STRATEGIC PLANS

GCC Market Expansion

The Company launched the 179 bed Aster Royal Hospital in Muscat, Oman and the 101 bed Aster Hospital in Sharjah in 2022. In Qusais, it plans to open a 126 bed hospital called 'Aster Royal Hospital' by Q4 FY 24. In Qatar, a 60 bed hospital is being planned to be launched at the end of FY 25. In Saudi, we plan to launch a 59 bed Annex Building in the first quarter of FY 24. Aster DM Healthcare is expanding its footprint in Saudi Arabia with the Aster Pharmacy division tie-up with Al Hokair Holding Group. The division, through this partnership, aims to provide pharmaceutical and wellness products across segments such as nutrition, baby care, skincare and home healthcare to the communities in Saud Arabia. The joint venture plans to open and operate pharmacies in high streets, communities and shopping malls, beginning with Riyadh.

Our foray into digital health with MyAster has seen significant traction in FY23. We are ranked the #1 free medical app in the UAE, across both App Store and Play Store. We are currently at about 4,00,000+ net downloads in Q4 FY2023, double from what it was in Q3 FY223.

Both Consultation and e-Pharmacy services that are live on the platform saw significant growth during this time. This is owing to the improvements that we rolled out on the platform across - smoother appointment booking flows, quicker search, conversion focused product listing and product detail pages - all of which were done based on consumer research and feedback we obtained in our pilot days.

In FY23, about 69,000+ appointments were booked through MyAster. This number has continued to scale since the e-Pharmacy orders, including non-prescription orders, have increased significantly. We are working on improving efficiencies of our rider base using state of the art technology which shall help us to scale the digital orders further without major increase to our cost base.

Aster Pharmacy has entered a strategic partnership with UAE's largest online food delivery and q-commerce platform Talabat to bring prescription medicines directly to the front door of patients in Dubai. Under the strategic pact, Aster Pharmacy customers can upload their medical prescriptions securely and easily through the Talabat app to make prescription medicine purchases, beginning February 1st, 2023. The partnership is designed to save consumers time and money in line with Dubai's vision to provide the highest quality of specialized and accessible health care to its community members by pursuing efficiency, appropriate allocation and utilization of resources. It aims to create a complete ecosystem of care that fully utilizes the latest technologies to enhance patient-centred care and help ensure medication adherence compliance in line with Aster DM Healthcare's mission to continue to improve accessibility to healthcare.

India Market expansion

- The number of hospital patient visits increased from 182,400+ in FY22 to 225,650+ in FY23, reflecting the growing demand for Aster's healthcare services.
- In India, the total number of beds increased from 3,905 to 4,317 operational beds increased YOY from 2,899 to 3,304.
- The average length of stay (ALOS) for patients reduced from 3.7 days in FY22 to 3.4 days in FY23, indicating improved efficiency in patient care.
- Aster India expanded its pharmacy network, reaching a milestone of 106 stores in Karnataka, 85 stores in Kerala, 61 stores in Telangana, and 5 stores in Andhra Pradesh by the end of FY23.
- Aster Labs increased its foot prints to 189 Patient Experience Centres (PEC), 15 Satellite Labs, and 1 Reference Lab.

Key Strategies that contributed to the Success of Aster India during FY23:

- **Expansion Strategy:** Aster India focused on expanding its hospital, clinic, and pharmacy network in key states like Kerala, Karnataka, Maharashtra, Andhra Pradesh, and Telangana. This strategy allowed the company to reach a broader patient base and serve more communities.
- **Patient-Centric Care:** The emphasis on evidence-based medicine, multidisciplinary collaboration, and personalized treatment plans ensured that patients received high-quality healthcare services, leading to positive patient experiences and loyalty.
- **Digital Innovation:** The introduction of digital platform, allowed patients to access healthcare services through various digital channels, improving accessibility and convenience for patients.
- **Quality Assurance:** Aster India prioritized patient safety and quality assurance, adhering to international standards and implementing rigorous protocols and continuous monitoring in its healthcare facilities.
- **Talent Development:** Investments in the professional development of employees, including doctors, nurses, and other healthcare workers, ensured a skilled and competent workforce capable of delivering clinical excellence.

Human Resources

The company priorities its human resources and aims to strengthen its people policies. In order to maintain a competitive edge, it continually makes investments in the professional development of employees. Aster consistently offers its staff high-quality training to make them future-ready and equipped to handle advanced medical procedures. As of March 31, 2023, the Company has a workforce of 30,330 including 3,863 doctors, 8,975 nurses, 13,318 other healthcare workers and 4,174 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 were several risk initiatives driven across the organization, thereby adding value to the business. These include: -

Risk Identification and Assessment Process

- Carrying out Board Risk identification workshop to gain insights into risks and opportunities from a top-down approach.
- Surveying top 100 employees of the organization to discuss and challenge critical thinking around risks developing a more nuanced understanding of risks at the organization and helping eradicate siloed thinking.
- 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.
- Discussing the top risks with the Business leaders, challenging where appropriate and updating these for reporting to the Risk Committee
- Discussing risks and controls monthly with the Executive Directors, CEOs, and COOs across various business verticals to identify emerging risks, optimize assurance efforts and report risk interconnectivity.

Scenario workshop Sessions- Crisis Management

Conducted multiple Crisis Simulation scenario workshop sessions with Business Leaders and Department Heads focused on the unique executive-level decision-making and communication strategies that are critical to any crisis response.

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 joinee induction and Bi-weekly newsletter named 'Risky Times'.

ESG risks

- Implementation of ESG Risk framework and policy to monitor and mitigate any ESG risks.
- Detailed SOPs and templates drafted and approved for ESG reporting across Energy, Water, Emissions, Environmental Compliance, and Employment.
- Carrying out a stakeholder engagement process (both internal and external) via a survey to ascertain ESG Material topics to guide our ESG reporting and disclosures and to ensure transparency into ESG issues of greatest importance to the organization. The results of the survey are used for our ESG Materiality Assessment.

Risk Acceptance

Embedding of a Risk acceptance process with monthly reporting to the Chairman and Deputy Managing Director.

Risk Events

Embedding of a Risk events process with an escalation matrix for all High, Medium and Low events with appropriate reporting to the Chairman and Deputy Managing Director.

External Reviews

Implementation and successful certification of the 'Abu Dhabi Health Information and Cyber Security' (ADHICS) regulatory compliance which Healthcare facilities are required to meet the standard requirements to integrate within the new 'Malaffi' system. The standard is mandatory for licensing healthcare practitioners and facilities.

- Implementation and successful certification of the ISO 9001-2015 Quality Management Systems standard for Aster Retail demonstrating our ability to consistently provide services that meet customer and regulatory requirements.

Enclosed below, in Table 5, 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, appetite, and our mitigation strategies.

Table 5: Summary of top risks for Aster DM

Risks	Impact	Mitigation
Information and Data Security Risks	At Aster, we maintain a low-risk appetite when it comes to security breach involving the compromise of confidential data that could impact our patients, customers, employees, or shareholders, as well as proprietary information. We recognize that such breach can lead to regulatory notifications, financial penalties, legal liabilities, and damage to our reputation.	The organisation remains committed to its IT transformation strategy to ensure the robustness of systems across the landscape. 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. Ongoing vendor due diligence in place to review data security and privacy risks before onboarding suppliers.
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.
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 Revenue Cycle Management (RCM) aiming for better payer relationship and uniformity. There is an increased focus on Medical Value travel, 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. Crisis Simulation scenario workshop sessions with Business Leaders and Department Heads conducted focussing on the unique executive-level decision-making and communication strategies that are critical to any crisis response.
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.

Risks	Impact	Mitigation
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 Medcare 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 ORM 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 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 partners with a clear governance mechanism established reporting into the Steering Committee.
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, some unprecedented challenges 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, 2023.

1. RESULTS OF OPERATION AND STATE OF AFFAIRS

Financial Results

(INR in crores except per share data)

Particulars	Standalone		Consolidated	
	2023	2022	2023	2022
Revenue from operations	1,533.74	1,116.47	11,932.88	10,253.28
Other income	49.77	82.20	78.25	50.66
Total income	**1,583.51**	**1,198.67**	**12,011.13**	**10,303.94**
Total expenditure	1,401.18	1,108.71	11,477.27	9,667.63
Profit/(loss) before exceptional items and tax	182.33	89.96	533.86	636.31
Exceptional item	-	-	-	-
Profit before tax	182.33	89.96	533.86	636.31
Share of net profit/ (loss) of equity accounted investees	-	-	1.22	0.54
Profit/(loss) before tax /(benefit)	182.33	89.96	535.08	636.85
Less: Tax expense	9 .04	(0.22)	59.59	35.80
Profit for the year	173.29	90.18	475.49	601.05
Other comprehensive income/(loss), net of taxes	0 .41	0.46	198.95	93.45
Total comprehensive income/ (loss)	173.70	90.64	674.44	694.50
Profit attributable to				
Owners of the company	173.29	90.18	424.91	525.99
Non-controlling interest	-	-	50.58	75.06
Total	**173.29**	**90.18**	**475.49**	**601.05**
Total comprehensive income attributable to				
Owners of the company	173.70	90.64	598.82	608.65
Non-controlling interest	-	-	75.62	85.85
Total	**173.70**	**90.64**	**674.44**	**694.50**
Earnings per share				
Basic	3 .48	1.81	8.54	10.58
Diluted	3 .48	1.81	8.53	10.57

Financial position

(INR in crores except per share data)

Particulars	Standalone		Consolidated	
	2023	2022	2023	2022
Cash and cash equivalents	24.38	18.27	378.53	343.37
Trade receivables	111.33	61.55	2,336.31	2,020.52
Other current assets	179.17	119.96	2206.72	1,732.57
Total current assets	**314.88**	**199.78**	**4,921.56**	**4,096.46**
Property, plant and equipment (including capital work in progress)	807.66	782.51	4,883.64	4,335.55
Goodwill	-	-	1,159.67	1,087.91
Other intangible assets (including Intangible asset under development)	2.90	2.15	368.08	278.09
Other non-current assets	2,976.63	2,777.56	3,548.25	2,748.23
Total non-current assets	**3,787.19**	**3,562.22**	**9,959.64**	**8,449.78**
Total Assets	**4,102.07**	**3,762.00**	**14,881.20**	**12,546.24**
Non-current liabilities	565.85	463.95	5,365.46	4,505.04
Current liabilities	405.66	342.84	4,655.28	3,558.58
Total current and non-current liabilities	**971.51**	**806.79**	**10,020.74**	**8063.62**
Equity	499.52	499.52	499.52	499.52
Other equity	2,631.04	2,455.69	3,948.55	3,453.89
Non-controlling interest	-	-	412.39	529.21
Total equity	**3,130.56**	**2,955.21**	**4,860.46**	**4,482.62**
Total equity and liabilities	**4,102.07**	**3,762.00**	**14,881.20**	**12,546.24**

Performance Overview

During the year under review the Company reported, on a consolidated basis, a total income from operations of INR 11,932.88 crores as compared to INR 10,253.28 crores. Of the total revenues from operations for fiscal 2023, our hospital segment accounted for INR 6,795.29 crores, our clinic segment accounted for INR 2,374.64 crores, our Retail pharmacy segment including opticals accounted for INR 2,733.24 crores and other segment accounted for INR 29.71 crores. The Company reported, on a standalone basis, a total income from operations of INR 1,533.74 crores as compared to INR 1,116.47 crores.

Our strategies for the financial year 2023-24 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 years 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/Dividend_Distribution_Policy.pdf

4. SHARE CAPITAL

The share capital of the Company as on March 31, 2023 stands at INR 499.52 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. CORPORATE RESTRUCTURING

The Board of Directors approved the appointment of the investment bankers by the Company on June 10, 2022 to explore options which present an opportunity to unlock value for the Company and its Stakeholders. The investment bankers have received interest and indicative terms from potential buyers for the Company's business in the Gulf Co-operation Council region ('GCC'). The investment bankers are working actively with the potential buyers and their advisors who have expressed a strong commitment to complete the transaction soon. Appropriate intimations and disclosures will be made as and when any conclusions are arrived at and approved by the Board.

7. 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.

8. 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 73 subsidiaries and 8 associate companies. As on March 31, 2023, the Company has 75 subsidiaries and 9 associate companies. Aster Pharmacies Group LLC a material subsidiary of Aster DM Healthcare Limited has incorporated Joint Venture, Aster Arabia Trading Company LLC, a limited liability Company in Riyadh, Kingdom of Saudi Arabia on March 09, 2023. There has been no material change in the nature of the business of the subsidiaries.

Adiran IB Healthcare Private Limited, Komali Fertility Centre Ongole LLP, Cantown Infra Developers LLP and Zest Wellness Pharmacy LLC, have become subsidiaries of the Company and Skin III Ltd has become associate 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.

9. 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/fileadmin/user_upload/Policy_on_dealing_with_Related_party_transactions_09.pdf .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 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.

10. 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.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments

- Mr. Emmanuel David Gootam (DIN:09771151) was appointed as an Independent Director of the Company effective from November 10, 2022 for a term of three consecutive years and the same was approved by the Members through postal ballot completed on December 17, 2022 and results declared on December 19, 2022.

- Ms. Purana Housdurgamvijaya Deepti (DIN: 08125456) was appointed as an Independent Director of the Company effective from March 27, 2023 till the conclusion of 18th Annual General Meeting of the Company to be held in the year 2026 and the same was approved by the Members through postal ballot completed on April 08, 2023 and results declared on April 10, 2023.

  In the opinion of the Board, the Independent Directors appointed during the year possess requisite integrity, expertise, experience and proficiency.

Re-appointments

- In accordance with Articles of Association, Mr. Daniel Robert Mintz (DIN: 00960928), 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 15th 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 Mr. Chenayappillil John George (DIN: 00003132) as an Independent Director of the Company for a second term with effect from April 11, 2023 till the conclusion of 18th Annual General Meeting of the Company to be held in the year 2026 and the same was approved by the Members through postal ballot completed on April 08, 2023 and results were declared on April 10, 2023.

- The Board of Directors on recommendation of the Nomination and Remuneration Committee, re-appointed Dr. James Mathew (DIN: 07572909) as an Independent Director of the Company for a second term with effect from June 23, 2023 till the conclusion of 19th Annual General Meeting of the Company to be held in the year 2027 and the same was approved by the Members through postal ballot completed on April 08, 2023 and results were declared on April 10, 2023.

- The Board of Directors at their meeting held on May 24, 2022, on recommendation of the Nomination and Remuneration Committee has recommended the reappointment of Dr. Mandayapurath Azad Moopen (DIN:00159403) as Managing Director of the Company for a term of three (3) years. The Members of the Company at the Annual General Meeting held on August 25, 2022 passed a special resolution to re-appoint Dr. Mandayapurath Azad Moopen as Managing Director of the Company for a term of three (3) years with effect from April 15, 2023 subject to approval of the Central Government. The Company has applied for the approval of the Central Government under section 196 read with Part-I (e) of schedule-V of the Companies Act, 2013 and approval is awaited.

Retirements

- Prof. Biju Varkkey (DIN: 01298281), 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 November 11, 2022.
- Dr. Layla Mohamed Hassan Ali Almarzooqi (DIN: 08401425), retired as an Independent Director of the Company from the Board of Directors of the Company on completion of her two terms with effect from the close of the business hours on March 27, 2023.

Resignation

Mr. Sridar Arvamudhan Iyengar (DIN: 00278512) has resigned from the position of Non-Executive Independent Director of the Company due to personal reasons with effect from May 23, 2023. Further, as per the requirement of Regulation 30 read with Schedule III, Part A, Clause 7B of Listing Regulations, he has confirmed that there are no material reasons for his resignation other than that mentioned in his resignation letter dated May 23, 2023.

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. Hemish Purushottam	Company Secretary and Compliance Officer
4	Mr. Amitabh Johri	Joint Chief Financial Officer
5	Mr. Sunil Kumar M R	Joint Chief Financial Officer

Notes:

1. Mr. Sreenath Pocha Reddy resigned as Group Chief Financial Officer and Key Managerial Personnel of the Company with effect from January 05, 2023.
2. Mr. Amitabh Johri and Mr. Sunil Kumar M R appointed as Joint Chief Financial Officers and Key Managerial Personnel of the Company with effect from May 25, 2023.

12. 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.

13. 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 2022-23. 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"). 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 and confidentiality 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 and adoption of suggestions provided by the Board etc.

The Independent Directors at their meeting held on May 23, 2023, 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.

14. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the 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").

15. 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/fileadmin/user_upload/Policy_on_Nomination_Remuneration_and_Evaluation.pdf .

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

16. BOARD MEETINGS AND ANNUAL GENERAL MEETING

The Board of Directors met 7 times during the financial year viz May 24, 2022; June 10, 2022; August 11, 2022; November 10, 2022; December 02, 2022; February 14, 2023 and March 27, 2023. 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 2021-22 was held on August 25, 2022, through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM').

17. 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.

18. 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.

19. 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, 1,50,717 shares were transferred from the ESOP Trust to the eligible employees under the Company's prevailing ESOP Plan. As on March 31, 2023, the ESOP Trust held 21,43,386 (0.43%) 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 at https://www.asterdmhealthcare.com/investors/stock-exchange-disclosures/esop-disclosure. There have been no material changes in the Employee Stock Option Scheme during the financial year 2022-23.

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.

20. 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, Chief Financial Officer (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 KPMG India Private Limited, 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.

21. 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/fileadmin/user_upload/Whistle_Blowing_Policy_Aug22_01.pdf

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.

22. 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;
- giving frequent training and support to 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 Management 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/fileadmin/user_upload/Risk_Management_Policy.pdf

23. CORPORATE SOCIAL RESPONSIBILITY

The Company has a well-defined policy on Corporate Social Responsibility ("CSR") 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/fileadmin/user_upload/CSR_Policy_01.pdf. Details on Corporate Social Responsibility activities undertaken during the year is provided in **Annexure 5** forming part of this report.

24. AUDITORS

i. Statutory Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants [Firm registration number: 008072S] were appointed as the Statutory Auditor of the Company for a period of 5 years from the conclusion of 12th AGM till the conclusion of the 17th AGM.

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 2022-23, 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 re-appointed M/s. M Damodaran & Associates LLP, Practising Company Secretaries, [Firm registration number: L2019TN006000] as Secretarial Auditor of the Company for the financial year 2023-24, 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. Jitender, Navneet & Co, Cost Accountants [Firm Registration No: 000119] were appointed as the Cost Auditor of the Company to conduct the audit of cost records for the financial year 2022-23.

The Board of Directors, on the recommendation of the Audit Committee, have reappointed 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 2023-24 at a remuneration of INR 2,25,000 (Rupees Two Lakhs and Twenty Five Thousand only) per annum 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 2023-24 at the ensuing Annual General Meeting. The Notice of 15th Annual General Meeting of the Company contains the above proposal for the approval of the Members.

25. AUDIT REPORT

i. Statutory Audit Report

Audit report on the financial statements of the Company for the financial year 2022-23 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, 2023.

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 2022-23 is annexed as **Annexure 6** to this report. There are no qualifications or observations made by the Secretarial Auditor in their report for the financial year ended March 31, 2023.

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 2022-23 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.

26. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

27. 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 2022-23 is available on Company's website at https://www.asterdmhealthcare.com/investors/corporate-governance/annual-returns.

28. 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.

29. 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 last financial year.

30. 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 3 cases reported (standalone basis) on sexual harassment and all cases were disposed off.

31. 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.

32. MANAGEMENT DISCUSSION AND ANALYSIS

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

33. CORPORATE GOVERNANCE

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

34. BUSINESS RESPONSIBILITY AND SUSTAINIBILITY REPORT

In terms of SEBI Circular No.: SEBI/HO/CFD/CMD-2/P/CIR/2021/562 and as per the Regulation 34 (2) (f) of the Listing Regulations, the Business Responsibility and Sustainability Report for the year under review is annexed as **Annexure 9** to this report.

35. 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 of 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, Bombay Stock Exchange Limited, National Stock Exchange of India Limited and Governments of Kerala, Karnataka, Andhra Pradesh, Telangana, Tamil Nadu and Maharashtra for the guidance and support received from them from time to time.

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

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

(INR in crores)

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 Subsidiries															
1	DM Med City Hospitals India Private Limited	India	INR	1.00	0.01	67.80	169.06	101.24	0.12	55.22	2.54	1.38	-	100%	100%
2	Ambady Infrastructure Private Limited	India	INR	1.00	15.01	53.21	93.30	25.09	-	0.71	(0.65)	(0.65)	-	100%	100%
3	Aster DM Healthcare (Trivandrum) Private Limited	India	INR	1.00	8.01	(41.88)	96.26	130.13	0.00	0.06	(9.70)	(9.70)	-	100%	100%
4	Malabar Institute of Medical Sciences Ltd	India	INR	1.00	99.91	461.02	975.16	414.23	33.77	907.79	94.83	70.36	-	76%	76%
5	Prerana Hospital Limited	India	INR	1.00	4.14	49.43	117.35	63.78	0.00	106.54	11.90	11.90	-	87%	87%
6	Sri Sainatha Multispeciality Hospitals Private Limited	India	INR	1.00	7.02	33.67	93.18	52.49	-	63.10	(4.50)	(4.48)	-	100%	100%
7	Dr. Ramesh Cardiac and Multispecialty Hospital Private Limited	India	INR	1.00	10.79	115.86	248.26	121.62	90.30	216.04	1.33	4.22	-	57%	57%
8	Aster Clinical Lab LLP	India	INR	1.00	1.00	(90.19)	83.46	172.65	-	93.71	(44.06)	(44.06)	-	100%	100%
9	Hindustan Pharma Distributors Private Limited	India	INR	1.00	0.10	6.46	83.55	77.00	-	123.85	(8.28)	(7.34)	-	86%	86%
10	Affinity Holdings Private Limited	Mauritius	USD	82.16	0.01	1,989.57	2,315.13	325.55	2,295.12	29.09	25.54	21.60	-	100%	100%
Step-down Subsidiries															
11	EMED Human Resources (India) Private Limited	India	INR	1.00	0.02	0.81	1.18	0.35	-	0.63	0.18	0.14	-	100%	100%
12	Ezhimala Infrastructure LLP	India	INR	1.00	9.26	0.09	9.38	0.03	-	0.03	0.02	0.02	-	76%	76%
13	Warseps 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	29.34	49.41	13.80	-	55.91	6.36	4.27	-	53%	53%
15	Aster Ramesh Duhita LLP	India	INR	1.00	0.51	(0.46)	0.56	0.51	-	0.00	(0.07)	(0.07)	-	29%	29%
16	Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	India	INR	1.00	0.80	0.59	1.82	0.43	0.62	5.77	1.84	1.18	-	29%	29%
17	Cantown Infra Developers LLP	India	INR	1.00	3.43	(0.22)	3.25	0.04	-	0.59	0.10	0.07	-	76%	76%
18	Adiran IB Healthcare Private Limited	India	INR	1.00	3.00	(0.47)	15.37	12.85	-	2.65	(0.66)	(0.70)	-	57%	57%
19	Komali Fertility Centre -Ongole LLP	India	INR	1.00	1.00	(0.18)	1.25	0.43	-	0.14	(0.18)	(0.18)	-	29%	29%
20	Aster Caribbean Holdings Limited	Cayman Island	USD	82.16	-	-	-	-	-	-	-	-	-	100%	100%
21	Aster Cayman Hospital Limited	Cayman Island	USD	82.16	-	-	-	-	-	-	-	-	-	100%	100%
22	Aster DM Healthcare FZC	UAE	AED	22.37	2,291.28	772.05	8,407.83	5,344.50	1,062.03	1,209.43	98.64	98.64	-	100%	100%
23	Aster Hospital Sonapur L.L.C	UAE	AED	22.37	0.67	(50.75)	194.88	244.96	-	25.00	(31.66)	(31.66)	-	90%	39%
24	Radiant Healthcare LLC	UAE	AED	22.37	0.67	33.37	125.95	91.90	-	70.40	1.94	1.94	-	76%	25%
25	Aster Day Surgery Centre LLC	UAE	AED	22.37	0.67	(15.56)	100.47	115.35	-	23.08	1.21	1.21	-	82%	49%

(INR in crores)

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*
26	DM Healthcare LLC	UAE	AED	22.37	22.37	498.78	1,932.45	1,411.30	1.14	1,192.98	66.09	66.09	-	100%	100%
27	Wahat Al Aman Home Healthcare LLC	UAE	AED	22.37	0.34	56.77	85.37	28.27	-	152.49	26.43	26.43	-	100%	49%
28	Aster Grace Nursing and Physiotherapy LLC	UAE	AED	22.37	0.67	(2.02)	1.45	2.80	-	0.00	(0.02)	(0.02)	-	60%	29%
29	Aster Pharmacies Group LLC	UAE	AED	22.37	0.67	878.17	1,666.07	787.23	-	2,053.74	242.41	242.41	-	100%	49%
30	New Aster Pharmacy DMCC	UAE	AED	22.37	0.45	14.19	19.31	4.67	-	23.24	2.62	2.62	-	100%	100%
31	Aster DCC Pharmacy LLC	UAE	AED	22.37	0.67	(10.66)	16.26	26.25	-	18.74	(0.86)	(0.86)	-	100%	49%
32	Aster Al Shafar Pharmacies Group LLC	UAE	AED	22.37	6.71	10.88	63.87	46.28	-	112.76	5.07	5.07	-	51%	49%
33	Rafa Pharmacy LLC	UAE	AED	22.37	0.67	(2.44)	10.22	11.98	-	17.42	(0.69)	(0.69)	-	100%	49%
34	Aster Pharmacy LLC, AUH	UAE	AED	22.37	0.67	2.14	7.39	4.58	-	17.77	(0.29)	(0.29)	-	100%	49%
35	Med Shop Drugs Store LLC	UAE	AED	22.37	0.67	6.04	1,256.82	1,250.11	-	619.00	(50.66)	(50.66)	-	100%	49%
36	Alfa Drug Store LLC	UAE	AED	22.37	0.67	206.53	207.21	-	-	-	-	-	-	100%	49%
37	Alfa One Drug Store LLC	UAE	AED	22.37	0.67	94.13	450.73	355.93	-	286.32	55.58	55.58	-	100%	49%
38	Alfaone FZ LLC	UAE	AED	22.37	0.22	-	0.22	-	-	-	-	-	-	100%	100%
39	DM Pharmacies LLC	UAE	AED	22.37	0.67	2.46	3.13	-	-	-	-	-	-	100%	49%
40	Aster Opticals LLC	UAE	AED	22.37	0.67	(21.04)	72.85	93.22	-	17.93	(0.45)	(0.45)	-	60%	49%
41	Medcare Hospital LLC	UAE	AED	22.37	22.37	1,613.05	3,223.66	1,588.24	36.83	2,359.19	215.45	215.45	-	87%	75%
42	Premium Healthcare Limited	UAE	AED	22.37	0.41	2.01	5.70	3.28	-	17.41	0.65	0.65	-	80%	80%
43	Dr. Moopens Healthcare Management Services LLC	UAE	AED	22.37	0.67	(594.05)	139.99	733.37	-	53.95	(212.93)	(212.93)	-	100%	49%
44	Eurohealth Systems FZ LLC	UAE	AED	22.37	0.22	19.93	43.01	22.85	-	24.02	(4.94)	(4.94)	-	100%	95%
45	Al Rafa Investments Limited	UAE	AED	22.37	0.41	(2.33)	0.86	2.79	0.41	-	(0.20)	(0.20)	-	100%	0%
46	Al Rafa Holdings Limited	UAE	AED	22.37	0.41	(1.15)	0.45	1.19	-	-	(0.07)	(0.07)	-	100%	0%
47	Alfa Investments Limited #	UAE	AED	22.37	0.41	(0.79)	15.78	16.16	0.41	-	(0.14)	(0.14)	-	0%	0%
48	Active Holdings Limited	UAE	AED	22.37	0.41	(0.46)	15.36	15.42	13.42	-	(0.06)	(0.06)	-	100%	0%
49	Al Rafa Medical Centre LLC	UAE	AED	22.37	0.67	(45.74)	37.39	82.46	-	31.11	(1.42)	(1.42)	-	51%	40%
50	Dar Al Shifa Medical Centre LLC	UAE	AED	22.37	0.67	(1.54)	13.15	14.02	-	13.69	0.39	0.39	-	51%	40%
51	Aster Primary Care LLC	UAE	AED	22.37	0.67	(1.69)	8.82	9.83	-	3.77	(0.03)	(0.03)	-	71%	40%
52	Modern Dar Al Shifa Pharmacy LLC	UAE	AED	22.37	0.67	2.89	18.75	15.18	-	32.77	0.08	0.08	-	51%	40%
53	Harley Street LLC	UAE	AED	22.37	0.34	(0.12)	12.46	12.25	-	-	-	-	-	60%	9%
54	Harley Street Pharmacy LLC	UAE	AED	22.37	0.34	5.04	20.35	14.97	-	29.97	3.23	3.23	-	60%	9%
55	Harley Street Medical Centre LLC	UAE	AED	22.37	0.34	67.32	163.13	95.47	-	212.97	2.43	2.43	-	60%	9%
56	Harley Street Dental LLC	UAE	AED	22.37	0.34	(2.51)	9.91	12.09	-	15.76	0.96	0.96	-	38%	2%
57	Grand Optics LLC	UAE	AED	22.37	0.67	(91.62)	85.97	176.92	-	78.94	7.53	7.53	-	85%	34%
58	Zahrath Al Shefa Medical Center LLC	UAE	AED	22.37	0.67	2.83	18.62	15.12	-	16.10	(1.56)	(1.56)	-	70%	19%
59	Samary Pharmacy LLC	UAE	AED	22.37	0.67	13.15	20.58	6.75	-	9.39	1.18	1.18	-	70%	19%
60	Metro Meds Pharmacy L.L.C	UAE	AED	22.37	0.67	6.12	14.55	7.76	-	12.41	2.58	2.58	-	66%	15%
61	Metro Medical Center L.L.C	UAE	AED	22.37	0.67	6.71	17.07	9.69	-	23.65	3.22	3.22	-	66%	15%
62	Symphony Healthcare Management Services LLC	UAE	AED	22.37	0.67	(49.97)	63.40	112.70	-	-	(1.67)	(1.67)	-	100%	0%
63	E-Care International Medical Billing Services Co. LLC	UAE	AED	22.37	11.19	30.39	72.08	30.51	-	25.43	12.45	12.45	-	80%	0%
64	Zest Wellness Pharmacy LLC	UAE	AED	22.37	0.67	(0.03)	4.98	4.34	-	-	(0.03)	(0.03)	-	50%	50%
65	Al Raffah Hospital LLC	Oman	AED	22.37	6.44	53.66	1,120.19	1,060.09	-	442.82	(21.91)	(21.39)	-	100%	100%

(INR in crores)

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*
66	Al Raffah Pharmacies Group LLC	Oman	AED	22.37	3.22	2.50	7.41	1.69	-	6.62	1.02	0.92	-	100%	70%
67	Oman Al Khair Hospital L.L.C	Oman	AED	22.37	10.74	(4.69)	37.38	31.33	-	39.54	(5.05)	(5.73)	-	60%	42%
68	Dr. Moopen's Healthcare Management Services WLL	Qatar	AED	22.37	3.80	199.51	382.79	179.47	1.36	252.73	1.78	2.38	-	99%	49%
69	Welcare Polyclinic W.L.L	Qatar	AED	22.37	0.45	3.86	9.39	5.08	-	20.69	2.05	1.65	-	100%	45%
70	Dr. Moopens Aster Hospital WLL	Qatar	AED	22.37	0.45	(61.21)	235.88	296.64	-	151.97	19.87	16.26	-	99%	49%
71	Sanad Al Rahma for Medical Care LLC	Kingdom of Saudi Arabia	AED	22.37	54.79	365.77	641.97	221.41	-	404.28	9.81	(2.12)	-	100%	100%
72	Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	Bahrain	AED	22.37	1.12	(66.63)	22.33	87.84	-	45.16	1.36	1.36	-	100%	100%
73	Orange Pharmacies LLC	Jordan	AED	22.37	0.35	(30.19)	35.57	65.41	-	76.38	1.70	1.70	-	51%	0%
74	Al Shafar Pharmacy LLC, AUH	UAE	AED	22.37	0.67	(2.03)	0.05	1.41	-	-	(0.06)	(0.06)	-	51%	49%
75	Aster DM Healthcare INC	Philippines	AED	22.37	-	0.00	0.00	0.00	-	-	(0.61)	(0.61)	-	90%	90%
76	Aster Medical Centre LLC	UAE	AED	22.37	0.67	(30.62)	0.52	30.47	-	-	-	-	-	90%	39%
77	Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L	Kuwait	AED	22.37	-	-	(0.00)	-	-	-	(3.40)	(3.40)	-	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 subsidiries which have been liquidated or sold during the year - Two entities namely Aster DM Healthcare INC & Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L has been liquidated in the current year

* 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.

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

PART B-Associates or Joint Ventures

(INR in crores)

	Name of the Associate or Joint Venture	AAQ Healthcare Investments LLC	Aries Holdings FZC	Al Mutamaizah Medcare Healthcare Investment Co. LLC	Aries Investments LLC	Skin III	Aster Arabia Trading Company LLC	MIMS Infrastructure and Properties Private Limited	Alfaone Medicals Private Limited	Alfaone Retail Pharmacies Private Limited	Mindriot Research and Innovation Foundation
1	**Latest Audited Balance Sheet Date**	March 31, 2023	March 31, 2023	December 31, 2022	March 31, 2023	March 31, 2023	None	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
2	**Date on which the associate was associated or acquired**	March 27, 2016	July 10, 2013	May 6, 2018	February 1, 2021	September 21, 2022	March 02, 2023	July 6, 2010	February 1,2021	January 2, 2021	March 10, 2021
3	**Shares of associate held by Company on the year end**										
	No.	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	60 equity shares of USD 500 each	0	0.66 crores of equity shares of Rs. 10 each and 0.27 crores of preference shares of Rs. 10 each	0.02 crores of equity shares of Rs. 10 each	990 equity shares of Rs. 10 each	4900 equity shares of Rs. 10 each
	Amount of investment in associate	-	-	-	-	0.25	-	9.29	0.23	0.00	0.00
	Extent of holding - *Percentage of beneficial holding*	33%	25%	49%	25%	60%	49%	37%	16%	16%	49%
	- *Percentage of legal holding*	33%	25%	49%	25%	60%	49%	37%	16%	16%	49%
4	**Description of how there is a significant influence**	(Due to percentage of share capital/ Board control)									
5	**Reason why the associate/joint venture is not consolidated**	(Consolidated as per IND-AS 28)									
6	**Networth attributable to shareholding as per the latest audited balance sheet**	8.71	23.78	(21.39)	1.66	9.72	-	9.12	0.14	(15.47)	(0.03)
7	**Profit /(loss) for the year**										
	*i. considered in consolidation**	2.68	4.38	-	-	5.31	-	0.24	(0.04)	(11.44)	(0.04)
	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 & Aster Arabia Trading Company LLC

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

Annexure-2

Form No AOC-2

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

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:

(INR in crores)

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	DM Med City Hospitals (India) Private Limited, Wholly-owned subsidiary	Leasing of property of any kind	On going	Lease rental for land paid. Value of transactions for financial year 2022-23 is Rs. 0.05 crore.	February 08, 2022	Nil
		Leasing of property of any kind	On going	Sublease of premises for Registered Office paid. Value of transactions for financial year 2022-23 is Rs. 0.05 crore.	February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale, purchase or supply of any goods or materials. Value of transactions for financial year 2022-23 is Rs. 0.01 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Availing or rendering of any services. Value of transactions for financial year 2022-23 is Rs. 0.41 crore.	February 08, 2022	Nil
2	Ambady Infrastructure Private Limited, Wholly-owned subsidiary	Availing or rendering of any services	On going	Availing or rendering of any services. Value of transactions for financial year 2022-23 is Rs. 0.23 crore	February 08, 2022	Nil
3	Sri Sainatha Multispeciality Hospitals Private Limited, Wholly-owned subsidiary	Expenses incurred on behalf of subsidiary	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2022-23 is Rs.1.20 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Rendering of sevices relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2022-23 is Rs. 1.14 crore.	February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale of Covid Vaccines. Value of transactions for financial year 2022-23 is Rs.0.13 crore.	February 08, 2022	Nil
4	Prerana Hospital Limited, Subsidiary in which the Company holds 86.99% stake	Expenses incurred on behalf of subsidiary	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2022-23 is Rs.1.36 crore.	February 08, 2022	Nil
		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 2022-23 is Rs. 0.27 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Rendering of sevices relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2022-23 is Rs. 1.69 crore.	February 08, 2022	Nil

(INR in crores)

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
5	Dr.Ramesh Cardiac and Multispeciality Hospital Private Limited, Subsidiary in which the Company holds 57.49% stake	Expenses incurred on behalf of subsidiariy	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2022-23 is Rs. 1.66 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Rendering of sevices relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2022-23 is Rs. 0.13 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Availing or rendering of any services. Value of transactions for financial year 2022-23 is Rs. 0.20 crore	February 08, 2022	Nil
6	Sanghamitra Hospital Private Limited, Step Down Subsidiary in which the Company holds indirectly 36.57% stake	Expenses incurred on behalf of subsidiary	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2022-23 is Rs. 0.29 crore.	February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale, purchase or supply of any goods or materials. Value of transactions for financial year 2022-23 is Rs. 0.02 crore.	February 08, 2022	Nil
7	Malabar Institute of Medical Sciences Ltd, Subsidiary in which the Company holds 76.01% stake	Expenses incurred on behalf of subsidiary	On going	Expenses incurred on behalf of subsidiary. Value of transactions for financial year 2022-23 is Rs.10.00 crores.	February 08, 2022	Nil
		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 2022-23 is Rs.0.62 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Rendering of sevices relating to Telehealth- Medical imaging and Telemedicine. Value of transactions for financial year 2022-23 is Rs. 13.56 crores.	February 08, 2022	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 2022-23 is Rs. 0.29 crore.	February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale and purchase of Medical Consumables. Value of transactions for financial year 2022-23 is Rs. 0.03 crore.	February 08, 2022	Nil
8	Emed Human Resources India Private Limited, Wholly-owned step down subsidiary	Availing or rendering of any services	On going	Rendering of sevices. Value of transactions for financial year 2022-23 is Rs. 0.01 crore.	February 08, 2022	Nil
9	Aster Clinical Lab LLP, Company holds 100% stake	Availing or rendering of any services	On going	Lab testing fees. Value of transactions for financial year 2022-23 is Rs. 39.64 crores.	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 2022-23 is Rs.0.89 crore.	February 08, 2022	Nil
		Availing or rendering of any services	On going	Availing or rendering of any services. Value of transactions for financial year 2022-23 is Rs. 0.13 crore	February 08, 2022	Nil
10	Alfaone Medicals Private Limited, Company holds 15.98% Stake	Interest on loan to related parties	On going	Interest on loan given to related party. Value of transactions for financial year 2022-23 is Rs. 9.69 crores.	February 08, 2022	Nil

(INR in crores)

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
11	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 2022-23 is Rs. 1.47 crore.	February 08, 2022	Nil
12	Hindustan Pharma Distributors Private Limited, Subsidiary in which the Company holds 86% stake	Availing or rendering of any services	On going	Brand license fees. Value of transactions for financial year 2022-23 is Rs. 0.01 crore.	February 08, 2022	Nil
		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 2022-23 is Rs.0.07 crore.	February 08, 2022	Nil
		Interest on loan to related parties	On going	Interest on loan given to related party. Value of transactions for financial year 2022-23 is Rs. 0.80 crore.	February 08, 2022	Nil
		Sale, purchase or supply of any goods or materials	On going	Sale, purchase or supply of any goods or materials. Value of transactions for financial year 2022-23 is Rs. 10.37 crores.	February 08, 2022	Nil
13	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	Income from consultancy services	On going	Income from consultancy services. Value of transactions for financial year 2022-23 is Rs. 2.22 crores.	February 08, 2022	Nil
		Other expenses	On going	Other expenses. Value of transactions for financial year 2022-23 is Rs. 9.98 crores.	February 08, 2022	Nil
		Collection by Subsidiaries/ associates/related parties on behalf of company	On going	Insurance amount collected by DM Education & Research Foundation on behalf of Company. Value of transactions for financial year 2022-23 is Rs. 4.98 crores.	February 08, 2022	Nil
14	Aster MIMS Academy Trust, Dr. Azad Moopen (Chairman and Managing Director), Mr. T . J Wilson (Non-executive Director) are Trustees in this trust	Availing or rendering of any services	On going	Income from Allied Health Science Program. Value of transactions for financial year 2022-23 is Rs. 1.00 crore.	February 08, 2022	Nil

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

Annexure-3

PARTICULARS OF EMPLOYEES

(Pursuant to Section 197 read with 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 2022-23:

(Amount in INR crores except ratio to median)

Name of the Director/KMP and designation	Remuneration paid for FY 2022-23	Percentage increase in remuneration	Ratio to median remuneration
Dr. Azad Moopen[1] Chairman and Managing Director	0.60	Nil	15.48
Ms. Alisha Moopen[2] Deputy Managing Director	0.30	Nil	7.74
Mr. T J Wilson[3] Non-Executive Director	Nil	NA	NA
Mr. Anoop Moopen Non-Executive Director	Nil	NA	NA
Mr. Shamsudheen Bin Mohideen Mammu Haji Non-Executive Director	Nil	NA	NA
Mr. Daniel Robert Mintz Non-Executive Director	Nil	NA	NA
Prof. Biju Varkkey[4] Non-Executive Independent Director	0.13	Nil	3.35
Dr. Layla Mohamad Hassan Ali Almarzooqi[5] Non-Executive Independent Director	0.15	Nil	3.87
Mr. Chenayappillil John George Non-Executive Independent Director	0.16	Nil	4.13
Dr. James Mathew Non-Executive Independent Director	0.25	Nil	6.45
Mr. Sridar Arvamudhan Iyengar[6] Non-Executive Independent Director	Nil	NA	NA
Mr. Wayne Earl Keathley Non-Executive Independent Director	0.05	Nil	1.29
Mr. Emmanuel David Gootam[7] Non-Executive Independent Director	0.04	Nil	1.03
Ms. Purana Housdurgamvijaya Deepti[8] Non-Executive Independent Director	Nil	Nil	NA
Mr. Sreenath Reddy[9] Group Chief Financial Officer	1.72	NA	44.32
Mr. Hemish Purushottam Company Secretary and Compliance Officer	0.28	8.6%	7.22

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 for their expenses incurred in performance of official duties.

1. Dr. Azad Moopen received a gross remuneration of INR 0.60 crore during FY 2022-23. He has also received remuneration of AED 6.12 million and variable incentive of AED 1.8 million during FY 2022-23 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and leave encashments as per the policies.
2. Ms. Alisha Moopen received a gross remuneration of INR 0.30 crore during FY 2022-23. She has also received remuneration of AED 2.70 million and variable incentive of AED 0.52 million during FY 2022-23 from Dr. Moopen's Healthcare Management Services LLC. She is entitled to gratuity payments and leave encashments as per the policies.
3. Mr. T J Wilson received a remuneration of AED 1.76 million and variable incentive of AED 0.34 million during FY 2022-23 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and leave encashments as per the policies.
4. Prof. Biju Varkkey retired from the Board of Directors of the Company with effect from November 11, 2022.
5. Dr. Layla Mohamed Hassan Ali Almarzooqi retired from the Board of Directors of the Company with effect from March 27, 2023.
6. Mr. Sridar Arvamudhan Iyengar had waived off sitting fees for attending all the Board and Committee meetings for financial year ended March 31, 2023. He is resigned as a Non-executive Independent Director of the Company with effect from May 23, 2023.

7. Mr. Emmanuel David Gootam was appointed as a Non-Executive Independent Director of the Company with effect from November 10, 2022.
8. Ms. Purana Housdurgamvijaya Deepti was appointed as a Non-Executive Independent Director of the Company with effect from March 27, 2023.
9. Mr. Sreenath Reddy resigned as Chief Financial officer of the Company with effect from January 05, 2023. He received remuneration of AED 0.62 million from Dr. Moopen's Healthcare Management Services LLC for the period April 01, 2022 to June 30, 2022. He has also received a gross remuneration of INR 1.72 crore from Aster DM Healthcare Limited for the period July 01, 2022 to January 05, 2023. He is entitled to gratuity payments and leave encashments as per the policies.

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: 4,993 (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 5.60% while there has been no change in the managerial remuneration during the financial year 2022-23.

e. The key parameters for any variable component of remuneration availed by the Directors: No variable component of remuneration availed by the Directors.

f. The Company affirms that the remuneration is as per the remuneration policy adopted by the Company.

g. 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	2.13	Permanent	MBBS, MD	31	24-10-2014	52	BGS Global Hospital	0.0063	NA
2	Mr. Sunil Kumar M R	Country Head Finance & Accounts - Aster India	1.31	Permanent	CA	22	06-01-2014	39	Narayana Hrudayalaya Limited	Nil	NA
3	Mr. Kalappa K B	Country Head HR - Aster India	1.23	Permanent	PGDHR	27	28-09-2018	49	Columbia Asia Hospital Limited	0.0056	NA
4	Mr. S Ramesh Kumar	Chief Executive Officer- Aster CMI	1.10	Permanent	MBA, EGMP	31	12-10-2017	51	Apollo Hospital Limited	Nil	NA
5	Dr. Harsha Rajaram	COO-Aster Telehealth-India & GCC	1.10	Permanent	BDS, MHM, PGDML	24	16-09-2019	48	Columbia Asia Hospital Limited	0.0009	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.

h. 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 25, 2023
Place : Bengaluru

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

(a) Date of Shareholders' approval – March 2, 2013 and December 22, 2018

(b) Total number of options approved under ESOP – 46,28,250

(c) 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.

(d) Exercise price or pricing formula – The exercise price shall be in the range of from Rs.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.

(e) Maximum term of options granted - 14 years

(f) Source of shares –Secondary

(g) Variation in terms of options – There has been no variation in the terms of options during the period under review.

(h) 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

(a) Method used to account for ESOP's -Fair value method is used for accounting of ESOPs.

(b) The impact on the profits and EPS of the Company- Refer Note 33 and 32 of standalone and consolidated financial statements respectively.

(c) 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	-	-	708,725	395,830	1,104,555
Number of options granted during the year	-	-	15,000	10,000	25,000
Number of options forfeited / lapsed during the year	-	-	112,889	51,000	163,889
Number of options vested during the year	-	-	301,294	41,430	342,724
Number of options exercised during the year	-	-	114,945	20,900	135,845
Number of shares arising as a result of exercise of options	-	-	114,945	20,900	135,845
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-	-	-	-
Loan repaid by the Trust during the year from exerciseprice received	-	-	-	-	-
Number of options outstanding at the end of the year	-	-	495,891	333,930	829,821
Number of options exercisable at the end of the year	-	-	309,741	156,775	466,516
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, 2023 (Performance: 6,954, Loyalty:2,400)

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 ₹)
Mr. Amitabh Johri	Chief Financial Officer- GCC	Performance	15,000	155.71
		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 - NIL

(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 and Mr. Monu Kurian
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 10.69 crore
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	22,94,103 (0.46%)
Acquired during the year	Nil
Sold during the year	Nil
Transferred to the employees during the year	1,50,717 (0.03%)
Held at the end of the year	21,43,386 (0.43%)

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	5,747	5,372	38,110	40,180	89,409
Number of options granted during the period	NA	NA	NA	NA	NA
Number of options forfeited / lapsed during the period	-	-	2,234	800	3,034
Number of options vested during the period	-	-	35,876	2,280	38,156
Number of options exercised during the period	5,747	5,372	35,876	15,350	62,345
Number of shares arising as a result of exercise of options	5,747	5,372	35,876	15,350	62,345
Number of options outstanding at the end of the period	-	-	-	24,030	24,030

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

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, 2023 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	1
3	Mr. Anoop Moopen	Member	2	1
4	Prof. Biju Varkkey[1]	Member	2	1
5	Dr. Layla Mohamed Hassan Ali Almarzooqi[2]	Member	2	2
6	Mr. Sridar Arvamudhan Iyengar[3]	Member	2	2

Note:

1. Prof. Biju Varkkey retired from the Board of Directors of the Company with effect from November 11, 2022.
2. Dr. Layla Mohamed Hassan Ali Almarzooqi retired from the Board of Directors of the Company with effect from March 27, 2023.
3. Mr. Sridar Arvamudhan Iyengar resigned as a Non-executive Independent Director of the Company with effect from May 23, 2023.

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:**

Composition of CSR Committee- https://www.asterdmhealthcare.com/investors/corporate-governance/board-committees

CSR Policy- https://www.asterdmhealthcare.com/fileadmin/user_upload/CSR_Policy_01.pdf

CSR Projects approved by the Board- https://www.asterdmhealthcare.com/fileadmin/user_upload/CSR_Projects_approved_for_FY_2022-23_08.pdf

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 INR Ten crores. 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 27.78 crores

7. **(a) Two percent of average net profit of the Company as per Section 135(5)** - INR 0.57 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 0.57 crore

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

CSR amount spent	Amount Unspent (in INR crores)				
	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
0.72	Not applicable		Not applicable		

(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	The Academy of Magical Sciences	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Kerala	Trivandrum	0.25	No	The Academy of Magical Sciences (Charitable Trust) (CSR Registration Number- CSR00003855)	
2	Mobile Medical Clinics - Operational Expenses	Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Karnataka	Bengaluru	0.22	Yes	Not applicable	
3	Mobile Medical Clinic- Capital Expenditure	Disaster management, including relief, rehabilitation and reconstruction activities	No	Kerala	Ernakulam	0.25	No	Aster DM Foundation (CSR Registration Number - CSR00008601)	

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 0.72 crore

(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)	0.57
(ii)	Total amount spent for the Financial Year	0.72
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.15
(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)]	0.15

Note: Though there is an excess spending of CSR for FY 2022-2023, 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

Dr. Azad Moopen
Chairman and Managing Director
and Chairman of CSR Committee
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

Annexure-6

Form MR 3

Secretarial Audit Report

For the financial year ended March 31, 2023

(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,
Bengaluru, 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, 2023 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, 2023 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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)] ;

(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 Clauses of the following:

i. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited 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 and there are no other specific observations requiring any qualification on non-compliances.

I further report that the Board of Directors of the Company is duly 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 the Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to Structured Digital Database.

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: F005837E000380508

Place: Chennai
Date: May 25, 2023

(This report is to be read with my letter of even date which is annexed as Annexure B and forms an integral part of this report)

Annexure-A

The Management has identified and confirmed compliances with following laws as specifically applicable to the Company during the Audit period 2022-23:

1. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.
2. Atomic Energy (Radiation Protection) Rules, 2004
3. Atomic Energy Act, 1962
4. Batteries (Management and Handling) Rules, 2001
5. Bio-Medical Waste Management Rules, 2016
6. Registration of Births and Deaths Act, 1969
7. Indian Medical Council (Professional conduct, Etiquette and Ethics) Regulations, 2002
8. Contract Labour (Regulation & Abolition) Act, 1970
9. Copyright Act, 1957
10. Drugs (Prices Control) Order, 2013
11. Drugs and Cosmetics Act, 1940
12. Electricity Act, 2003
13. Employees' Compensation Act, 1923
14. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
15. Employers State Insurance Act,1948
16. Environment Protection Act, 1986
17. Equal Remuneration Act, 1976
18. Food Safety and Standards Act, 2006 and Rules 2011 along with regulations.
19. Goods and Service Act, 2014
20. Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017
21. Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016
22. Income Tax Act, 1961
23. Indian Medical Council Act, 1956
24. Indian Medical Degree Act, 1916
25. Indian Nursing Council Act, 1947
26. Indian Stamp Act,1999
27. Industrial Disputes Act, 1947
28. Inter-State Migrant Workers (Regulation of Employment and Conditions of Services) Act, 1979
29. Karnataka Lifts, Escalators and Passenger Conveyors Act, 2012
30. Karnataka Private Medical Establishments Act, 2007
31. Karnataka Fire Force Act, 1964
32. Kerala Fire Force Act, 1962
33. Kerala Lifts and Escalators Act, 2013 and Kerala Lifts and Escalators Rules, 2012
34. Transplantation Of Human Organs and Tissues Act, 1994
35. Kerala Panchayat Raj Act, 1994 and Kerala Panchayat Raj (Registration of Private Hospitals and Paramedical Establishments) Rules, 1997
36. Legal Metrology Act, 2009
37. Medical Termination of Pregnancy Act, 1971
38. Minimum Wages Act, 1948
39. Narcotic Drugs and Psychotropic Substances Act, 1985
40. Payment of Bonus Act, 1965
41. Payment of Gratuity Act, 1972
42. Payment of Wages Act, 1936
43. Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994
44. Radiation Surveillance Procedures for Medical Application of Radiation, 1989
45. Sexual Harassment of Women at Workplace (Prevention, Prohibition arid Redressal) Act, 2013
46. Shops and Commercial Establishment Acts, and
47. The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954
48. The Explosives Act, 1884
49. The Indian Boilers Act, 1923
50. The Safety Code for Medical Diagnostic X-Ray Equipment and Installations, 2001
51. Trademarks Act, 1999
52. Water (Prevention & Control of Poll ution) Act 1974 and rules thereunder
53. Water (Prevention & Control of Pollution) Cess Act, 1977

For **M DAMODARAN & ASSOCIATES LLP**

M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000380508

Place: Chennai
Date: May 25, 2023

Annexure-B

Disclaimer Certificate

To,
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bengaluru, 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.

For **M DAMODARAN & ASSOCIATES LLP**

M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000380508

Place: Chennai
Date: May 25, 2023

Annexure-6A

SECRETARIAL COMPLIANCE REPORT OF ASTER DM HEALTHCARE LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(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 have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Aster DM Healthcare Limited** (hereinafter referred as 'the Company'), having its Registered Office at No.1785, Sarjapur Road, Sector -1, HSR Layout, Ward No.174, Agara Extension, Bengaluru - 560102. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the Company's books, papers, minutes 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 Review, I hereby report that the company has, during the review period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined:

a) all 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/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

    i. Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and

    ii. Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations prescribed under the SEBI Act whose provisions and the circulars/guidelines issued thereunder, (wherever applicable), have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable during the review period.

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the review period.

g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and ESOP.

i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable during the review period.

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

a) The Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, during the review period.

b) The action taken by the Company to comply with the observations made by the Auditor in the previous reports are specified in **Annexure – A:**

c) 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.

I hereby report that, during the Review Period the compliance status of the Company is appended as below:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	Secretarial Standards: The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	Adoption and timely updation of the Policies: ▪ All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the Company ▪ All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI.	Yes	-
3.	Maintenance and disclosures on Website: ▪ The Company is maintaining a functional website. ▪ Timely dissemination of the documents/ information under a separate section on the website. ▪ Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	-
4.	Disqualification of Director: None of the Director(s) of the Company is disqualified under Section 164 of Companies Act, 2013 as confirmed by the Company.	Yes	-
5.	Details related to Subsidiaries of the Company have been examined w.r.t.: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	Yes	-
6.	Preservation of Documents: The Company is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	Performance Evaluation: The Company has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	Related Party Transactions: (a) The Company has obtained prior approval of Audit Committee for all related party transactions; or (b) The Company has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-
9.	Disclosure of events or information: The Company has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10.	Prohibition of Insider Trading: The Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the Company / its Promoters/ Directors/ Subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	NA	No action(s) has been taken against the Company / its Promoters/ Directors/ Subsidiaries either by SEBI or by Stock Exchanges
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	NA	No additional non-compliance observed

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Company.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000380530

Place: Chennai
Date: May 25, 2023

Annexure- A

The Company has taken the following actions to comply with the observations made in previous reports:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action (Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.)	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
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	Regulation 17 (1) (b) of SEBI LODR	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.	No action taken	NA	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.	NA	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 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. Subsequently, Mr. Wayne Earl Keathley was appointed as an Independent Director of the Company w.e.f. October 04, 2021.	NA

Annexure-6B

Form No. MR – 3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial 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 adherence to good corporate practices by **MALABAR INSTITUTE OF MEDICAL SCIENCES LTD** (CIN: U85110KL1995PLC008677) (hereinafter called the Company) for the year ended March 31, 2023. Secretarial Audit was conducted 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, 2023 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, 2023 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 the rules made thereunder

   c) Employee State Insurance Act, 1948 and rules made thereunder

   d) The Employee Provident Fund and Miscellaneous Provisions Act, 1952 and the rules made thereunder

   e) The Payment of Bonus Act, 1965 and the rules made thereunder

   f) Payment of Gratuity Act, 1972 and rules made thereunder

   g) Contract Labour (Regulation & Abolition) Act, 1970

   h) The Water (Prevention and Control of Pollution) Act, 1974 read with the Water (Prevention and 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 Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

   n) Indian Trust Act, 1882

   o) Depositories Act, 1996

(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 and 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 into 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 changing the designation of existing directors to Independent Directors.

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 and Associates**
Practicing Company Secretaries

CS Ashique A M
Managing Partner
FCS No: 6900
COP No: 7377
ICSI UDIN: F006900E000556592

Place: Calicut
Date: July 06, 2023

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 such hospital under Aster DM Healthcare 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 Bengaluru 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 40.35% of the total power cost for the financial year 2022-23. Savings in terms of INR is 23.19 Lakhs per month i.e INR 22.78 crores per annum.

At Aster RV Hospital, Bengaluru we have continued to wheel 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 5.25 Lakhs per month aggregating to INR 63 Lakhs per annum.

Aster Medcity implemented HVAC plant room automation to save 15 % of power consumption in HVAC high side. Power saving achieved through this initiative is 3,62,000 KWh , which is amounting to INR 32.58 Lakhs savings from October 2022 to Mar 2023.

Water: At Aster CMI, we have been successful in utilizing 100% recycled water about 45745 KL annually for the FY 2022-23 for landscaping and other non-critical utilities with a savings of around INR 2.5 Lakh per month amounting to INR 30.49 Lakhs per annum.

At Aster Women & Children Hospital Whitefield, Bengaluru we have been successful in utilizing 100% recycled water for toilet flushing and other non-critical utilities on an average about 449.5KL of water is saved and annually 5394 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 annually 30495 KL fresh water is saved and monthly 2541 KL.

Aster Medcity is having 1 MLD (Million Litters per day) capacity STP. It treats average 635 KL of water per day and reuses treated effluent water for cooling tower, landscaping and Toilet flushing. This use of recycled water helps in saving 1,57,842 KL of fresh/potable water use per annum which is amounting to INR 1.42 crore. In addition, tap aerators and water pressure compensators are fitted in all water taps and health faucets to save 50-70 % water consumed through water taps and health faucets. The amount of water saved through this initiative is 11,000 KL per annum.

B. TECHNOLOGY ABSORPTION

Our leadership believes that ultimate health attainment is physical, mental, spiritual, and social and, innovation and sustainable care go hand-in hand. During the financial year 2022-23, the Company has taken the following steps related to technology absorption.

Intra Operative Neuro Monitoring (IONM) System: Intra Operative Neurophysiological Monitoring (IONM) helps assess the integrity of neural structures and consciousness during surgical procedures. It includes both continuous monitoring of neural tissue as well as the localization of vital neural structures. IONM is a procedure to continuously monitor the nervous system's functional integrity during operations involving the brain and spinal cord. Electrodes or needles attached to the patient's relevant anatomy continuously transmit information, which can be viewed on a monitor.

Neuro Navigation System & MER: Neuronavigation is the set of computer-assisted technologies used by neurosurgeons to guide or "navigate" within the confines of the skull or vertebral column during surgery and used by psychiatrists to accurately target TMS (Transcranial Magnetic Stimulation). It provides intraoperative orientation to the surgeon, helps in planning a precise surgical approach to the targeted lesion and defines the surrounding neurovascular structures. Mechanical endovascular reperfusion (MER) is an intervention that physically removes the blood clot from the vessel when a patient is suffering from a large vessel occlusion or blockage. The procedure is primarily performed on patients with acute ischemic strokes.

Optical Coherence Tomography (OCT): Optical Coherence Tomography (OCT) is a non-invasive diagnostic instrument used for imaging the retina. It has the ability to detect problems in the eye prior to any symptoms being present in the patient. OCT images aids in viewing many layers beneath the surface of the retina, which helps to spot changes to eye health earlier than just looking at the surface.

Robotic System: Robotic surgery, also called robot-assisted surgery, allows doctors to perform many types of complex procedures with more precision, flexibility and control than is possible with conventional techniques. Robotic surgery is usually associated with minimally invasive surgery — procedures performed through tiny incisions. Robot Assisted Surgery System consists of three primary components:

(1) a viewing and control console that is used by surgeon,

(2) a vision cart that holds the endoscopes and provides visual feedback and

(3) manipulator arm unit that includes three or four arms, depending on the model.

LAP Tower (3D, 4K & HD): Laparoscopic surgery refers to surgical procedures that are performed through one or multiple small incisions, rather than through a larger, usually single, incision through the abdominal wall. Laparoscopy Tower provides visualization and documentation of procedures. It has the capacity for arthroscopy and other rigid endoscopy procedures. The laparoscopic tower has a monitor (HD/3D/4K) that makes it possible to distinguish whether the blood perfusion to organs and tissues is adequate. The components of a laparoscope are light post, light fibers, lens system, lens train, the shaft carrying the lens train, lens assembly at the proximal end and the eye-piece.

ICG Camera & Fluorescence Imaging Sytem: ICG is a tricarbocyanine dye which fluoresces, i.e. emits light, after excitation under near-infrared light at 806 nm light. ICG is highly soluble in water and binds to ß-lipoproteins, particularly to albumin. Because of the high protein content of lymph, ICG accumulates in the lymphatic pathways and lymph nodes. ICG is used as a marker in the assessment of the perfusion of tissues and organs. The light needed for the excitation of the fluorescence is generated by a near infrared light source which is attached directly to a camera. This visualization platform delivers high level visualization for both minimally invasive and open surgeries. The platforms distinct modalities enhance the surgeon's ability to visualize blood flow in vessels and related tissue perfusion during plastic, microsurgical, reconstructive and gastrointestinal procedures.

Ortho Robotic System (Robot Assisted Orthopedic Surgery System): Robot Assisted Orthopedic Surgery enables precise movements that preserve bone and tissue and often result in a faster recovery and less muscle and soft tissue damage. Computer-assisted surgery uses technology such as robots, accelerometers, gyroscopes, and pressure sensors, which help doctors properly position implants. It is ideal for total joint replacement, such as hip and knee, as the bone can be treated as a fixed object.

AcuPulse™ DUO CO2 Laser System: CO2 laser resurfacing uses pulses of laser light. These beams penetrate the skin's surface, where water in the skin cells absorbs them. When this happens, the epidermis, or superficial layer of the skin, is vaporized. The dermis, or middle layer, heats up, stimulating the growth of new collagen fibers. Carbon dioxide laser skin resurfacing is a technique effective for both cosmetic and medical applications. It is an excellent modality for treating and preventing wrinkles and skin laxity that occur with photoaging. It is also effective in the treatment and prevention of keratinocyte skin cancers. AcuPulse™ DUO CO2 Laser System offers three power and time exposure modes to enable customized energy delivery for controlled laser-tissue interaction:

CW - Steady, continuous beam of energy, when coagulation is required.

Pulser - Constant frequency with variable pulse length, yielding the required average power.

Super Pulse - Continuous series of short-duration, high-peak power pulses, for char-free outcomes.

Gamma Probe: A gamma probe is a hand-held device for intraoperative use following interstitial injection of a radionuclide, to locate sentinel lymph nodes by their radioactivity. It is used primarily for sentinel lymph node mapping and parathyroid surgery. The EuroProbe 3.2 surgical probe is used for easy and accurate detection of the Tc-99m labeled sentinel node. The system can also be used to detect I-125 seeds for tumor localization. Both procedures can be performed separate or simultaneously.

ElectroPhysiology (EP): An electrophysiology (EP) study is a test performed to assess the heart's electrical system or activity and is used to diagnose abnormal heartbeats or arrhythmia. The test is performed by inserting catheters and then wire electrodes, which measure electrical activity, through blood vessels that enter the heart. The WorkMate Claris™ System is a highly sophisticated workstation that provides electrogram acquisition while serving as the technology platform for the seamless integration with other systems and products used in the EP lab.

Spine Endoscopy: Endoscopic spine surgery (ESS) is an ultra-minimally invasive surgical procedure that effectively relieves chronic low back and leg pain. This state-of-the-art spine surgery utilizes an 4K camera attached to an endoscope inserted through a ¼ inch skin incision to the target pain generator in the spine. RIWOspine pain therapy instruments are specially developed for precise 4 MHz radiofrequency application. Safe coagulation and ablation of the nerve structures can be achieved by working frequency of 4 MHz, an effective tissue-preserving coagulation system.

Scalp Cooling System: Scalp cooling is a way to reduce hair loss for patients on chemotherapy to treat solid tumors. Solid tumors are cancers that are not leukemia or lymphoma. Scalp cooling involves wearing a cold cap on the head before, during, and after receiving chemotherapy. By cooling the scalp, scalp blood vessels narrow, which results in less chemotherapy reaching the hair follicles. In addition, cooler hair follicles become inactive, making them less susceptible to the treatment. The result can be reduced hair loss. Paxman Scalp Cooling System provides the leading scalp-cooling technology for preventing chemotherapy-induced alopecia.

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
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
Intra Operative Neuro Monitoring (IONM) System	2022-23	Yes	NA
Neuro Navigation System & MER	2022-23	Yes	NA
Optical Coherence Tomography (OCT)	2022-23	Yes	NA
Robotic System	2022-23	Yes	NA
LAP Tower (3D, 4K & HD)	2022-23	Yes	NA
ICG Camera & Fluorescence Imaging System	2022-23	Yes	NA
Ortho Robotic System (Robot Assisted Orthopedic Surgery System)	2022-23	Yes	NA
AcuPulse™ DUO CO2 Laser System	2022-23	Yes	NA
Gamma Probe	2022-23	Yes	NA
ElectroPhysiology (EP)	2022-23	Yes	NA
Spine Endoscopy	2022-23	Yes	NA
Scalp Cooling System	2022-23	Yes	NA

b. Expenditure on Research and Development: Nil (Standalone)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(in INR crores)

Particulars	2022-23	2021-22
Earnings	62.17	80.68
Expenditure	14.48	4.58
Net Foreign Exchange earnings	47.70	76.10
NFE/earnings (%)	76.72%	94.32%

For and on behalf of the Board of Directors

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

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 always committed to good Corporate Governance and its adherence to best practices 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 strives to adopt 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 fifteen 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, 2023, 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/investors/corporate-governance/board-of-directors. Dr. Azad Moopen is related to Ms. Alisha Moopen (Daughter) and Mr. Anoop Moopen (son-in-law). 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.

Attendance of Directors during financial year 2022-2023

Board attendance

Name of the Director	DIN	Designation	Category	AGM held on August 25, 2022	Number of Board meeting 1 May 24, 2022	2 June 10, 2022	3 August 11, 2022	4 November 10, 2022	5 December 02, 2022	6 February 14, 2023	7 March 27, 2023	Entitled to attend	✓	% of attendance
Dr. Azad Moopen	00159403	Chairman and Managing Director	Promoter, Executive	Video call	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Ms. Alisha Moopen	02432525	Deputy Managing Director	Executive	Video call	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Mr. T J Wilson	02135108	Director	Non-Executive	Video call	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Mr. Anoop Moopen	02301362	Director	Non-Executive	Video call	In Present	Video call	In Present	In Present	Video call	Video call	Video call	7	7	100
Mr. Shamsudheen Bin Mohideen Mammu Haji	02007279	Director	Non-Executive	L	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Mr. Daniel Robert Mintz	00960928	Director	Non-Executive	L	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Prof. Biju Varkkey[1]	01298281	Director	Non-Executive, Independent	Video call	In Present	Video call	In Present	In Present	Not Applicable	Not Applicable	Not Applicable	4	4	100
Dr. Layla Mohamed Hassan Ali Almarzooqi[2]	08401425	Director	Non-Executive, Independent	Video call	In Present	L	Video call	In Present	Video call	In Present	Video call	7	6	86
Mr. Chenayappillil John George	00003132	Director	Non-Executive, Independent	L	In Present	Video call	In Present	In Present	Video call	In Present	L	7	6	86
Dr. James Mathew	07572909	Director	Non-Executive, Independent	Video call	In Present	Video call	In Present	In Present	Video call	In Present	Video call	7	7	100
Mr. Sridar Arvamudhan Iyengar[5]	00278512	Director	Non-Executive, Independent	Video call	In Present	Video call	Video call	In Present	Video call	In Present	Video call	7	7	100
Mr. Wayne Earl Keathley	09331921	Director	Non-Executive, Independent	Video call	Video call	L	L	In Present	Video call	In Present	Video call	7	5	71
Mr. Emmanuel David Gootam[3]	09771151	Director	Non-Executive, Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Video call	In Present	Video call	3	3	100
Ms. Purana Housdurgamvijaya Deepti[4]	08125456	Director	Non-Executive, Independent	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA
% of attendance				**75**	**100**	**83**	**92**	**100**	**100**	**100**	**92**			

In Present ✓ **Attended** **L Leave of absence** **Attended through video call** **Not Applicable**

Notes:

1. Prof. Biju Varkkey retired from the Board of Directors of the Company with effect from November 11, 2022.
2. Dr. Layla Mohamed Hassan Ali Almarzooqi retired from the Board of Directors of the Company with effect from March 27, 2023.
3. Mr. Emmanuel David Gootam was appointed as a Non-Executive Independent Director of the Company with effect from November 10, 2022.
4. Ms. Purana Housdurgamvijaya Deepti was appointed as a Non-Executive Independent Director of the Company with effect from March 27, 2023.
5. Mr. Sridar Arvamudhan Iyengar resigned as a Non-executive Independent Director of the Company with effect from May 23, 2023.

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, 2023 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*	Number of committee positions held in Public companies*		Name of the other listed companies	Category of directorship in listed companies
	Director	Chairman	Member		
Dr. Azad Moopen	5	Nil	Nil	Nil	Nil
Ms. Alisha Moopen	1	Nil	Nil	Nil	Nil
Mr. T J Wilson	7	Nil	1	Nil	Nil
Mr. Anoop Moopen	3	Nil	Nil	Nil	Nil
Mr. Shamsudheen Bin Mohideen Mammu Haji	1	Nil	Nil	Nil	Nil
Mr. Daniel Robert Mintz	Nil	Nil	Nil	Nil	Nil
Mr. Chenayappillil John George	6	Nil	3	Geojit Financial Services Limited V Guard Industries Limited	Managing Director and CEO Non-Executive Independent Director
Dr. James Mathew	2	Nil	Nil	Nil	Nil
Mr. Sridar Arvamudhan Iyengar	2	2	2	Dr. Reddy's Laboratories Ltd	Non-Executive Independent Director
Mr. Wayne Earl Keathley	Nil	Nil	Nil	Nil	Nil
Mr. Emmanuel David Gootam	Nil	Nil	Nil	Nil	Nil
Ms. Purana Housdurgamvijaya Deepti	1	Nil	Nil	Nil	Nil

Note:

The above details is as on March 31, 2023 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:

Sr. No	Date of meeting	Number of days from previous meeting	Requirement of quorum met
1	May 24, 2022	57	Yes
2	June 10, 2022	17	Yes
3	August 11, 2022	62	Yes
4	November 10, 2022	91	Yes
5	December 02, 2022	22	Yes
6	February 14, 2023	74	Yes
7	March 27, 2023	41	Yes

d. Details of equity shares of the Company held by the Directors as on March 31, 2023 are given below:

Sr. 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/fileadmin/user_upload/Familiarization_Program_Independent_Directors_2022-23.pdf

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 upgradation 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	70
Date of appointment	April 15, 2023
Term ending date	April 14, 2026
Shareholding	17,33,536

Areas of expertise

Healthcare, Finance, Accountancy & Audit, Law, Technology, Risk Management, Strategy & Marketing, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

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

Healthcare, Finance, Accountancy & Audit, Law, Technology, Risk Management, Strategy & Marketing, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. T J Wilson

Non-Executive Director

Age	62
Date of appointment	April 20, 2009
Term ending date	NA
Shareholding	27,08,590

Areas of expertise

Healthcare, Finance, Accountancy & Audit, Law, Technology, Risk Management, Strategy & Marketing, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Anoop Moopen

Non-Executive Director

Age	46
Date of appointment	April 20, 2009
Term ending date	NA
Shareholding	12,76,114

Areas of expertise

Healthcare, Finance, Accountancy & Audit, Technology, Strategy & Marketing, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Shamsudheen Bin Mohideen Mammu Haji

Non-Executive Director

Age	60
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: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Daniel Robert Mintz

Non-Executive Director

Age	61
Date of appointment	January 18, 2012
Term ending date	NA
Shareholding	Nil

Areas of expertise

Healthcare
Finance, Accountancy & Audit
Law
Risk Management
Strategy & Marketing
Board and Governance
Global Business
Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Chenayappillil John George

Non-Executive Independent Director

Age	64
Date of appointment	April 11, 2020
Term ending date	18th Annual General Meeting to be held in the year 2026 (Re-appointed for a second term with effect from April 11, 2023)
Shareholding	Nil

Areas of expertise

Finance, Accountancy & Audit
Law
Risk Management
Board and Governance
Strategy & Marketing
Global Business
Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Dr. James Mathew

Non-Executive Independent Director

Age	57
Date of appointment	June 23, 2020
Term ending date	19th Annual General Meeting to be held in the year 2027 (Re-appointed for a second term with effect from June 23, 2023)
Shareholding	Nil

Areas of expertise

Finance, Accountancy & Audit
Law
Risk Management
Strategy & Marketing
Board and Governance
Global Business
Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Sridar Arvamudhan Iyengar

Non-Executive Independent Director

Age	75
Date of appointment	July 19, 2020
Term ending date	July 18, 2023 (Resigned with effect from May 23, 2023)
Shareholding	Nil

Areas of expertise

Healthcare, Finance, Accountancy & Audit, Technology, Risk Management, Strategy & Marketing, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Wayne Earl Keathley

Non-Executive Independent Director

Age	72
Date of appointment	October 04, 2021
Term ending date	October 03, 2024
Shareholding	Nil

Areas of expertise

Healthcare, Technology, Board and Governance, Global Business, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Mr. Emmanuel David Gootam

Non-Executive Independent Director

Age	63
Date of appointment	November 10, 2022
Term ending date	November 09, 2025
Shareholding	Nil

Areas of expertise

Finance, Accountancy & Audit, Technology, Risk Management, Strategy & Marketing, Board and Governance, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

Ms. Purana Housdurgamvijaya Deepti

Non-Executive Independent Director

Age	61
Date of appointment	March 27, 2023
Term ending date	18th Annual General Meeting to be held in the year 2026
Shareholding	Nil

Areas of expertise

Finance, Accountancy & Audit, Technology, Risk Management, Strategy & Marketing, Board and Governance, Leadership

Profile available at: https://www.asterdmhealthcare.com/investors/corporate-governance/board-of-directors

g. Declaration by Independent Directors

Your Company has received necessary declaration from each Independent Director 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 financial year 2022-2023. Mr. Sridar Arvamudhan Iyengar (DIN: 00278512) has resigned from the position of Non-Executive Independent Director of the Company due to personal reasons with effect from May 23, 2023. Further, as per the requirement of Regulation 30 read with Schedule III, Part A, Clause 7B of Listing Regulations, he has confirmed that there are no material reasons for his resignation other than that mentioned in his resignation letter dated May 23, 2023.

i. Board member evaluation

The Nomination and Remuneration Committee at their meeting held on February 13, 2023, 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. The Independent Directors and the members of Nomination and Remuneration Committee at their meeting on May 23, 2023 and May 24, 2023 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, one meeting of the Independent Directors was held on May 16, 2022, to discuss the Board evaluation results for the financial year 2021-22. The Independent Directors also met on May 23, 2023, to discuss the Board evaluation results for the financial year 2022-23.

Further, Independent Directors have regularly meetings with statutory auditors of the Company without the presence of non-Independent Directors and members of management. The said meetings were held on May 23, 2022, August 11, 2022, November 09, 2022 and February 13, 2023 before the Audit Committee Meeting.

3. Committees of the Board

Board has constituted nine committees including 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 2022-23 are as follows:

STATUTORY COMMITTEES

Audit Committee

Dr. 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:

1. Overseeing the Company's financial reporting process to ensure transparency, sufficiency, fairness and credibility of financial statements etc;
2. Reviewing the quarterly, half yearly and annual financial statements and report of auditor before submission to the Board;
3. Reviewing of management discussion and analysis of financial condition and results of operation;
4. Approval or 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;
5. Reviewing the effectiveness of Internal Audit function and Internal control system;
6. Discussion with Internal Auditors any significant findings and follow up there on;
7. Reviewing the actions taken by Management to implement the recommendations of internal audit;
8. Reviewing and assessing the annual Internal Audit plan to ensure it is aligned to the key risks of the business;
9. Recommendation for appointment, remuneration and terms of appointment of auditors;
10. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
11. Monitoring, reviewing, assessing the policies and procedures relating to the proper functioning of the system for prevention of insider trading;
12. Reviewing and approving the inter- corporate loans and investments, including that made by the unlisted material subsidiaries;
13. Approving the budget and business plan;
14. Reviewing the functioning of the Whistle Blower mechanism;
15. 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, 2023 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. James Mathew	Non-Executive Independent	Chairman
2.	Mr. Chenayappillil John George	Non-Executive Independent	Member
3.	Mr. Emmanuel David Gootam[2]	Non-Executive Independent	Member
4.	Ms. Alisha Moopen	Executive	Member

Notes:

1. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.
2. Mr. Emmanuel David Gootam appointed as a Member of the Committee with effect from March 27, 2023.

The Audit Committee met five times during the financial year 2022-23. The said meetings were held on May 23, 2022; August 11, 2022; November 09, 2022; February 13, 2023, and March 27, 2023 and the necessary quorum was present for all the meetings.

Attendance details of the Audit Committee

Audit Committee

Name of the Director	Committee meeting details					Entitled to attend	✓	% of attendance
	1	2	3	4	5			
	May 23, 2022	August 11, 2022	November 09, 2022	February 13, 2023	March 27, 2023			
Dr. James Mathew	In Present	In Present	In Present	In Present	Video call	5	5	100
Mr. Chenayappillil John George	In Present	In Present	In Present	In Present	L	5	4	80
Dr. Layla Mohamed Hassan Ali Almarzooqi[1]	In Present	Video call	In Present	In Present	Video call	5	5	100
Mr. Emmanuel David Gootam[2]	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA
Ms. Alisha Moopen	In Present	In Present	In Present	In Present	Video call	5	5	100
% of attendance	**100**	**100**	**100**	**100**	**75**			

In Present ✓ **Attended** L **Leave of absence** **Attended through video call** **Not Applicable**

Notes:

1. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.

2. Mr. Emmanuel David Gootam appointed as a Member of the Committee with effect from March 27, 2023.

Nomination and Remuneration Committee

Mr. Emmanuel David Gootam
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 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 plan of the Company;

The composition of the Nomination and Remuneration Committee as on March 31, 2023 is as under:

S. No	Name of the Member	Category	Designation
1.	Mr. Emmanuel David Gootam	Non-Executive Independent	Chairman
2.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member
3.	Ms. Purana Housdurgamvijaya Deepti	Non-Executive Independent	Member
4.	Dr. Azad Moopen	Promoter, Executive	Member

Notes:

1. Prof. Biju Varkkey ceased to be a Member and Chairman of the Committee with effect from November 11, 2022.
2. Mr. Emmanuel David Gootam appointed as a Member and Chairman of the Committee with effect from November 11, 2022.
3. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from March 27, 2023.
4. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.
5. Dr. Azad Moopen resigned as a Member of the Committee with effect from May 25, 2023.
6. Mr. T J Wilson appointed as Member of the Committee with effect from May 25, 2023.

The Nomination and Remuneration Committee met four times during the financial year 2022-23. The said meetings were held on May 23, 2022; July 13, 2022; November 09, 2022 and February 13, 2023 and the necessary quorum was present for all the meetings.

Attendance details of the Nomination and Remuneration Committee

Nomination and Remuneration Committee							
Name of the Director	Committee meeting details				Entitled to attend	✓	% of attendance
	1	2	3	4			
	May 23, 2022	July 13, 2022	November 09, 2022	February 13, 2023			
Prof. Biju Varkkey[1]	In Present	Attended through video call	Attended through video call	Not Applicable	3	3	100
Mr. Sridar Arvamudhan Iyengar	Attended through video call	Attended through video call	In Present	In Present	4	4	100
Dr. Azad Moopen	In Present	Attended through video call	In Present	In Present	4	4	100
Mr. Emmanuel David Gootam[2]	Not Applicable	Not Applicable	Not Applicable	In Present	1	1	100
Ms. Purana Housdurgamvijaya Deepti[3]	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA
% of attendance	**100**	**100**	**100**	**100**			

In Present ✓ **Attended** **Attended through video call** **Not Applicable**

Notes:

1. Prof. Biju Varkkey ceased to be a Member and Chairman of the Committee with effect from November 11, 2022.
2. Mr. Emmanuel David Gootam appointed as a Member and Chairman of the Committee with effect from November 11, 2022.
3. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from March 27, 2023.

Stakeholders Relationship Committee

Dr. 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 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, 2023 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. 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

Note:

1. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.

The Stakeholder's Relationship Committee met twice during the financial year 2022-23. The said meetings were held on May 23, 2022 and November 09, 2022 and the necessary quorum was present for all the meetings.

Attendance details of the Stakeholders Relationship Committee

Stakeholders Relationship Committee					
Name of the Director	Committee meeting details		Entitled to attend	✓	% of attendance
	1	2			
	May 23, 2022	November 09, 2022			
Dr. James Mathew	In Present	In Present	2	2	100
Mr. Chenayappillil John George	In Present	In Present	2	2	100
Mr. Sridar Arvamudhan Iyengar	Attended through video call	In Present	2	2	100
Mr. T J Wilson	In Present	In Present	2	2	100
Mr. Anoop Moopen	In Present	In Present	2	2	100
% of attendance	**100**	**100**			

In Present ✓ **Attended** **Attended through video call**

Notes:

1. Prof. Biju Varkkey ceased to be a Member and Chairman of the Committee with effect from November 11, 2022.
2. Mr. Emmanuel David Gootam appointed as a Member and Chairman of the Committee with effect from November 11, 2022.
3. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from March 27, 2023.

The details with regard to Stakeholder's grievances as on March 31, 2023 are as under:

S. No	Particulars	Related Details
1.	Name of the Non-executive Director heading the Committee	Dr. 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, 2023	1
4.	Number of complaints not solved to the satisfaction of shareholders as on March 31, 2023	0
5.	Number of pending complaints as on March 31, 2023	0

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, 2023 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.	Dr. James Mathew	Non-Executive Independent	Member
5.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member

Notes:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.
2. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.
3. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from May 25, 2023.

The Risk Management Committee met twice during the financial year 2022-23. The said meetings were held on August 05, 2022 and December 08, 2022 and the gap between two meetings was not more than one hundred and eighty days. The necessary quorum was present for all the meetings.

Attendance details of the Risk Management Committee

Risk Management Committee

Name of the Director	Committee meeting details 1 August 05, 2022	Committee meeting details 2 December 08, 2022	Entitled to attend	✓	% of attendance
Ms. Alisha Moopen	🎥	🎥	2	2	100
Mr. T J Wilson	🎥	🎥	2	2	100
Mr. Daniel Robert Mintz	L	L	2	0	0
Dr. James Mathew	🎥	🎥	2	2	100
Mr. Sridar Arvamudhan Iyengar	🎥	🎥	2	2	100
Prof. Biju Varkkey[1]	🎥	⊗	1	1	100
% of attendance	**83**	**80**			

✓ **Attended** L **Leave of absence** 🎥 **Attended through video call** ⊗ **Not Applicable**

Note:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.

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, 2023 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.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member

Notes:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.
2. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.
3. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.
4. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from May 25, 2023.

The Corporate Social Responsibility Committee met twice during the financial year 2022-23. The said meetings were held on May 23, 2022 and March 21, 2023 and the necessary quorum was present for all the meetings.

Attendance details of the Corporate Social Responsibility Committee

Corporate Social Responsibility Committee

Name of the Director	Committee meeting details		Entitled to attend	✓	% of attendance
	1	2			
	May 23, 2022	March 21, 2023			
Dr. Azad Moopen	In Present	Attended through video call	2	2	100
Mr. Shamsudheen Bin Mohideen Mammu Haji	L	Attended through video call	2	1	50
Mr. Anoop Moopen	In Present	L	2	1	50
Mr. Sridar Arvamudhan Iyengar	Attended through video call	Attended through video call	2	2	100
Prof. Biju Varkkey[1]	In Present	Not Applicable	1	1	100
Dr. Layla Mohamed Hassan Ali Almarzooqi[2]	Attended through video call	Attended through video call	2	2	100
% of attendance	**83**	**80**			

In Present ✓ Attended L Leave of absence Attended through video call Not Applicable

Notes:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.
2. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.

NON-STATUTORY COMMITTEES

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, 2023 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.	Dr. James Mathew	Non-Executive Independent	Member

Notes:

1. Mr. Sreenath Reddy ceased to be a Member of the Committee with effect from January 05, 2023.
2. Mr. Amitabh Johri and Mr. Sunil Kumar M R appointed as a Member of the Committee with effect from May 25, 2023.

The Investment and Finance Committee met five times during the financial year 2022-23. The said meetings were held on June 21, 2022, August 10, 2022, August 29, 2022, November 08, 2022 and January 30, 2023 and the necessary quorum was present for all the meetings.

Attendance details of the Investment and Finance Committee

Investment and Finance Committee								
Name of the Director	Committee meeting details					Entitled to attend	✓	% of attendance
	1 June 21, 2022	2 August 10, 2022	3 August 29, 2022	4 November 08, 2022	5 January 30, 2023			
Dr. Azad Moopen	Attended through video call	In Present	Attended through video call	Attended through video call	Attended through video call	5	5	100
Ms. Alisha Moopen	Attended through video call	In Present	Attended through video call	Attended through video call	Attended through video call	5	5	100
Mr. T J Wilson	Attended through video call	In Present	Attended through video call	Attended through video call	Attended through video call	5	5	100
Dr. James Mathew	Attended through video call	In Present	Attended through video call	Attended through video call	Attended through video call	5	5	100
Mr. Sreenath Reddy[1]	Attended through video call	In Present	Attended through video call	Attended through video call	Not Applicable	4	4	100
% of attendance	100	100	100	100	100			

In Present ✓ **Attended** **Attended through video call** **Not Applicable**

Note:

1. Mr. Sreenath Reddy ceased to be a Member of the Committee with effect from January 05, 2023.

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, 2023 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. Wayne Earl Keathley	Non-Executive Independent	Member

Note:

1. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.

The Medical Excellence Committee met twice during the financial year 2022-23. The said meetings were held on August 04, 2022 and March 24, 2023 and the necessary quorum was present for all the meetings.

Attendance details of the Medical Excellence Committee

Medical Excellence Committee

Name of the Director	Committee meeting details 1 August 04, 2022	Committee meeting details 2 March 24, 2023	Entitled to attend	✓	% of attendance
Dr. Azad Moopen	📹	📹	2	2	100
Ms. Alisha Moopen	📹	📹	2	2	100
Mr. Wayne Earl Keathley	L	L	2	0	0
Dr. Layla Mohamed Hassan Ali Almarzooqi[1]	📹	📹	2	2	100
% of attendance	75	75			

✓ **Attended** L **Leave of absence** 📹 **Attended through video call**

Note:

1. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be a Member of the Committee with effect from March 27, 2023.

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, 2023 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. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member
4.	Mr. Wayne Earl Keathley	Non-Executive Independent	Member

Note:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.
2. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.

The Digital Transformation Committee met once during the financial year 2022-23 on May 25, 2022 and the necessary quorum was present for the meeting.

Attendance details of the Digital Transformation Committee

Digital Transformation Committee				
Name of the Director	Committee meeting details 1 May 25, 2022	Entitled to attend	✓	% of attendance
Dr. Azad Moopen		1	1	100
Ms. Alisha Moopen		1	1	100
Mr. Sridar Arvamudhan Iyengar		1	1	100
Mr. Wayne Earl Keathley	L	1	0	0
Prof. Biju Varkkey[1]		1	1	100
% of attendance	**80**			

In Present ✓ **Attended** L **Leave of absence**

Note:

1. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.

Corporate Restructuring Committee

The Board of Directors have constituted Corporate Restructuring Committee of Independent Directors of the Board to inter alia review the corporate structure of the Company and evaluate various proposals for corporate restructuring options placed by the management and the advisors before the Committee for restructuring and/or enhancing value of the Company and provide guidance/ inputs as deemed appropriate.

The composition of the Corporate Restructuring Committee as on March 31, 2023 is as under:

S. No	Name of the Member	Category	Designation
1.	Dr. James Mathew	Non-Executive Independent	Member
2.	Mr. Chenayappillil John George	Non-Executive Independent	Member
3.	Mr. Sridar Arvamudhan Iyengar	Non-Executive Independent	Member

Notes:

1. Mr. Wayne Earl Keathley ceased to be a Member of the Committee with effect from April 16, 2022.
2. Prof. Biju Varkkey appointed as a Member of the Committee with effect from April 16, 2022.
3. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.
4. Mr. Sridar Arvamudhan Iyengar ceased to be a Member of the Committee with effect from May 23, 2023.
5. Ms. Purana Housdurgamvijaya Deepti appointed as a Member of the Committee with effect from May 25, 2023.
6. Mr. Emmanuel David Gootam appointed as a Member of the Committee with effect from May 25, 2023.

The Committee met twice during the financial year 2022-23. The said meetings were held on June 08, 2022 and November 04, 2022 and the necessary quorum was present for all the meetings. The Committee has served its purpose by providing guidance/ inputs on the corporate restructuring options placed by the management and the advisors before the Committee. To ensure transparency and maintain corporate governance oversight, the Committee shall continue to exist till the completion of the proposed restructuring of the GCC Business.

Attendance details of the Medical Excellence Committee

Medical Excellence Committee

Name of the Director	Committee meeting details 1 June 08, 2022	2 November 04, 2022	Entitled to attend	✓	% of attendance
Dr. James Mathew	📹	📹	2	2	100
Mr. Chenayappillil John George	📹	📹	2	2	100
Mr. Sridar Arvamudhan Iyengar	📹	📹	2	2	100
Prof. Biju Varkkey[2]	📹	📹	2	2	100
% of attendance	**100**	**100**			

✓ **Attended** 📹 **Attended through video call** ⊗ **Not Applicable**

Notes:

1. Mr. Wayne Earl Keathley ceased to be a Member of the Committee with effect from April 16, 2022.
2. Prof. Biju Varkkey appointed as a Member of the Committee with effect from April 16, 2022.
3. Prof. Biju Varkkey ceased to be a Member of the Committee with effect from November 11, 2022.

4. 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. 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 and August 25, 2022.

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, 2023

(amount in INR crores)

Name of the Director	Designation	Sitting fee/ Managerial Remuneration
Executive		
Dr. Azad Moopen[1]	Chairman and Managing Director	0.60
Ms. Alisha Moopen[2]	Deputy Managing Director	0.30
Non-Executive		
Mr. T J Wilson3	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		
Prof. Biju Varkkey	Non-Executive Independent	0.13
Dr. Layla Mohamed Hassan Ali Almarzooqi	Non-Executive Independent	0.15
Mr. Chenayappillil John George	Non-Executive Independent	0.16
Dr. James Mathew	Non-Executive Independent	0.25
Mr. Sridar Arvamudhan Iyengar[4]	Non-Executive Independent	Nil
Mr. Wayne Earl Keathley	Non-Executive Independent	0.05
Mr. Emmanuel David Gootam	Non-Executive Independent	0.04
Ms. Purana Housdurgamvijaya Deepti[5]	Non-Executive Independent	Nil

1. Dr. Azad Moopen also received remuneration of AED 6.12 million and variable incentive of AED 1.8 million during financial year 2022-23 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and other benefits as per the policies.
2. Ms. Alisha Moopen also received remuneration of AED 2.70 million and variable incentive of AED 0.52 million during financial year 2022-23 from Dr. Moopen's Healthcare Management Services LLC. She is entitled to gratuity payments and other benefits as per the policies.
3. Mr. T J Wilson received remuneration of AED 1.76 million and variable incentive of AED 0.34 million during financial year 2022-23 from Dr. Moopen's Healthcare Management Services LLC. He is entitled to gratuity payments and other benefits as per the policies.
4. Mr. Sridar Arvamudhan Iyengar had waived off sitting fees for attending all the Board and Committee meetings for financial year ending March 31, 2023.
5. Ms. Purana Housdurgamvijaya Deepti appointed as an Independent Director with effect from March 27, 2023.

c. Criteria for making payment to Non-Executive Directors

The policy for payment to Non-Executive Independent directors has been made available on the website of the Company at https://www.asterdmhealthcare.com/fileadmin/user_upload/Policy_on_Nomination_Remuneration_and_Evaluation.pdf

d. Service Contracts, Notice and Severance Fees

As on March 31, 2023, 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.

5. 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
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	
2021-22	August 25, 2022	11:30 AM-01:15 PM	

b. Extraordinary General Meeting ("EGM")

No Extraordinary General Meeting of the Company was called and convened during the financial year 2022-23.

c. Details of Special Resolutions passed during the last 3 AGMs are as under:

Financial Year	Date	Venue
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
2021-22	August 25, 2022	Approve payment of remuneration to Dr. Mandayapurath Azad Moopen (DIN: 00159403), Managing Director of the Company
		Approval for re-appointment of Dr. Mandayapurath Azad Moopen, (DIN: 00159403), as Managing Director of the Company for a term of three years with effect from April 15, 2023

d. Details of Special Resolution passed through postal ballot

The Company has passed the following special resolutions though postal ballot during financial year 2022-23 and till April 30, 2023

S. No	Agenda item	Date of passing the resolution
1	Appointment of Mr. Emmanuel David Gootam (DIN: 09771151) as an Independent Director of the Company for a term of three consecutive years	December 17, 2022
2	Appointment of Ms. Purana Housdurgamvijaya Deepti (DIN: 08125456) as an Independent Director of the Company with effect from March 27, 2023 till the conclusion of 18th Annual General Meeting of the Company	April 08, 2023
3	Re-appointment of Mr. Chenayappillil John George (DIN: 00003132) as an Independent Director of the Company for a second term with effect from April 11, 2023 till the conclusion of 18th Annual General Meeting of the Company	
4	Re-appointment of Dr. James Mathew (DIN: 07572909) as an Independent Director of the Company for a second term with effect from June 23, 2023 till the conclusion of 19th Annual General Meeting of the Company	

Mr. M Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries, (ICSI Membership No. FCS 5837 COP: 5081) 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.

In accordance with MCA circulars, 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/investors/shareholders-services/postal-ballot , 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.

6. Means of Communication

a. 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/investors/stock-exchange-disclosures/newspaper-advertisement .

b. 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 Press Release- https://www.asterdmhealthcare.com/investors/stock-exchange-disclosures/press-release and Investor Presentation https://www.asterdmhealthcare.com/investors/financial-information/investors-presentation

7. 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 : August 31, 2023

Time : 11.30 AM (IST)

b. Financial Year

Financial Year covers the period from April 01, 2022, to March 31, 2023.

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 recommend any dividend for the financial year under review and hence dividend payment date is not applicable.

d. Listing on Stock Exchanges

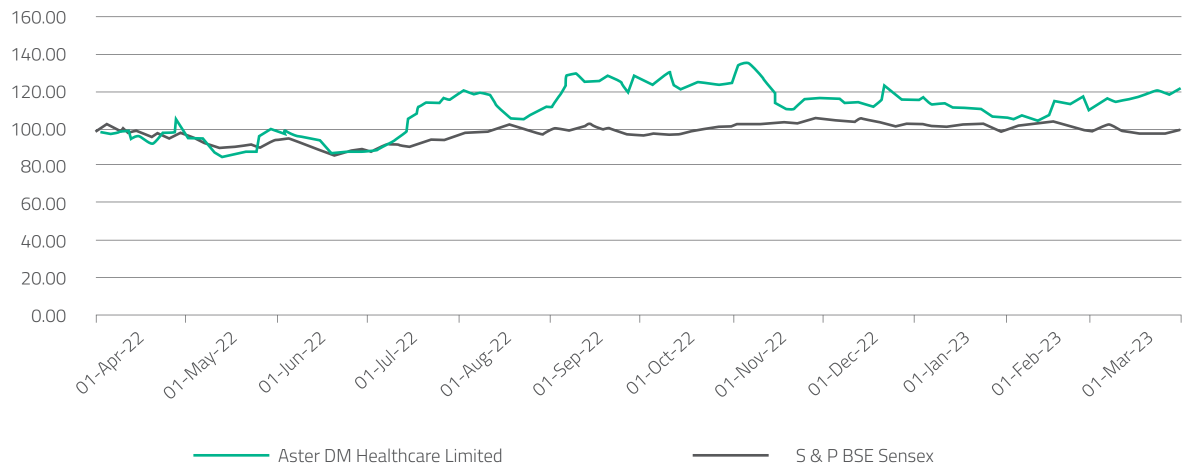
Equity Shares of the Company are listed on following exchanges and the requisite listing fees have been paid in full to the Stock Exchanges.

BSE Limited (BSE) Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	National Stock Exchange of India Limited (NSE) Exchange plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051.
Scrip code: 540975	Stock Code: ASTERDM
ISIN: INE914M01019	

e. Market price data- high, low during each month in the financial year 2022-23

Month	BSE			NSE		
	High Price	Low Price	No. of Shares	High Price	Low Price	No. of Shares
Apr-22	211.70	179.25	86,45,311	212.00	179.20	2,51,45,000
May-22	202.90	162.65	12,19,803	202.80	162.60	1,99,24,000
Jun-22	200.70	168.35	7,25,629	200.00	168.25	56,55,000
Jul-22	237.55	173.65	10,26,064	237.45	174.30	1,57,41,000
Aug-22	244.10	200.60	9,54,564	244.30	200.60	1,52,86,000
Sep-22	265.55	216.55	16,72,340	265.80	216.50	2,65,27,000
Oct-22	265.55	231.80	10,93,014	265.70	232.00	1,10,30,000
Nov-22	275.45	200.05	13,30,847	275.60	213.35	1,62,06,000
Dec-22	249.60	219.00	4,95,337	249.50	219.05	77,72,000
Jan-23	236.10	205.30	2,25,066	236.25	209.00	28,08,000
Feb-23	236.50	201.45	2,84,411	236.95	201.30	46,84,000
Mar-23	245.80	217.00	3,46,855	245.80	216.60	60,65,000

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, 2022 and S&P BSE Sensex (Sensex) value on April 1, 2022 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: https://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, 2023

i. Distribution of shareholdings as on March 31, 2023

Shares - Range	Number of Shareholders	Percentage of total shareholders	Total Shares for the Range	Percentage of issued capital
1 - 500	78,544	94.6781	53,45,945	1.07
501 - 1000	1,964	2.3674	15,31,304	0.31
1001 - 2000	1,120	1.3501	16,87,767	0.34
2001 - 3000	419	0.5051	10,52,093	0.21
3001 - 4000	171	0.2061	6,08,143	0.12
4001 - 5000	127	0.1531	5,91,908	0.12
5001 - 10000	233	0.2809	17,22,532	0.34
10000 - above	381	0.4593	48,69,73,368	97.49
Grand Total	**82,959**	**100.0000**	**49,95,13,060**	**100.00**

ii. Category of Equity Shareholders as on March 31, 2023

Sl no.	Category	Number of shares	% of holding
1	Alternate Investment Funds – III	2,60,002	0.0521
2	Body Corporate - Ltd Liability Partnership	48,639	0.0097
3	Clearing Members	24,413	0.0049
4	Directors	1,13,79,972	2.2782
5	Employee Welfare Trust / ESOP's	21,43,386	0.4291
6	Foreign Company	13,22,97,525	26.4853
7	Foreign Nationals	2,15,410	0.0431
8	Foreign Portfolio Investors (Corporate)-I	3,70,77,511	7.4227
9	Foreign Portfolio Investors (Corporate)-II	1,06,13,865	2.1248
10	Foreign Promoter Company	20,68,34,332	41.4072
11	Foreign Venture Capital	1,29,99,534	2.6024
12	Hindu Undivided Family	5,03,264	0.1008
13	Mutual Funds	4,43,74,626	8.8836
14	Non -Resident Indians (Non Repatriable)	73,33,229	1.4681
15	Non-Resident Indians	1,54,01,999	3.0834
16	Other Bodies Corporate	1,52,3,296	0.3050
17	Public	1,56,33,449	3.1297
18	Relatives of Director	2,10,155	0.0421
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, 2023, INR 78,06,040 Paid-up Equity Share Capital is held in physical form and INR 498,73,24,560 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, 2023, the Company does not have any outstanding GDR's / ADR's or Warrants or any convertible instruments.

m. Commodity price risk or foreign exchange risk and hedging activities

Refer Note No 37 of the financial Statements for details on commodity price risk, foreign exchange risk and hedging activities.

n. 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 on the website of the Company.

o. Address for correspondence

Hemish Purushottam
Company Secretary and Compliance Officer
Aster DM Healthcare Limited
#1785,19th Main, Sector 1,
HSR Layout, Bengaluru -560102 India
Contact : 0484 6699999
Email : cs@asterdmhealthcare.com
Website : www.asterdmhealthcare.com

p. Credit Rating

The following ratings assigned by the ICRA Limited and reaffirmed the ratings during the year under review:

Type of Facility/ Programme	Revised Ratings assigned on August 02, 2021		Revised Ratings assigned on October 13, 2022	
	Amount (₹ Crores)	Rating	Amount (₹ Crores)	Rating
Bank loan facility (Long term)	274	A-(Stable)	454	A-(Stable)
Bank loan facility (Short term)	30	A2+	30	A2+

q. Demat suspense account

The Company does not have any equity shares in the suspense account.

r. 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.

8. 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 dealing with the related party transactions, which has been approved by the Board, is available on the website of the Company at www.asterdmhealthcare.com/fileadmin/user_upload/Policy_on_dealing_with_Related_party_transactions_09.pdf. 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/fileadmin/user_upload/Whistle_Blowing_Policy_Aug22_01.pdf

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 2021-22, 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	Mr. Emmanuel David Gootam
2	Aster DM Healthcare FZC	Dr. James Mathew
3	Medcare Hospital LLC	Dr. James Mathew

Notes:

1. Dr. Layla Mohamed Hassan Ali Almarzooqi ceased to be Director of Affinity Holdings Private Limited and Aster DM Healthcare FZC with effect from March 27, 2023
2. Mr. Emmanuel David Gootam has been appointed as Director of Affinity Holdings Private Limited and Dr. James Mathew has been appointed as Director of Aster DM Healthcare FZC with effect from March 27, 2023.

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 2021-22:

S. No	Name of the material Subsidiary Company	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment Statutory Auditor
1	Affinity Holdings Private Limited	January 24, 2008	Republic of Mauritius	Baker Tilly	August 17, 2022
2	Aster DM Healthcare FZC	December 4, 2007	Sharjah, UAE	Deloitte & Touche (M.E.)	September 09, 2020
3	Medcare Hospital LLC	July 5, 2006	Dubai, UAE	Deloitte & Touche (M.E.)	September 09, 2020
4	Malabar Institute of Medical Sciences Ltd	February 17, 1995	Calicut, Kerala	Deloitte Haskins & Sells	June 10, 2020
5	DM Healthcare LLC	November 2, 2008	Dubai, UAE	Deloitte & Touche (M.E.)	September 09, 2020
6	Aster Pharmacies Group LLC	April 2, 2013	Dubai, UAE	Deloitte & Touche (M.E.)	September 09, 2020

The Company has a Policy for determining material subsidiaries which is available on the website of the Company at https://www.asterdmhealthcare.com/fileadmin/user_upload/Material_Subsidiaries_Policy.pdf

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 INR crore)

Category	India Entities	GCC Entities*	Total
Audit	1.77	6.56	8.33
Tax Audit	0.02	-	0.02
Others	0.19	-	0.19
Total	**1.98**	**6.56**	**8.54**

*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

a. Number of complaints filed during the financial year - 3

b. Number of complaints disposed of during the financial year - 3

c. Number of complaints pending as on end of the financial year - 0

Note: The above information is provided on standalone basis.

k. Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount

The Company has provided loans to the wholly owned subsidiaries for operational expenses. Following are the details of loans provided and in which Directors of the Company are interested:

(In INR crore)

S. No	Name of the Company	Name of Director	Amount as on April 01, 2022	Movement	Amount as on March 31, 2023
1	Aster DM Healthcare (Trivandrum) Private Limited	Mr. T J Wilson	89.71	12.23	101.94
2	Ambady Infrastructure Private Limited	Mr. T J Wilson	5.77	0.67	6.44
3	DM Med City Hospitals (India) Private Limited	Dr. Azad Moopen	18.26	26.45	44.70

l. 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.

m. 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. The Code has been made available on the website of the Company at https://www.asterdmhealthcare.com/fileadmin/user_upload/Code_for_prevention_of_Insider_Trading_09.pdf.

n. Accounting treatment in preparation of financial statement

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.

o. Other Polices

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 https://www.asterdmhealthcare.com/investors/corporate-governance/governance-documents-and-policies .

9. 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, KPMG India Private Limited, 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 https://www.asterdmhealthcare.com/investors/financial-information/quarterly-reports.

10. Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied compliance 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.

11. 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**.

12. CFO Certification

Mr. Amitabh Johri and Mr. Sunil Kumar M R, Joint Chief Financial Officers 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, 2023 and is annexed to this report as **Annexure 8D**.

13. 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 25, 2023
Place : Bengaluru

Annexure 8A

Date of Postal Ballot Notice	November 10, 2022
Voting start date	November 18, 2022
Voting end date	December 17, 2022
Results declared on	December 19, 2022
Total number of shareholders on record date (cut-off date-November 11, 2022)	87,275

Resolution Required : (Special)			1 - Appointment of Mr. Emmanuel David Gootam (DIN: 09771151) as an 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 [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	103306750	81987085	79.3628	80909012	1078073	98.6851	1.3149
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**81987085**	**79.3628**	**80909012**	**1078073**	**98.6851**	**1.3149**
Public Non Institutions	E-Voting	206980511	50678800	24.4848	50675595	3205	99.9937	0.0063
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**50678800**	**24.4848**	**50675595**	**3205**	**99.9937**	**0.0063**
Total		**499513060**	**321891684**	**64.4411**	**320810406**	**1081278**	**99.6641**	**0.3359**

Date of Postal Ballot Notice	March 04, 2023
Voting start date	March 10, 2023
Voting end date	April 08, 2023
Results declared on	April 10, 2023
Total number of shareholders on record date (cut off date is March 03, 2023)	84,152

Resolution Required : (Special)			1 - Appointment of Ms. Purana Housdurgamvijaya Deepti (DIN: 08125456) as an Independent Director of the Company with effect from March 27, 2023 till the conclusion of 18th Annual General Meeting of the Company.					
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	104836632	83499744	79.6475	83499744	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		**83499744**	**79.6475**	**83499744**	**0**	**100.0000**	**0.0000**
Public Non Institutions	E-Voting	205450629	50643662	24.6500	50641631	2031	99.9960	0.0040
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**50643662**	**24.6500**	**50641631**	**2031**	**99.9960**	**0.0040**
Total		**499513060**	**323369205**	**64.7369**	**323367174**	**2031**	**99.9994**	**0.0006**

Resolution Required : (Special)			**2 - Re-appointment of Mr. Chenayappillil John George (DIN: 00003132) as an Independent Director of the Company for a second term with effect from April 11, 2023 till the conclusion of 18th Annual General Meeting of the Company.**					
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	104836632	83499744	79.6475	82626417	873327	98.9541	1.0459
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**83499744**	**79.6475**	**82626417**	**873327**	**98.9541**	**1.0459**
Public Non Institutions	E-Voting	205450629	50643249	24.6498	50641737	1512	99.9970	0.0030
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**50643249**	**24.6498**	**50641737**	**1512**	**99.9970**	**0.0030**
Total		**499513060**	**323368792**	**64.7368**	**322493953**	**874839**	**99.7295**	**0.2705**

Resolution Required : (Special)			**3 - Re-Appointment of Mr. James Mathew (DIN: 07572909) as an Independent Director of the Company for a second term with effect from June 23, 2023 till the conclusion of 19th Annual General Meeting of the Company.**					
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	104836632	83499744	79.6475	82890224	609520	99.2700	0.7300
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**83499744**	**79.6475**	**82890224**	**609520**	**99.2700**	**0.7300**
Public Non Institutions	E-Voting	205450629	50643151	24.6498	50641150	2001	99.9960	0.0040
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		**50643151**	**24.6498**	**50641150**	**2001**	**99.9960**	**0.0040**
Total		**499513060**	**323368694**	**64.7368**	**322757173**	**611521**	**99.8109**	**0.1891**

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)

To
The Members,
Aster DM Healthcare Limited
(CIN: L85110KA2008PLC147259)
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174, Agara Extension,
Bengaluru-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, Bengaluru, Karnataka- 560102, 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, 2023 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.

S. No	Name of the Director	DIN	Original Date of appointment
1.	Dr. Mandayapurath Azad Moopen	00159403	18/01/2008
2.	Ms. Alisha Moopen	02432525	20/09/2013
3.	Mr. Wilson Joseph Thadathil	02135108	20/04/2009
4.	Mr. Anoop Moopen	02301362	20/04/2009
5.	Mr. Daniel Robert Mintz	00960928	18/01/2012
6.	Mr. Shamsudheen Bin Mohideen Mammu Haji	02007279	16/09/2015
7.	Mr. Chenayappillil John George	00003132	11/04/2020
8.	Mr. Sridar Arvamudhan Iyengar	00278512	19/07/2020
9.	Dr. James Mathew	07572909	23/06/2020
10.	Mr. Wayne Earl Keathley	09331921	04/10/2021
11.	Mr. Emmanuel David Gootam	09771151	10/11/2022
12.	Ms. Purana Housdurgamvijaya Deepti	08125456	27/03/2023

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
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000380574

Place: Chennai
Date: May 25, 2023

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,
Bengaluru-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 2022-23.

For **Aster DM Healthcare Limited**

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403

Date : May 25, 2023
Place : Bengaluru

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,
Bengaluru-560102, Karnataka, India

Dear Sir/Madam,

We, Amitabh Johri (PAN: ACQPJ9716N) and Sunil Kumar M R (PAN: DFPPS6958E) Joint Chief Financial Officers of the Company certify to the Board that:

a. We have reviewed Financial Statements and Cash Flow Statements for the year ended March 31, 2023 and that to the best of our 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 our 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. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We 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 we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Aster DM Healthcare Limited**

Amitabh Johri
Chief Financial Officer
PAN: ACQPJ9716N

Sunil Kumar M R
Joint Chief Financial Officer
PAN: DFPPS6958E

Date: May 25, 2023
Place: Bengaluru

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,
Bengaluru-560102, Karnataka, India

A. I , M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries 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, 2023 as stipulated in Regulation 17 to 27 and Clause (b) to (i) and (t) 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) and (t) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2023.

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
FCS No.: 5837
COP. No.:5081
FRN: L2019TN006000
PR 1374/2021
ICSI UDIN: F005837E000380607

Place: Chennai
Date: May 25, 2023

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, Bengaluru- 560102, Karnataka, India
5. Corporate address: Awfis, 2nd Floor Renaissance Centra, 27 & 27/1, Mission Road, 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: April 01, 2022-March 31, 2023
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 499.52 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. +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	76.85%
2	Revenue from pharmacy	Sale of pharma, non-pharma products and opticals	22.91%

*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	76.85%
2	Revenue from pharmacy	4772	22.91%

*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 Hospitals/Clinics/Labs/Pharmacies	Number of offices	Total
National	Hospitals -17 Clinics- 12 Pharmacies -257* Labs & patient experience centers -205 (1 reference lab, 15 Satellite labs, 189 patient experience centers)	2	493
International	Hospitals-15, Clinics-115, Pharmacies-264	1	395

* (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)	6 (Andhra Pradesh, Telangana, Tamil Nadu, Maharashtra, Karnataka and Kerala)
International (No. of Countries)	6

    b. What is the contribution of exports as a percentage of the total turnover of the entity: 4.05% (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: FY 2022-23

    a. Employees (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	24,653	9,513	39%	15,140	61%
2.	Other than Permanent (E)	5,677	3,241	57%	2,436	43%
3.	**Total employees (D + E)**	**30,330**	**12,754**	**42%**	**17,576**	**58%**

Note: 1. The Company has no workers on rolls of the Company.

2. Other than Permanent category includes outsourced and fees-based Doctors/Retainer.

    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)	112	77	69%	35	31%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total employees (D + E)**	**112**	**77**	**69%**	**35**	**31%**

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	3	1	33%

20. Turnover rate for permanent employees

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	30%	34%	32%	25%	34%	30%	24%	33%	29%

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.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover INR 1,116.47 crores (Standalone)

(iii) Net worth INR 2,579.54 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 2022-23 Current Financial Year			FY 2021-22 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
Communities	Yes https://www.asterdmhealthcare.com/about-us/corporate-governance#	0	0		0	0	
Investors (other than shareholders)	Yes https://www.asterdmhealthcare.com/investor/contact-us	0	0		0	0	
Shareholders	Yes https://www.asterdmhealthcare.com/investors	1	0	-	2	0	-
Employees	Yes https://www.asterdmhealthcare.com/about-us/corporate-governance#	5	0	Aster Hospital: 01 Aster Clinic: 01 Aster Retail: 01 Medcare: 02	37	4	

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 2022-23 Current Financial Year			FY 2021-22 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
Customers	Information on the Litigations filed by the Customers (Patients) are sent by the Courts to the registered office or to the concerned hospital Legal Notices are sent by the Customers (Patients) to the registered office or to the concerned hospital directly Legal notices/litigation shall be sent to registered office of the subsidiaries in the GCC https://www.asterdmhealthcare.com/about-us/corporate-governance	106	142	Number of complaints filed during the year -India -18 Consumer litigations & 9 Consumer Notices. Number of complaints pending resolution at close of the year -India -73 Consumer litigations including those accumulated from previous years & 0 Notices. (For Notices, we have responded appropriately and therefore it is deemed closed). Number of complaints filed during the year-GCC -Aster Hospital- 53, Medcare Hospital- 26. Number of complaints pending resolution at close of the year Aster Hospital- 43 & Medcare Hospital -26. These are the Medico-legal complaints received from DHA against our facilities in UAE.	116	387	Number of complaints filed during the year- India -12 Consumer litigations & 21 Consumer Notices. Number of complaints pending resolution at close of the year- India - 65 Consumer litigations including those accumulated from previous years & 0 Notices. (For Notices, we have responded appropriately and therefore it is deemed closed). Number of complaints filed during the year-GCC -7 Consumer litigations & 73 Consumer Notices. Number of complaints pending resolution at close of the year- GCC- 76 litigations Including those accumulated from previous years & 246 Consumer Notices. Complaints received on Ethics line- 3 and pending resolution Nil.
Value Chain Partners	Yes https://www.asterdmhealthcare.com/about-us/corporate-governance#	1	0		3	2	

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:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environment : Engaging patients on Climate actions through our solutions	Opportunity	- Increased revenue through development and / or expansion of services to help our patients manage their climate change risks. – Savings through lower-emission energy sources – Global leadership in addressing climate change through advocacy		Positive : Scope to improve Aster DM's competitiveness and capitalize on the shifting patient preferences by leveraging our expertise in sustainability, low-carbon transition, and digital / IT to help our patients in their sustainability and low-carbon journeys

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Societal : Facilitating best-in-class employee experience	Risk	Inability to facilitate best-in-class employee experience may impact our ability to attract, hire, train, engage and retain talent.	- Employee engagement and support – Holistic employee retention and recognition efforts – Focus on career and leadership development – Occupational health and safety measures - Succession planning	Negative : Impact on employer reputation, increased cost of talent, etc.
3	Governance : Data privacy and information management	Risk	Cyber attacks that breach our information network and / or failure to protect sensitive and confidential information of our stakeholders in accordance with applicable laws and contractual obligations may impact our operations and patient satisfaction or result in significant regulatory penalties.	- Robust cybersecurity and data privacy frameworks and controls – Multi-layered governance process with oversight by the executive and the Board – Continued investment in technology – Readiness to respond to incidents – Awareness programs and trainings - Region-specific data protection controls and awareness campaigns	Negative : Increased operational cost for technological investments and hiring and training talent

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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.asterdmhealthcare.com/fileadmin/user_upload/BRR_Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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 standards, 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.	No								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	No								
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.									
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 Policy.								
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								
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	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board									Annually								

	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.	No								

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
Policy and management processes									
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
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)									

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

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Principle 1,3,4,5	25%
Key Managerial Personnel	4	Principle 1,3,4,5	100%
Employees other than BOD and KMP's	134	Principle 3,4,5,7,8,9	< 30: 17% 30-50: 75% > 50: 8%

2. 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): There are no material monetary or non-monetary actions on the Company or its directors / KMPs with regulators / law enforcement agencies / judicial institutions, in the financial year.

3. 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

4. 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 in our Whistle Blowing Policy and the same is available on our website at https://www.asterdmhealthcare.com/fileadmin/user_upload/Whistle_Blowing_Policy_Aug22_01.pdf.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: There have been no cases involving disciplinary action by any law enforcement agency for the charges of bribery / corruption against directors / KMPs / employees that have been brought to our attention.

6. Details of complaints with regard to conflict of interest- None.

7. 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
4	Principles – 1,3,4,5	0.01%

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 Acts 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. None during the reporting period.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- 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 use of paper bags for our pharmacies and increased sourcing of green energy from solar and wind energy.

3. b. If yes, what percentage of inputs were sourced sustainably? - Not applicable.

4. 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.

5. 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?- This activity hasn't been carried out for the financial year.

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.- This activity hasn't been carried out for the financial year.

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):

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Metal Scrap	2%	Not available
Plastic Waste	7%	Not available
Waste Cardboards	13%	Not available
Paper Waste	17%	Not available

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:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	70,611	-	Not available	Not available	Not available
E-waste			3,795	Not available	Not available	Not available
Hazardous waste	-	-	1,054,043	Not available	Not available	Not available
Other waste	-	354,790	-	Not available	Not available	Not available

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	% of employees covered by								
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)
Permanent employees									
Male	9,513	9,513	100%	9,513	100%	NA	NA	9,513	100%
Female	15,140	15,140	100%	15,140	100%	15,140	100%	NA	NA
Total	**24,653**	**24,653**	**100%**	**24,653**	**100%**	**15,140**	**100%**	**9,513**	**100%**

b. Details of measures for the well-being of workers: Not applicable

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	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	20%	NA	Yes

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'. https://www.asterdmhealthcare.com/about-us/corporate-governance#

5. Return to work and Retention rates of permanent employees and workers that took parental leave

	Permanent employees	
Gender	**Return to work rate**	**Retention Rate**
Male	100%	79%
Female	95%	77%
Total	**97.5%**	**78%**

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 2022-23			FY 2021-22		
	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	**448**	**316**	**71%**	**483**	**379**	**78%**
Male	209	154	74%	214	163	76%
Female	239	162	68%	269	216	80%

Note: This information is only for Prerana Hospital Limited, a subsidiary Company where there is a Union

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	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	HSE Induction sessions total = 1,986					HSE Induction sessions total = 1,027				
Female	Number induction attendees = 5,671					Number induction attendees = 2,723				
Total	HSE Training sessions = 440					HSE Training sessions = 395				
	Number HSE Training attendees = 4,306					Number HSE Training attendees = 3,025				
	Tool Box Talk sessions = 751					Tool Box Talk sessions = 39				
	Number of TBT attendees = 4,829					Number of TBT attendees = 120				

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	& B/A	Total (C)	No. (D)	& D/C
Employees						
Male	7,779	3,540	45%	8,165	5,595	68.5%
Female	13,065	5,002	38%	12,615	7,528	59.7%
Total	**20,844**	**8,542**	**41%**	**20,780**	**13,123**	**63.2%**

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 except H & S in 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

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)- Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
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	0
	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.

    i. Effective HSE plan and procedures implementation

    ii. Periodic trainings to the staff

    iii. Regular HSE inspections

    iv. Appointment of safety officers in the hospitals.

    v. Compliance to all local regulations etc.

13. Number of Complaints on the following made by employees:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health &Safety	0	0		0	0	

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	11% (98 facilities were assessed (Hospitals, clinics and Pharmacies))
Working Conditions	

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- Incident Management process in place where incidents if any depending on its risk nature, get investigated and corrective actions are taken.

Leadership Indictors

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

Particulars	Total no of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0

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- Nil

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 of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group- 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. 24 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. - A materiality assessment survey was conducted for all stakeholder groups covering GRI standards to identify material topics for reporting for Aster DM Healthcare Limited.

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. The material topics from the survey are being reported in the current ESG report.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups. No instances to report.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	24,653	1,631	7%	Not available	Not available	Not available
Other than permanent	0	0	0%	Not available	Not available	Not available
Total Employees	**24,653**	**1,631**	**7%**	Not available	Not available	Not available

2. Details of minimum wages paid to employees in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal Minimum Wage to		More than Minimum Wage		Total (D)	Equal Minimum Wage to		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	3,182	989	31%	2,193	69%	2,528	885	35%	1,643	65%
Female	6,822	3,353	49%	3,469	51%	5,180	2,725	53%	2,455	47%
Total	**10,004**	**4,342**	**43%**	**5,662**	**57%**	7,708	3,610	47%	4,098	53%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	Refer Particulars of Employees section of Annual report			
Key Managerial Personnel				
Employees other than BoD and KMP (GCC)	4,273	AED 5,000	6,051	AED 4,450
Employees other than BoD and KMP (India)	3,182	Rs. 17,147	6,822	Rs. 13,128

4. 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

5. Describe the internal mechanisms in place to redress grievances related to human rights issues - Aster DM Healthcare Limited 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 2022-23			FY 2021-22		
	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		16	0	
Discrimination at workplace	1	0		134	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	0	0		14 (involuntary separation)	0	

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.

   Further, Audit Committee noted that for instances where known employees have raised complaints/grievances all employees continue to be on roll and it was noted that there were zero instances of retaliation.

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	Nil
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

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints- None

2. Details of the scope and coverage of any Human rights due-diligence conducted- None

3. 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

4. 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 2022-23	FY 2021-22
Total electricity consumption (A)	90,039 MWh	61,039 MWh
Total fuel consumption (B)	Diesel – 3,852 KL Petrol –58 KL LPG – 242,967 Kg Firewood - 3,108,761 Kg	Diesel – 362 KL Petrol –77 KL LPG – 229,475 Kg Firewood - 2,049,635 Kg
Energy consumption through other sources (C)	Solar Energy – 3,675,000 kWh Wind Energy – 2,300,000 kWh Hydro Energy – 3,569,298 kWh	Solar– 5,625,000 kWh Wind – 1,770,000 kWh
Total energy consumption (A+B+C)	**Electricity – 90,039 MWh** **Diesel – 3,852 KL** **Petrol –58 KL** **LPG – 242,967 Kg** **Firewood - 3,108,761 Kg**	**Electricity – 61,039 MWh** **Diesel – 362 KL** **Petrol –77 KL** **LPG – 229,475 Kg** **Firewood - 2,049,635 Kg**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	Electricity 7.55 MWh/Crore Diesel – 0.32 KL/Crore Petrol –0.005 KL/Crore LPG – 20.36 Kg/Crore Firewood – 260.5 Kg/Crore	Electricity – 5.95 MWh/Crore Diesel – 0.03 KL/Crore Petrol –0.006 KL/Crore LPG – 19.23 Kg/Crore Firewood – 171.76 Kg/Crore
Energy intensity (Number of Hospitals) – the relevant metric may be selected by the entity	Electricity Intensity – 3,215 Diesel Intensity - 138 Petrol Intensity – 2.1 LPG Intensity – 8,677 Firewood Intensity – 111,027	Electricity Intensity – 2,180 Diesel Intensity - 13 Petrol Intensity – 2.75 LPG Intensity – 8,195 Firewood Intensity – 73,201

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. - No

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 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Rainwater Harvesting	222,360	-
(ii) Groundwater	225,989 KL	68,016 KL
(iii) Third party water (Water Tanker)	7,360 KL	395,432 KL
(iv) Recycled Water	100,972 KL	-
(v) Municipal Water Supply	804,714 KL	490,456 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,361,395 KL**	**953,904 KL**
Total volume of water consumption (in kilolitres)	1,361,395 KL	953,904 KL
Water intensity per rupee of turnover (Water consumed/turnover)	114 KL/Crore	93 KL/Crore
Water intensity (Number of Hospitals) – the relevant metric may be selected by the entity	48,621 KL/Hospital	34,068 KL/Hospital

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.-No

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: Not calculating this metric.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Tonnes of CO2 Equivalent	19,036	6,046
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Tonnes of CO2 Equivalent	55,469	55,567
Total Scope 1 and Scope 2 emissions per rupee of turnover		**6.24 tCO2e/Crore**	**6 tCO2/Crore**
Total Scope 1 and Scope 2 emission intensity (No. of Hospitals) – the relevant metric may be selected by the entity	Tonnes of CO2 equivalent/Hospital	2,660	2,200

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.-No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. -Yes, current projects related to Sewage Treatment Plants (STPs), energy efficient lightings, energy audits, and green medical equipment's

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	70,611	Not available
E-waste **(B)**	3,795	Not available
Bio-medical waste **(C)**	1,054,042	Not available
Construction and demolition waste **(D)**	5,075	Not available
Battery waste **(E)**	5,070	Not available
Radioactive waste **(F)**	-	Not available
Other Hazardous waste. Please specify, if any. **(G)**	-	Not available
Waste Cardboards	141,290	Not available
Metal Scrap	24,788	Not available
Paper Waste	183,322	Not available
Food Waste	270,858	Not available
Garden Waste	315	Not available
Total (A+B + C + D + E + F + G + H)	**1,759,167**	**Not available**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	696,259	Not available
(ii) Re-used	-	Not available
(iii) Other recovery operations	-	Not available
Total	**696,259**	**Not available**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	-	Not available
(i) Incineration	-	Not available
(ii) Landfilling	-	Not available
(iii) Other disposal operations	1,062,908	Not available
Total	**1,062,908**	**Not available**

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.- No

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 Limited 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: None.

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:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Andhra Pradesh Electricity Regulatory Commission under Reg 1 of 2012 and Reg 1 of 2017 (Renewable Power Purchase Obligation Regulations).	Non-fulfilment of the obligation towards consumption from renewable energy sources - non-solar power consumption.	As there has been a violation, the ops team is having a discussion with management to deposit an amount of Rs. 5,19,000.	On going discussions with the business to pay the penalty.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	Solar Energy – 3,675,000 kWh Wind Energy – 2,300,000 kWh Hydro Energy – 3,569,298 kWh	Solar– 5,625,000 kWh Wind – 1,770,000 kWh
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**Solar Energy – 3,675,000 kWh** **Wind Energy – 2,300,000 kWh** **Hydro Energy – 3,569,298 kWh**	**Solar– 5,625,000 kWh** **Wind – 1,770,000 kWh**
From non-renewable sources		
Total electricity consumption (D)	85,697 MWh	61,039 MWh
Total fuel consumption (E)	Diesel – 3,852 KL Petrol –58 KL LPG – 242,967 Kg Firewood - 3,108,761 Kg	Diesel – 362 KL Petrol –77 KL LPG – 229,475 Kg Firewood - 2,049,635 Kg
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**85,697 MWh** **Diesel – 3,852 KL** **Petrol –58 KL** **LPG – 242,967 Kg** **Firewood - 3,108,761 Kg**	**61,039 MWh** **Diesel – 362 KL** **Petrol –77 KL** **LPG – 229,475 Kg** **Firewood - 2,049,635 Kg**

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.-No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	Not available
- No treatment	-	Not available
- With treatment – please specify level of Treatment	-	Not available
(ii) To Groundwater	-	Not available
- No treatment	-	Not available
- With treatment – please specify level of Treatment	-	Not available
(iii) To Seawater	14,592	Not available
- No treatment	-	Not available
- With treatment – please specify level of Treatment	-	Not available
(iv) Sent to third-parties	63,922	Not Available
- No treatment	-	Not available
- With treatment – please specify level of Treatment	-	Not available
(v) Others	-	Not available
- No treatment	-	Not available
- With treatment – please specify level of Treatment	-	Not available
Total water discharged (in kilolitres)	**78,514**	**Not available**

Note: All the water discharged from our GCC operations are handled and treated by third parties. For India operations most of our hospitals have a STP where waste water is treated and reused within the facility for flushing, horticulture and cooling towers.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not applicable

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tonnes of CO2 equivalent	469	436
Total Scope 3 emissions per rupee of turnover		0.04 tCO2e/Crore	0.04 tCO2e/Crore
Total Scope 3 emission intensity (No of Hospitals) – the relevant metric may be selected by the entity	tonnes of CO2 equivalent/ Hospital	16	15.5

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.-No

5. 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

6. 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.	None for the reporting period		

7. 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 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.

8. 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 done.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.- Not done.

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.

   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	Chamber of Commerce	National- UAE
2	Association of Healthcare Providers – India (AHPI)	National- India
3	Healthcare Federation of India (NATHEALTH)	National- India
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National- India
5	Confederation of Indian Industry (CII)	National- India
6	Kerala Private Hospital Association (KPHA)	State-Kerala
7	Private Hospitals & Nursing Homes Association (PHANA)	National-India

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. None for the reporting period

Leadership Indicators

1. Details of public policy positions advocated by the entity: None for the reporting period.

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
None for the reporting period					

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 Limited 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 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	8.76%	3.56%
Sourced directly from within the district and neighbouring districts	67.48%	85.70%

Leadership Indicators

1. 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

2. 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

3. (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.

   (b) From which marginalized /vulnerable groups do you procure- Not applicable

   (c) What percentage of total procurement (by value) does it constitute- Not applicable

4. 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

5. 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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Aster Volunteer Mobile Medical Clinics	944,131	100%
2	Treatment Aid	50,915	100%
3	BLS Awareness Training	223,326	NA
4	Disaster Aid	304,161	NA

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. 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. Apart from these we receive and act on consumer complaints raised to us via the Service excellence team. These complaints can come as an email, response to an SMS, surveys etc.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23		FY 2021-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil
Delivery of essential services	Please refer S.no 23 of this report, Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.			
Restrictive Trade Practices	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues: Nil

5. 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.

   https://www.asterdmhealthcare.com/fileadmin/user_upload/Risk_Management_Policy.pdf

6. 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/investors/about-asterdm

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) -No.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact-1

      1 data breach reported in March 2023 where 3 patients data were compromised for Aster Medcity (1 patient) and Aster RV (2) patients. As actions, enhanced the surveillance and security measures internally. Multi Factor Authentication and Restriction of Power Users Reassessment of the security and possible vulnerabilities in the Aster as well as vendor environment concluded. User awareness and training post incident concluded Lessons learnt workshop concluded.

   b. Percentage of data breaches involving personally identifiable information of customers-100%

Standalone Financial Statements

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 2023, 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 which includes financial statements of DM Healthcare Employees Welfare Trust (the "ESOP trust") for the year ended on that date audited by the ESOP trust auditor.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the ESOP trust auditor on separate financial statements referred to in the Other Matters section below, 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 2023, 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 (SAs) specified under section 143(10) of the Act. 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 and the audit evidence obtained by the ESOP trust auditor in terms of their report referred to in the Other Matters section below, 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 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 Investment in Subsidiaries** As at 31 March 2023, the Company has Rs. 2,141.10 crores of investments in subsidiaries. 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 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. 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.	**Principal audit procedures performed:** We tested the design, implementation and operating effectiveness of internal controls over the Company's impairment evaluation by testing on a sample basis: ▪ 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. 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.

Sr. No.	Key Audit Matter	Auditor's Response
	Refer note for policy on "Impairment of financial assets"- Investments, note on "Critical accounting estimates and assumptions" related to impairment reviews and note "Investments" for disclosures related to impairment review of investments in the standalone financial statements.	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 financial statements in accordance with the Companies Act, 2013.
2	**Implementation of new IT system used for accounting/financial reporting** The Company implemented a new IT system which is an enterprise resource planning application used for accounting/financial reporting during the year ("Go-Live date"). Matters which required significant audit attention in relation to the above implementation included: 1. Complete and accurate migration of relevant financial and accounting data/ information/balances from legacy IT system to the new IT system. 2. Assessment and evaluation of relevant application systems, programs, processes, interfaces, reports, controls and segregation of duties (SOD) conflicts insofar as they relate to accounting and financial reporting. 3. IT general controls and IT Application controls relevant for financial reporting.	**Principal audit procedures performed:** We have performed the following principal audit procedures involving our IT Specialists in relation to the new IT system implementation: ▪ We understood the Management's implementation plan of the new IT system and the changes from legacy versus the new IT system in so far as accounting/ financial reporting is concerned. ▪ We reviewed the post-implementation report obtained by the Management from an independent third-party IT specialist. ▪ Tested the completeness and accuracy of migration of relevant financial and accounting data/information/balances from legacy IT system to the new IT system. ▪ We tested the IT general controls of the new IT system relevant to financial reporting, including relevant interfaces. ▪ We tested the design and implementation, and operating effectiveness of the relevant business cycle automated controls of the new IT system. ▪ We tested the completeness and accuracy of information used for controls and also the information produced by the new IT system. ▪ We tested the SOD conflicts implemented by the management.

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 Company's Annual report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report theron. The report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we do not express and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information in so far as it relates to the ESOP trust is traced from their fianancial statements audited by the ESOP trust auditor.
- When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities relating to other information.

Responsibilities of Management and Those Charged with Governance 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and the ESOP trust to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other equity included in the standalone financial statements, which has been audited by the other auditor, such other auditor remains 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 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.

Other Matters

We did not audit the financial statements of the ESOP trust included in the standalone financial statements of the Company whose financial statements reflect total assets of INR 11.13 crores (before elimination) as at 31 March 2023 and total revenue of INR 0.01 crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of the ESOP trust has been audited by the ESOP trust auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this ESOP trust and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid ESOP trust, is based solely on the report of such ESOP trust auditor.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

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 report of the other auditor on the separate financial statements of the ESOP trust 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.

   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 and the report of the ESOP trust auditor.

   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 relevent books of account and with the financial statements received from the ESOP trust auditor.

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

   e) On the basis of the written representations received from the directors as on 31 March 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.

   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 it's knowledge and belief, as disclosed in the standalone financial statements, no funds (which are material either individually or in 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.

      (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the standalone financial statements, no funds(which are material either individually or in 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.

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

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 01 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

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. 008072S)

Vikas Bagaria
Partner
(Membership No. 60408)
(UDIN 23060408BGYGPB1293)

Place: Bengaluru
Date: 25 May 2023

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 with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Aster DM Healthcare Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to standalone financial statements 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. 008072S)

Vikas Bagaria
Partner
(Membership No. 60408)
(UDIN 23060408BGYGPB1293)

Place: Bengaluru
Date: 25 May 2023

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) (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 2023, 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 granted unsecured loans or advances in the nature of loans, unsecured, 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:

		Loans (INR crores)	Guarantees (INR crores)
A.	Aggregate amount granted / provided during the year:		
-	Subsidiaries	61.08	25.00
-	Associates	82.57	-
B.	Balance outstanding as at balance sheet date: *		
-	Subsidiaries	255.89	341.50
-	Associates	110.64	-

* 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.

Certain loans are payable on demand and during the year, the Company has not demanded such loans. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular (refer reporting under clause (iii)(f)).

(d) In respect of loans granted by the company, there is no amount overdue for more than 90 days at the balance sheet date

(e) None of the loans granted by the Company have fallen during the year.

(f) The company has granted loans which are repayable on demand details of which are given below:

Amount in INR Crores

Name of the entity	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	213.43	-	213.43
- Agreement does not specify any terms or period of repayment (B)	-		-
Total of (A+B)	**213.43**	**-**	**213.43**
Percentage of loans to the total loans	58.24%		58.24%

(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 generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31 March 2023, 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 2023, 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
Income Tax Act, 1961	Income tax	Commissioner of Income Tax Appeals	2016-17	0.20	0.16
Income Tax Act, 1961	Income tax	Commissioner of Income Tax Appeals	2015-16	2.28	2.28

(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 covering the period up to March 2023 and the draft of the internal audit reports issued after the balance sheet date covering the period 01 April 2022 to 31 March 2023 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)

Vikas Bagaria
Partner
(Membership No. 60408)
(UDIN 23060408BGYGPB1293)

Place: Bengaluru
Date: 25 May 2023

Standalone Balance Sheet as at 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	741.13	759.60
Right-of-use assets	39	264.28	251.51
Capital work-in-progress	4	66.53	22.91
Other intangible assets	5	2.88	2.15
Intangible assets under development	5	0.02	-
Financial assets			
Investments	6	2,141.10	2,166.03
Loans	11	353.05	209.39
Other financial assets	12	70.44	60.69
Income tax assets (net)	31	51.52	68.67
Deferred tax assets (net)	31	7.34	-
Other non-current assets	13	88.90	21.27
Total non-current assets		**3,787.19**	**3,562.22**
Current assets			
Inventories	7	34.28	23.63
Financial assets			
Trade receivables	8	111.33	61.55
Cash and cash equivalents	9	24.38	18.27
Other bank balances	10	6.91	6.75
Other financial assets	12	109.87	76.15
Other current assets	13	28.11	13.43
Total current assets		**314.88**	**199.78**
Total assets		**4,102.07**	**3,762.00**
Equity and liabilities			
Equity			
Equity share capital	14	499.52	499.52
Other equity	15	2,631.04	2,455.69
Equity attributable to the owners of the company		**3,130.56**	**2,955.21**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	193.46	105.05
Lease liabilities	39	347.11	315.84
Provisions	19	8.42	7.40
Deferred tax liabilities (net)	31	-	16.35
Other non-current liabilities	20	16.86	19.31
Total non-current liabilities		**565.85**	**463.95**
Current liabilities			
Financial liabilities			
Borrowings	16	146.52	92.76
Lease liabilities	39	10.18	6.87
Trade payables	17		
- Total outstanding dues of micro and small enterprises		2.82	1.10
- Total outstanding dues of creditors other than micro and small enterprises		200.60	128.72
Other financial liabilities	18	27.09	99.62
Provisions	19	1.25	1.23
Other current liabilities	20	17.20	12.54
Total current liabilities		**405.66**	**342.84**
Total equity and liabilities		**4,102.07**	**3,762.00**

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Standalone Statement of Profit and Loss for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	21	1,533.74	1,116.47
Other income	22	49.77	82.20
Total income		**1,583.51**	**1,198.67**
Expenses			
Purchases of medicines and consumables	23	336.63	277.64
Changes in inventories	24	(10.65)	(4.10)
Professional Fees paid to consultant doctors	25	346.00	248.24
Laboratory outsourcing charges	26	48.94	44.74
Employee benefits expense	27	230.59	172.09
Finance costs	28	51.81	44.02
Depreciation and amortisation expenses	29	104.02	98.72
Other expenses	30	293.84	227.36
Total expenses		**1,401.18**	**1,108.71**
Profit before tax		**182.33**	**89.96**
Tax expense / (benefit)	31		
Current tax		26.06	-
Current tax for earlier years		6.86	-
Deferred tax		(23.88)	(0.22)
Total tax expense		**9.04**	**(0.22)**
Profit for the year		**173.29**	**90.18**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability		0.60	0.68
Income tax relating to items that will not be reclassified to profit or loss		(0.19)	(0.22)
Total comprehensive income for the year		**173.70**	**90.64**
Earnings per share (equity share of face value of INR 10 each)	33		
Basic		3.48	1.81
Diluted		3.48	1.81

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Vikas Bagaria
Partner
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25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Standalone Statement of Cash Flows for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities		
Profit before tax for the year	182.33	89.96
Adjustments for non cash and non operating items :		
Depreciation and amortisation expenses	104.02	98.72
Finance costs	51.81	44.02
Dividend on non-current investments	(7.41)	(54.84)
Interest income (Including effective interest method)	(33.21)	(20.73)
Allowances for credit losses on financial assets	2.77	5.15
Equity settled share based payments	(0.05)	(0.94)
Loss on sale of property, plant and equipment (net)	0.26	0.12
Operating cash flows before movements in working capital	**300.52**	**161.46**
Working capital adjustments :		
Changes in trade receivables	(52.55)	(23.78)
Changes in inventories	(10.65)	(4.10)
Changes in other financial assets and other assets	(50.50)	(30.62)
Changes in trade payables	73.60	(7.49)
Changes in provisions	1.64	1.60
Changes in other liabilities	(0.43)	(14.33)
Cash generated from operating activities	**261.63**	**82.74**
Taxes paid, net of refund received	(15.77)	(4.40)
Net cash generated from operating activities (A)	**245.86**	**78.34**
Cash flows from investing activities		
Movement in other bank balances and restricted deposits	(1.07)	3.14
Investments in subsidiaries	(64.86)	(15.38)
Interest received	0.55	0.88
Dividend received	7.41	54.84
Addition to intangible assets	(2.37)	(1.01)
Addition to property, plant and equipment	(157.54)	(45.99)
Loan to subsidiary and associate	(114.24)	(45.82)
Proceeds on sale of property, plant and equipment	0.17	0.17
Net cash used in investing activities (B)	**(331.95)**	**(49.17)**
Cash flows from financing activities		
Payment of lease liabilities	(29.90)	(30.95)
Finance cost	(20.07)	(16.66)
Long term secured loans availed	132.02	-
Long term secured loans repaid	(23.97)	(0.26)
Current borrowings (repaid)/availed, net	34.12	30.18
Net cash generated from / (used in) financing activities (C)	**92.20**	**(17.69)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**6.11**	**11.48**
Cash and cash equivalents at the beginning of the year	18.27	6.79
Cash and cash equivalents at the end of the year (Refer Note 9)	**24.38**	**18.27**

Standalone Statement of Cash Flows for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Changes in liabilities arising from financing activities for the year ended 31 March 2023

Particulars	As at 1 April 2022	Cash flows	Non cash changes		As at 31 March 2023
			Fair value/ other changes	Foreign exchange	
Non-current borrowings (including current maturities)	128.92	108.05	-	-	236.97
Current borrowings	68.89	34.12	-	-	103.01
Lease liabilities	322.71	(29.90)	64.48	-	357.29
Total	**520.52**	**112.27**	**64.48**	**-**	**697.27**

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 2023
			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**

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Vikas Bagaria
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25 May 2023

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Joint Chief Financial Officer
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25 May 2023

Standalone Statement of Changes in Equity for the year ended 31 March 2023

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 2021		49.95	**499.52**
Changes in equity share capital during 2021-22	14	-	-
As at 31 March 2022		49.95	**499.52**
Changes in equity share capital during 2022-23	14	-	-
As at 31 March 2023		49.95	**499.52**

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	Treasury shares	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**	**2,215.93**	**5.71**	**(15.71)**	**7.04**	**9.87**	**(232.62)**	**-**	**2,364.60**
Total comprehensive income for the year ended 31 March 2022									
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									
Change in reserve of ESOP Trust	-	-	-	1.18	-	-	-	-	1.18
Equity settled share based payment expense	-	-	-	-	-	(0.12)	-	-	(0.12)
Allotment of equity shares by ESOP Trust	-	1.60	-	-	-	(2.21)	-	-	(0.61)
Total transactions recorded directly in equity	**-**	**1.60**	**-**	**1.18**	**-**	**(2.33)**	**0.46**	**(0.46)**	**0.45**
Balance as at 31 March 2022	**374.38**	**2,217.53**	**5.71**	**(14.53)**	**7.04**	**7.54**	**(141.98)**	**-**	**2,455.69**

Standalone Statement of Changes in Equity for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

B Other Equity (Contd..)

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	Treasury shares	General reserve	Share options outstanding account	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2022	374.38	2,217.53	5.71	(14.53)	7.04	7.54	(141.98)	-	2,455.69
Total comprehensive income for the year ended 31 March 2023									
Profit for the year	-	-	-	-	-	-	173.29	-	173.29
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-	0.41	0.41
Total comprehensive income	**-**	**-**	**-**		**-**	**-**	**173.29**	**0.41**	**173.70**
Transferred to retained earnings	-	-	-		-	-	**0.41**	**(0.41)**	-
Transactions recorded directly in equity									
Change in reserve of ESOP Trust	-	-	-	1.04	-	-	-	-	1.04
Equity settled share based payment expense	-	-	-	-	-	0.61	-	-	0.61
Allotment of equity shares by ESOP Trust	-	1.64	-	-	-	(1.64)	-	-	-
Total transactions recorded directly in equity	**-**	**1.64**	**-**	**1.04**	**-**	**(1.03)**	**0.41**	**(0.41)**	**1.65**
Balance as at 31 March 2023	**374.38**	**2,219.17**	**5.71**	**(13.49)**	**7.04**	**6.51**	**31.72**	**-**	**2,631.04**

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 Bombay Stock Exchange Limited and National Stock Exchange Limited. The registered office of the Company is in Bengaluru, Karnataka, India.

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.

These financial statements were authorised for issuance by the Company's Board of Directors on 25 May 2023.

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 2023 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."

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

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of the amendments is annual periods beginning on or after 1 April 2023. The Company is evaluating the amendments on its financial statements and does not expect to have any significant impact.

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.

The estimated useful lives for the current and comparative years are as follows:

Class of assets	Useful life (in years)
Computer 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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.

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.

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.

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 revenue from courses conducted at the hospital and 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 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.

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 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 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).

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 profit and loss. Any gain or loss on derecognition is 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.

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

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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.

3.15 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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	Electrical equipment	Plant and equipment	Computer equipment	Medical equipment	Servers and networks	Motor vehicles	Total
Gross carrying value											
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**
Balance as at 1 April 2022	**110.11**	**265.12**	**122.74**	**59.25**	**33.15**	**72.70**	**19.22**	**540.29**	**9.43**	**4.19**	**1,236.20**
Additions	0.28	4.54	4.58	6.21	2.30	2.95	5.92	33.63	2.38	0.41	63.20
Adjustments	–	(49.11)	49.11	–	–	–	–	–	–	–	–
Disposals	–	–	–	0.09	0.02	0.08	0.25	5.15	–	0.08	5.67
Balance as at 31 March 2023	**110.39**	**220.55**	**176.43**	**65.37**	**35.43**	**75.57**	**24.89**	**568.77**	**11.81**	**4.52**	**1,293.73**
Accumulated depreciation											
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**	**476.60**
Balance as at 1 April 2022	**–**	**24.58**	**74.16**	**44.62**	**25.20**	**39.22**	**14.83**	**241.62**	**8.58**	**3.79**	**476.60**
Charge for the period	–	3.65	10.59	4.90	2.44	3.97	2.81	51.88	0.73	0.27	81.24
Eliminated on disposals	–	–	–	0.08	0.01	0.08	0.22	4.77	–	0.08	5.24
Balance as at 31 March 2023	**–**	**28.23**	**84.75**	**49.44**	**27.63**	**43.11**	**17.42**	**288.73**	**9.31**	**3.98**	**552.60**
Net carrying value											
As at 31 March 2023	**110.39**	**192.32**	**91.68**	**15.93**	**7.80**	**32.46**	**7.47**	**280.04**	**2.50**	**0.54**	**741.13**
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**

* 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 in Kochi, Kerala (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 required DM Medcity 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. The phase I project was capitalised in 2014 and became operational in the same year. Phase II project has not yet started.

Notes:

For details of property, plant and equipment pledged, refer Note 16.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

4 Property, plant and equipment and capital work-in-progress (Contd..)

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 2023					
Projects in progress	46.22	13.83	0.40	6.08	66.53
Projects temporarily suspended	-	-	-	-	-
Total	**46.22**	**13.83**	**0.40**	**6.08**	**66.53**
Balance as at 31 March 2022					
Projects in progress	14.01	0.86	1.02	7.02	22.91
Projects temporarily suspended	-	-	-	-	-
Total	**14.01**	**0.86**	**1.02**	**7.02**	**22.91**

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 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**
Balance as at 1 April 2022	**17.20**	**0.12**	**17.32**
Additions	2.37	-	2.37
Disposals	-	-	-
Balance as at 31 March 2023	**19.57**	**0.12**	**19.69**
Accumulated amortisation			
Balance as at 1 April 2021	**12.96**	**0.11**	**13.07**
Amortisation for the year	2.11	-	2.11
Eliminated on disposals	0.01	-	0.01
Balance as at 31 March 2022	**15.06**	**0.11**	**15.17**
Balance as at 1 April 2022	**15.06**	**0.11**	**15.17**
Amortisation for the period	1.64	-	1.64
Eliminated on disposals	-	-	-
Balance as at 31 March 2023	**16.70**	**0.11**	**16.81**
Net carrying value			
As at 31 March 2023	**2.87**	**0.01**	**2.88**
As at 31 March 2022	**2.14**	**0.01**	**2.15**

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 2023					
Projects in progress	0 .02	-	-	-	0 .02
Projects temporarily suspended	-	-	-	-	-
Total	**0 .02**	**-**	**-**	**-**	**0 .02**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

5 Other Intangible Assets and Intangible Assets Under Development (Contd..)

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	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

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 2023	As at 31 March 2022
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 2022: 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 2022: 9,999) equity shares of INR 10 each		
Prerana Hospital Limited, India	42.94	42.94
3,600,991 (31 March 2022: 3,600,991) equity shares of INR 10 each		
Ambady Infrastructure Private Limited, India**	20.84	20.84
1,501,000 (31 March 2022: 1,501,000) equity shares of INR 100 each		
Affinity Holdings Private Limited, Mauritius	*	*
1,000 (31 March 2022 : 1,000) equity shares of USD 1 each		
Sri Sainatha Multispeciality Hospitals Private Limited, India	0.01	0.01
1,000 (31 March 2022 : 1,000) Class A Equity shares of INR 10 each		
Sri Sainatha Multispeciality Hospitals Private Limited, India	79.58	58.23
7,014,938 (31 March 2022 : 5,423,062) Class B Equity shares of INR 10 each		
Malabar Institute Of Medical Sciences Limited, India	277.79	259.64
75,942,586 (31 March 2022 : 74,078,010) equity shares of INR 10 each		
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited, India	208.25	272.68
6,200,771 (31 March 2022 : 5,500,771) equity shares of INR 10 each		
Hindustan Pharma Distributors Private Limited	15.38	15.38
86,000 (31 March 2022 : 86,000) equity shares of INR 10 each		
Investments in preference shares of subsidiaries (at cost)		
Affinity Holdings Private Limited, Mauritius	1,455.82	1,455.82
219,324,675 (31 March 2022 : 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 2022 : 228,572) equity shares of INR 10 each		
Mindriot Research and Innovation Foundation	*	*
4,900 (31 March 2022: Nil) equity shares of INR 10 each		
Capital contribution in subsidiaries (at cost)		
Aster Clinical Lab LLP	1.00	1.00
Total	**2,141.10**	**2,166.03**

*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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

6 Investments (Contd..)

Particulars	As at 31 March 2023	As at 31 March 2022
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	2,141.10	2,166.03

7 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost and net realisable value)		
Medicines, medical consumables and others	34.28	23.63
Total	**34.28**	**23.63**
For details of inventories pledged, refer Note 16.		

8 Trade Receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Current (Unsecured)		
Considered good- unsecured	122.23	70.85
Less: Loss allowance	(10.90)	(9.30)
Net trade receivables	**111.33**	**61.55**

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables from related parties	-	0.04
Less: Loss allowance	-	-
Net trade receivables from related parties	**-**	**0.04**

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 2023	As at 31 March 2022
Undisputed trade receivables- considered good, unsecured		
Outstanding for following periods from due date of payment		
Not due	41.20	21.15
Less than 6 months	63.25	36.60
6 months - 1 year	10.11	6.90
1-2 years	4.59	2.58
2-3 years	0.67	0.80
More than 3 years	2.41	2.82
Total	**122.23**	**70.85**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

8.2 Loss allowance provision matrix- default rates applied at each reporting date

Particulars	As at 31 March 2023	As at 31 March 2022
Due date to 1 year	9%-33%	7%-27%
1-2 years	26%-72%	27%-55%
More than 2 years	100%	100%

8.3 Movement of loss allowance

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	9.30	8.68
Provision of loss allowance (net)	1.60	0.62
Balance at the end of the year	10.90	9.30

9 Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- In current accounts	18.36	14.73
- In deposits accounts (due to maturing within 3 months of the reporting date)	4.05	3.08
Cash on hand	1.51	0.46
Cash-in-transit / cheques in hand	0.46	-
Total	**24.38**	**18.27**

10 Other Bank Balances

Particulars	As at 31 March 2023	As at 31 March 2022
Balance in banks for margin money	5.35	5.60
In deposit accounts (with original maturity of more than 3 months but less than 12 months)	1.56	1.15
Total	**6.91**	**6.75**

11 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Dues from related parties (refer Note 35)	353.05	209.39
Total	**353.05**	**209.39**
Current		
Unsecured, considered good		
Dues from related parties (refer Note 35)	-	-
Credit impaired		
Dues from related parties (refer Note 35)	13.48	13.48
Less : Loss allowance	(13.48)	(13.48)
Total	**-**	**-**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

12 Other Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Fixed deposits with banks #	4.18	3.27
Rent and other deposits*	66.26	57.42
Total	**70.44**	**60.69**
# The above deposits are maintained against guarantees issued by Banks and are restricted for periods exceeding 12 months as at the Balance Sheet date.		
Current		
Unsecured, considered good		
Unbilled receivables ^	13.51	6.24
Rent and other deposits*	0.26	1.73
Dues from related parties (refer Note 35)	95.30	67.62
Interest accrued on fixed deposits with banks	0.80	0.56
Total	**109.87**	**76.15**

^ Net of Advance from patients of INR 19.17 crores (as at 31 March 2022: INR 14.40 crores).

* Includes deposits given to related parties. Refer Note 35.

13 Other Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Other non-current assets		
Prepaid rent*	6.15	8.89
Prepaid expenses	0.76	0.98
Advances for capital goods	81.99	11.40
Total	**88.90**	**21.27**
Other current assets		
Prepaid expenses	5.12	8.21
Prepaid rent*	1.84	0.94
Balance with statutory / government authorities	2.74	0.16
Advance for supply of goods and services	18.41	4.12
Total	**28.11**	**13.43**

* Includes prepaid rent recognised on rent deposits given to related parties. Refer Note 35.

14 Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	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	499.52	49.95	499.52
Total	**49.95**	**499.52**	**49.95**	**499.52**

The Company does not have any issued, subscribed and fully paid-up CCPS as on 31 March 2023 and 31 March 2022.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 2023		As at 31 March 2022	
	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	499.52	49.95	499.52
Issue of equity shares	-	-	-	-
Balance as at the end of the year	**49.95**	**499.52**	**49.95**	**499.52**

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 2023		As at 31 March 2022	
	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	9.47	18.96%	11.47	22.96%
Rimco (Mauritius) Limited, Mauritius	5.06	10.13%	5.06	10.13%

14.5 Details of shareholding of Promoters

Promoter name	As at 31 March 2023		Percentage change during the year ended 31 March 2023
	Number of shares (in crores)	% of total shares	
Union Investments Private Limited, Mauritius	18.69	37.41%	Nil
Union (Mauritius) Holdings Limited, Mauritius	2.00	4.00%	100%
Dr. Azad Moopen	0.17	0.35%	Nil
Alisha Moopen	0.02	0.04%	Nil
Ziham Moopen	0.02	0.03%	Nil
Naseera Azad	0.01	0.03%	Nil
Zeba Azad Moopen	0.01	0.02%	Nil

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

14.6 Shares reserved for issue under options and contracts

Particulars	As at 31 March 2023	As at 31 March 2022
	Amount	Amount
Under Employee Stock Option Scheme, 2013: Nil (31 March 2022: 49,229) equity shares of INR 10 each, at an exercise price of INR 50 per share (See note 41)	-	0.25
Under Employee Stock Option Scheme, 2013: 336,330 (31 March 2022: 413,380) equity shares of INR 10 each, at an exercise price of INR 10 per share (See note 41)	0.34	0.41
Under Employee Stock Option Scheme, 2013: 48,829 (31 March 2022: 71,145) equity shares of INR 10 each, at an exercise price of INR 116 per share (See note 41)	0.57	0.83
Under Employee Stock Option Scheme, 2013: 322,910 (31 March 2022: 438,539) equity shares of INR 10 each, at an exercise price of INR 89 per share (See note 41)	2.87	3.90
Under Employee Stock Option Scheme, 2013: 5,400 (31 March 2022: 10,800) equity shares of INR 10 each, at an exercise price of INR 107 per share (See note 41)	0.06	0.12
Under Employee Stock Option Scheme, 2013: Nil (31 March 2022: Nil) equity shares of INR 10 each, at an exercise price of INR 91.85 per share (See note 41)	-	-
Under Employee Stock Option Scheme, 2013: 14,662 (31 March 2022: 15,000) equity shares of INR 10 each, at an exercise price of INR 115 per share (See note 41)	0.17	0.17
Under Employee Stock Option Scheme, 2013: 32,444 (31 March 2022: 57,000) equity shares of INR 10 each, at an exercise price of INR 118 per share (See note 41)	0.38	0.67
Under Employee Stock Option Scheme, 2013: 24,000 (31 March 2022: 39,000) equity shares of INR 10 each, at an exercise price of INR 145.31 per share (See note 41)	0.35	0.57
Under Employee Stock Option Scheme, 2013: 39,600 (31 March 2022: 39,600) equity shares of INR 10 each, at an exercise price of INR 139 per share (See note 41)	0.55	0.55
Under Employee Stock Option Scheme, 2013: 15,000 equity shares of INR 10 each, at an exercise price of INR 155.71 per share (See note 41)	0.23	-

14.7 Details of bonus shares issued during the past 5 years immediately preceeding 31 March 2023:

The Company has not issued bonus shares during the period of five years immediately preceding 31 March 2023.

14.8 Details of shares issued for consideration other than for cash during the past 5 years immediately preceeding 31 March 2023:

The Company has not allotted any equity shares as fully paid-up without consideration being received in cash during the past 5 years immediately preceeding 31 March 2023.

14.9 Details of buyback of shares during the past 5 years immediately preceeding 31 March 2023:

The Company bought back 5,714,285 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

15 Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
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	2,219.17	2,217.53
- 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.		
Treasury Shares	(13.49)	(14.53)
- The Company has created the DM Healthcare Employees Welfare Trust ("the Trust") for providing share based payment to its employees. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury 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	6.51	7.54
- The Company has established share based payment for eligible employees of the Company and its subsidiaries. Also refer Note 41 for further details on these plans.		
Retained earnings	31.72	(141.98)
- 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	**2,631.04**	**2,455.69**

16 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Secured - at amortised cost		
Term loans from bank	150.28	105.05
Term loans from financial institution	43.18	-
Total	**193.46**	**105.05**
Current		
Unsecured - at amortised cost		
Cash credit and overdraft facilities from banks	51.00	-
Secured - at amortised cost		
Cash credit and overdraft facilities from banks	52.01	68.89
Current maturities of non-current borrowings -banks	36.69	23.87
Current maturities of non-current borrowings -financial institution	6.82	-
Total	**146.52**	**92.76**
Total (Non - Current and Current)	**339.98**	**197.81**

Information about the Company's exposure to interest rate and liquidity risks are included in Note 37.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

16 Borrowings (Contd..)

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 8.65% p.a (linked to RBI repo rate) These loans are originally repayable in 96 instalments (63 instalments remaining as at 31 March 2023). The term loans is secured by:

a) 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;

b) 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;

c) First charge on entire cashflows of the Aster Medcity Hospital, Kochi; and

d) 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 8.65% p.a (linked to RBI repo rate). These loans are originally repayable in 60 instalments (28 instalments remaining as at 31 March 2023). The term loans is secured by:

a) 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;

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. (Collateral); First charge on current assets of the Company.

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 8.75% p.a (linked to 3 months T-Bills). These loans are originally repayable in 20 instalments (11 instalments remaining as at 31 March 2023). 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; and

d) Fixed Deposit- DSRA for 1 quarter for the Term Loan of INR 35 crores for INR 3 crores.

Note 4: The term loans from bank (including current portion) includes Indian rupee term loan taken from Axis Bank, which carries interest at 7.9% to 9.3% p.a (linked to RBI repo rate). These loans are originally repayable in 24 instalments (23 instalments remaining as at 31 March 2023). 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; and

d) Corporate Guarantee of DM Medcity Hospitals Private Limited.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

16 Borrowings (Contd..)

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% to 9.40% p.a (linked to RBI repo rate). These loans are originally repayable in 28 instalments (28 instalments remaining as at 31 March 2023). 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.

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 8.65% p.a (linked to RBI repo rate). These loans are originally repayable in 48 instalments (36 instalments remaining as at 31 March 2023). 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) Second charge on current assets of the Company;

c) Hypothecation of machinery entire unencumbered movable fixed assets of the hospital; and

d) Cash margin @10% (Letter of Credit/ Bank Guarantee).

Note 7: The term loans from bank (including current portion) includes Indian rupee term loan taken from Federal Bank, which carries interest at 7.25% to 8.65% (linked to RBI Repo rate). These loans are originally repayable in 240 instalments (240 instalments remaining as at 31 March 2023). The loans is secured by:

a) Exclusively First charge by way of hypotecation on all the movable fixed assets of the company including plant and machinery, furniture and fixtures, vehicles and other movable assets both present and future.

b) First Charge on the following properties for all limits of Aster DM Healthcare Ltd on pari pasu bases with Axis Bank and HDFC Bank. 13.12 acres of landed property at Kochi owned by DM Medcity Hospital India Pvt Ltd, 13.53 acres of landed property at kochi owned by Aster DM Healthcare Ltd with hospital buildings, 11.68 acres of landed property at kochi owned by Ambady Infrastructure Pvt Ltd.

Note 8: The term loans from NBFC (including current portion) includes Indian rupee term loan taken from Bajaj Finserv, which carries interest at 9.25% p.a . These loans are originally repayable in 22 instalments (22 instalments remaining as at 31 March 2023). The loans is secured by:

a) First Pari Pasu Charge on immovable fixed assets with minimum FACR of 1.3x along with HDFC, AXIS and Federal Bank.

b) Immovable fixed asset details as below:

Pari Pasu charge on 13.43 acres of commercial landed property at Kochi owned by DM Medcity Hospital India Pvt Ltd, 13.82 acres of commercial landed property at Kochi owned by Aster DM Healthcare Ltd with hospital building and 11.68 acres in Cheranalloor owned by Ambady Infrastructure Pvt Ltd wholly subsidiary of Aster DM Healthcare Ltd ;and

c) Corporate Gurantee - DM Medcity Hospitals India Pvt Ltd and Ambady Infrastructure Pvt Ltd.

Note 9: There are no continuing defaults in the repayment of the principal loan and interest amounts.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

16 Borrowings (Contd..)

B Secured overdraft/cash credit facilities from bank

Note 1: Overdraft and Working Capital Loan facility from Federal bank availed and carries and interest at 7.25% to 8.65% p.a (linked to RBI repo rate). 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. Charge on entire fixed assets of the company (excluding those funded out of TL); and

c. Paripassu first charge on proportionate cash flows of 4 hospitals.

Note 2: Cash credit facility from Axis bank availed and carries interest of 7.9% to 9.00% p.a (linked to 3 months MCLR). The facility is secured by way of exclusive first charge on the current assets of the Company (present and future).

Note 3: Bank Gurantee and 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 as per bank card rate.

Note 4 : Secondary collateral charge on the following properties for all limits of Aster DM Healthcare Ltd on pari pasu basis with respect to note 1, note 2 & note 3; 13.12 acres of landed property at Kochi owned by DM Medcity Hospital India Pvt Ltd, 13.53 acres of landed property at Kochi owned by Aster DM Healthcare Ltd with hospital buildings, 11.68 acres of landed property at Kochi owned by Ambady Infrastructure Pvt Ltd. Also, corporate gurantee given by DM Medcity Hospital India Pvt Ltd and Ambady Infrastructure Pvt Ltd.

C Unsecured overdraft facilities from bank

Overdraft facility from Yes Bank availed and carries interest at 7.90% - 9.20% (linked to 1 month MCLR).

17 Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises	2.82	1.10
Total outstanding dues of creditors other than micro and small enterprises	200.60	128.72
Total	**203.42**	**129.82**

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 2023					
Micro, small and medium enterprises	2.82	-	-	-	2.82
Others	198.26	1.16	0.35	0.83	200.60
Total	**201.08**	**1.16**	**0.35**	**0.83**	**203.42**
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**

* Includes unbilled dues of INR 92.61 crores as at 31 March 2023 (INR 57.15 crores as at 31 March 2022).

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 2023	For the year ended 31 March 2022
The principal amount remaining unpaid to any supplier at the end of the year	2.82	0.99
The interest due on the principal remaining outstanding as at the end of the year	0.05	-
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	0.05	0.11
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	-	-

18 Other Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Interest accrued but not due on borrowings*	0.21	0.22
Dues to related party (refer Note 35)	2.53	2.21
Derivatives-put option	-	91.20
Dues to creditors for capital goods	24.35	5.99
Total	**27.09**	**99.62**

* 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 2023	As at 31 March 2022
Non-current		
Provision for employee benefits		
Net defined benefit liability - Gratuity (refer Note 38)	8.40	7.38
Compensated absences	0.02	0.02
Total	**8.42**	**7.40**
Current		
Provision for employee benefits		
Net defined benefit liability - Gratuity (refer Note 38)	1.25	1.23
Compensated absences	-	-
Total	**1.25**	**1.23**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

20 Other Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Other non-current liabilities		
Deferred government grant *	16.86	19.31
Total	**16.86**	**19.31**
Other current liabilities		
Unearned income	5.55	3.25
Statutory dues payables	8.45	6.55
Deferred government grant*	3.20	2.74
Total	**17.20**	**12.54**

*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.

21 Revenue from Operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from hospital and medical services (refer note ii below)	1,450.05	1,053.04
Revenue from consultancy services	1.97	2.16
Revenue from pharmacy	51.96	32.86
Revenue from canteen	10.14	6.51
Other operating income	19.62	21.90
Total	**1,533.74**	**1,116.47**

The Company's revenue from other operating income comprises primarily of revenue from courses conducted at the hospital and income from revenue sharing agreements.

Refer notes below

(i) Category of Customers

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash (Including Cards/UPI/wallets/bank transfer/Cheques)	817.97	614.83
Credit (Including CoPay)	684.04	471.07
Revenue from hospital and medical services and pharmacies	**1,502.01**	**1,085.90**
Others	31.73	30.57
Revenue from Operations	**1,533.74**	**1,116.47**

(ii) Nature of treatment

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
In- patient	1,184.11	836.90
Out- patient	265.94	216.14
Total	**1,450.05**	**1,053.04**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

22 Other Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income under the effective interest method on:		
Lease deposits	3.00	2.74
Fixed deposits with banks	0.79	0.77
Loan to related parties	29.42	17.22
Dividend on non-current investments	7.41	54.84
Gain on fair valuation of put option (net)	1.41	-
Interest on income tax refund	0.85	1.59
Other non-operating income*	6.89	5.04
Total	**49.77**	**82.20**

*Includes Other non-operating income from related parties. Refer Note 35.

23 Purchases of Medicines and Consumables

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Medicines and consumables	336.63	277.64
Total	**336.63**	**277.64**

24 Changes in Inventories

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock	23.63	19.53
Closing stock	(34.28)	(23.63)
Total	**(10.65)**	**(4.10)**

25 Professional Fee Paid to Doctors

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Professional fees to consultant doctors	346.00	248.24
Total	**346.00**	**248.24**

26 Laboratory Outsourcing Charges

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Lab outsourcing charges	48.94	44.74
Total	**48.94**	**44.74**

27 Employee Benefits Expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and allowances	211.32	156.19
Contribution to provident and other funds (refer Note 38)	9.45	8.15
Staff welfare expense	6.84	6.15
Expenses related to post employment defined benefit plans (refer Note 38)	3.03	2.54
Equity settled share based payment expense* (refer Note 41)	(0.05)	(0.94)
Total	**230.59**	**172.09**

* Net of amounts cross-charged to subsidiaries

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

28 Finance Costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on bank borrowings	20.86	15.75
Less : Amounts included in the cost of qualifying assets	(2.69)	-
	18.17	15.75
Interest on lease liabilities (refer Note 39)	31.75	27.38
Other borrowing costs	1.89	0.89
Total	**51.81**	**44.02**

29 Depreciation and Amortisation Expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (refer Note 4)	81.24	79.02
Depreciation on right-of-use assets (refer Note 39)	21.14	17.59
Amortisation on intangible assets (refer Note 5)	1.64	2.11
Total	**104.02**	**98.72**

30 Other Expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Food and beverage	13.86	12.11
Power and fuel	26.56	22.04
Housekeeping, security and others	59.59	52.38
Legal, professional and other consultancy	15.66	12.13
Auditors remuneration (refer Note 34)	1.41	1.19
Rent (refer Note 39)	40.49	29.40
Repairs and maintenance - plant and equipment	29.85	21.18
Repairs and maintenance - building	1.93	0.76
Repairs and maintenance - others	9.95	5.93
Advertising and promotional	46.42	24.75
Rates and taxes	1.74	2.03
Bank Charges	4.69	2.80
Allowances for credit losses on financial assets	2.77	5.15
Travelling and conveyance	8.50	3.26
Loss on disposal of property, plant and equipment (net)	0.26	0.12
Net loss on account of foreign exchange fluctuations	-	0.01
Water charges	2.80	2.34
Corporate social responsibility (refer Note 30.1)	0.47	3.80
Insurance	2.25	3.06
Communication	1.73	1.62
Office expenses	12.75	5.26
Donation & charity	0.05	2.35
Miscellaneous expenses	10.11	13.69
Total	**293.84**	**227.36**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

30.1 Details of corporate social responsibility (CSR)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Amount required to be spent by the Company during the year	0.57	0.30
- Amount of expenditure incurred	0.47	3.80
- Shortfall at the end of the year	NA	NA
- Total of previous year shortfall	NA	NA
- Reason for shortfall	NA	NA
- 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	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
- Details of related party transactions	INR 0.25 crores (Aster DM Foundation)	INR 3.64 crores (Aster DM Foundation)
- 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	0.25	-
On purposes other than above	0.22	3.80
Excess of previous year utilised	0.25	-
Total	**0.72**	**3.80**

31 Income Tax Assets (net)

(a) Income tax assets/(liability)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax payments, including taxes withheld	90.79	75.02
Less: Provision made towards tax liabilities	(39.27)	(6.35)
Net income tax assets/(liability) at the end	**51.52**	**68.67**

(b) Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	26.06	-
Current tax for earlier years	6.86	-
Deferred tax (including MAT credit entitlement)	(23.88)	(0.22)
Tax expense for the year	**9.04**	**(0.22)**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

31 Income Tax Assets (net) (Contd..)

(c) Amount recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred tax	(0.19)	(0.22)
Tax expense for the year	**(0.19)**	**(0.22)**

(d) Reconciliation of effective tax rate

The standard rate of corporation tax applied to reported profit is 31.20 per cent (2021-22: 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 2023	For the year ended 31 March 2022
Profit before tax	**182.33**	**89.96**
Statutory income tax rate	31.20%	31.20%
Tax expenses /(asset)	**56.89**	**28.07**
Income chargeable at special rates	-	(14.80)
Non-deductible expenses/ permanent differences	(2.63)	0.47
Additional deduction on investment allowance	(12.64)	(3.50)
Other temporary differences	13.59	20.67
On account of undistributed profits in subsidiaries	2.37	-
Current tax for earlier years	6.86	-
Un-recognised deferred tax assets	(55.21)	(30.91)
Income tax expense	**9.23**	**(0.00)**

(e) Recognised deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset		
MAT (Minimum Alternate Tax) credit entitlement receivable	26.06	-
Unabsorbed business loss including from specified business	138.35	176.94
Total deferred tax asset	**164.41**	**176.94**
Deferred tax liability		
On account of fair valuation of land *	(16.35)	(16.35)
On account of undistributed profits in subsidiaries	(2.37)	-
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	(138.35)	(176.94)
Total deferred tax liability	**(157.07)**	**(193.29)**
Deferred tax asset / (liability) (net)	**7.34**	**(16.35)**

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

31 Income Tax Assets (net) (Contd..)

(ii) Movement in temporary differences

Particulars	Balances as at 1 April 2021	Recognised in Profit and loss during 2021-22	Recognised in OCI during 2021-22	Balances as at 31 March 2022	Recognised in Profit and loss during 2022-23	Recognised in OCI during 2022-23	Balances as at 31 March 2023
Unabsorbed business loss including from specified business	189.48	(12.54)	-	176.94	(38.59)	-	138.35
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961 over depreciation under Companies Act.	(189.48)	12.54	-	(176.94)	38.59	-	(138.35)
MAT credit entitlement receivable	-	-	-	-	26.06	-	26.06
On account of fair valuation of land *	(16.35)	-	-	(16.35)	-	-	(16.35)
On account of undistributed profits	-	-	-	-	(2.37)	-	(2.37)
Provision for employee benefits	-	(0.22)	0.22	-	0.19	(0.19)	0.00
Net deferred tax liabilities	**(16.35)**	**(0.22)**	**0.22**	**(16.35)**	**23.88**	**(0.19)**	**7.34**

* 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 2023		As at 31 March 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deferred tax asset				
Tax losses (business loss)	458.40	143.02	490.51	153.04
Tax losses (long term capital loss)	37.75	7.78	37.75	7.78
Tax losses (unabsorbed depreciation)	57.96	18.08	65.05	20.30
Total deferred tax asset	**554.11**	**168.88**	**593.31**	**181.12**

(iv) Tax losses carried forward

	As at 31 March 2023	Expiry date	As at 31 March 2022	Expiry date
Brought forward losses	210.86	Various dates from FY 2022-23 to 2028-29	210.86	Various dates from FY 2022-23 to 2028-29
Brought forward losses from specified business	728.72	Infinite period	882.93	Infinite period
Brought forward losses	57.96	Infinite period	65.05	Infinite period
Total tax losses carried forward	**997.54**		**1,158.84**	

Note i) 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.

Note ii) The Company has recognised deferred tax liability on undistributed profits to the extent it is determined to receive the undistributed profits from the subsidiary.

32 Contingent Liabilities and Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Contingent liabilities		
Claims against the Company not acknowledged as debts (Refer below note 1 and 5)	56.60	38.50
Export commitments under EPCG scheme (Note 2)	16.00	12.80
Corporate guarantees to various subsidiaries	341.50	319.50
Letter of credit	43.04	2.06
Additional salary payable under minimum wages act for retrospective periods (Note 3)	6.84	6.84
Bank guarantees	7.58	2.36
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	18.77	40.82

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 . 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 Company also received income tax demand order of INR 2.28 crore for AY 16-17 where assessing officer contended TDS dedcuted from doctors are subject to section 192 rather than section 194J of income tax act 1961 based on the terms of arrangements with the doctors . The Company had also recieved income tax demand order of INR 0.20 crore for AY 17-18 wherein assessing officer made disallowances on account of delayed payment of provident fund deducted from employees. In all above cases, 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 2023, the export obligations remaining to be fulfilled amounts to INR 16.00 crores (31 March 2022: INR 12.80 crores). In the event that export obligations are not fulfilled, the Company would be liable to pay the levies.

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 included claims of INR 32.06 crores under "Claims against the company not acknowledged as debt". The cases are compensation demanded by the patient/ their relatives and are pending with various Consumer Disputes Redressal Commission. The management believes that the Company has good chance of success in these cases and has adequate insurance coverage against all these claims.

Note 6 : 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 standalone 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 7 : The Company has given bank guarantee in respect of certain contingent liabilities listed above.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Note 8 : 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 other than disclosed in the standalone financials statements.

33 Earnings Per Share

A. Basic earnings 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 attributable to equity share holders (basic)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit for the year, attributable to the equity share holders	173.29	90.18

ii) Weighted average number of equity shares (basic)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	49.71	49.70
Effect of share options exercised	0.01	0.01
Weighted average number of equity shares of INR 10 each for the year	49.72	49.71
Earnings per share, basic	3.48	1.81

B. Diluted earnings per share

The calculation of profit 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 attributable to equity share holders diluted

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit for the year, attributable to the equity share holders	173.29	90.18

ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of equity shares of INR 10 each for the year (basic)	49.72	49.71
Effect of exercise of share options	0.06	0.07
Weighted average number of equity shares of INR 10 each for the year (diluted)	49.78	49.78
Earnings per share, diluted	3.48	1.81

34 Payment to Auditors (Net of Goods and Services Tax)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For audit (including limited reviews)	1.29	1.11
For other services	0.12	0.06
For reimbursement of expenses	-	0.02
Total	**1.41**	**1.19**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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	40	Al Rafa Investments Limited
	2	DM Med City Hospitals (India) Private Limited	41	Harley Street Dental LLC
	3	Prerana Hospital Limited	42	Al Rafa Holdings Limited
	4	Ambady Infrastructure Private Limited	43	Harley Street LLC
	5	Affinity Holdings Private Limited	44	Harley Street Pharmacy LLC
	6	Sri Sainatha Multispeciality Hospitals Private Limited	45	Harley Street Medical Centre LLC
	7	Malabar Institute of Medical Sciences Ltd	46	Al Raffah Hospital LLC **
	8	Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	47	Dr. Moopen's Healthcare Management Services WLL
	9	Aster Ramesh Duhita LLP	48	Welcare Polyclinic WLL
	10	Sanghamitra Hospitals Private Limited	49	Dr. Moopens Aster Hospital WLL
	11	Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	50	Sanad Al Rahma for Medical Care LLC
	12	Komali Fertility Centre Ongole LLP (from 26 October 2022)	51	Cantown Infra Developers LLP (from 15 January 2023)
	13	Adiran IB Healthcare Private Limited (from 03 February 2023)	52	Aster Kuwait Pharmaceuticals and Medical Equipment Company WLL**
	14	Ezhimala Infrastructure LLP	53	Orange Pharmacies LLC
	15	EMED Human Resources India Private Limited	54	Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)
	16	Aster Clinical Lab LLP	55	Aster DM Healthcare INC **
	17	Hindustan Pharma Distributors Private Limited (from 16 Sepetemeber 2021)	56	Al Raffah Pharmacies Group LLC
	18	Warseps Healthcare LLP	57	Aster DCC Pharmacy LLC
	19	Aster DM Healthcare FZC	58	Zahrat Al Shefa Medical Center LLC
	20	Aster Day Surgery Centre LLC	59	Samary Pharmacy LLC
	21	Dar Al Shifa Medical Centre LLC	60	Alfa Investments Limited #
	22	DM Healthcare LLC	61	Active Holdings Limited.
	23	DM Pharmacies LLC **	62	E-Care International Medical Billing Services Co. LLC
	24	Dr. Moopens Healthcare Management Services LLC	63	Aster Primary Care LLC
	25	Eurohealth Systems FZ LLC	64	Metro Medical Center LLC
	26	Med Shop Drugs Store LLC	65	Metro Meds Pharmacy LLC
	27	Medcare Hospital LLC	66	Aster Hospital Sonapur LLC
	28	Modern Dar Al Shifa Pharmacy LLC	67	Oman Al Khair Hospital LLC
	29	Rafa Pharmacy LLC	68	Radiant Healthcare LLC
	30	Aster Pharmacies Group LLC	69	Grand Optics LLC
	31	Alfa Drug Store LLC	70	Premium Healthcare Limited
	32	Aster Al Shafar Pharmacies Group LLC	71	Wahat Al Aman Home Health Care LLC
	33	New Aster Pharmacy DMCC	72	Alfaone FZ-LLC
	34	Symphony Healthcare Management Services LLC	73	Aster Pharmacy LLC, AUH
	35	Al Shafar Pharmacy LLC, AUH **	74	Aster Carribbean Holdings Limited
	36	Aster Grace Nursing and Physiotherapy LLC	75	Aster Cayman Hospital Limited
	37	Aster Medical Centre LLC**	76	Al Rafa Medical Centre LLC
	38	Aster Opticals LLC	77	Zest Wellness Pharmacy LLC (from 28 December 2022)
	39	Alfa One Drug store LLC		

During the year ended 31 March 2022, Noor Al Shefa Clinic LLC, Zahrath 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 2023

All amounts in INR crores, unless otherwise stated

35 A. Related Parties (as per Ind AS) (Contd..)

(c) Associates	MIMS Infrastructure and Properties Private Limited, India
	Aries Holdings FZC, UAE
	Aries Investments LLC
	Al Mutamaizah Medcare Healthcare Investment Co.LLC
	AAQ Healthcare Investments LLC
	Alfaone Medicals Private Limited
	Alfaone Retail Pharmacies Private Limited
	Mindriot Research and Innovation Foundation
	Skin III Ltd (from 22 September 2022)
(d) Joint Venture	Aster Arabia trading Company (from 09 March 2023)

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)
	Sreenath Reddy (Chief Financial Officer) (Upto 05 January 2023)
	Hemish Purushottam(Company Secretary & Compliance Officer)
	Biju Varkey (Independent Director) (Upto 11 November 2022)
	Dr. Layla Mohamed Hassan Ali Almarzooqi (Independent Director) (Upto 27 March 2023)
	Dr. James Mathew (Independent Director)
	Chenayappillil John George (Independent Director)
	Sridar Arvamudhan Iyengar (Independent Director)
	Wayne Earl Keathley (Independent Director)
	T J Wilson (Director)
	Anoop Moopen (Director)
	Emmanuel David Gootam (Independent Director) (from 10 November 2022)
	Purana Housdurgamvijaya Deepti (Independent Director) (from 27 March 2023)
	Mintz Daniel Robert (Non Executive Director)
	Shamsudheen Bin Mohideen Mammu Haji (Director)
	Amitabh Johri (Joint Chief Financial Officer) (from 25 May 2023)
	Sunil Kumar M R (Joint Chief Financial Officer) (from 25 May 2023)

a) Related party transactions

Nature of transactions	Related party transactions	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Loans given during the year		
Ambady Infrastructure Private Limited	-	0.49
DM Med City Hospitals (India) Private Limited	23.89	-
Alfaone Medicals Private Limited	73.00	26.37
Hindustan Pharma Distributors Private Limited	6.88	10.62
Aster Clinical Lab LLP	22.38	27.74
Aster DM Healthcare (Trivandrum) Private Limited	2.64	0.17
Total	**128.79**	**65.39**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 A. Related Parties (as per Ind AS) (Contd..)

Nature of transactions	Related party transactions	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses incurred on behalf of subsidiaries		
DM Med City Hospitals (India) Private Limited	5.00	2.36
Ambady Infrastructure Private Limited	0.23	0.08
Aster DM Healthcare FZC	4.80	0.26
Aster Clinical Lab LLP	0.99	0.88
Aster DM Healthcare (Trivandrum) Private Limited	1.00	1.00
EMED Human Resources India Private Limited	0.24	0.20
Dr. Moopens Healthcare Management Services LLC	2.18	9.08
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	1.66	0.17
Sri Sainatha Multispeciality Hospitals Private Limited	1.20	0.66
Prerana Hospital Limited	1.36	1.37
Sanghamitra Hospitals Private Limited	0.29	-
Malabar Institute of Medical Sciences Limited	10.00	7.47
Total	**28.95**	**23.53**
Expenses incurred by subsidiaries / associates on behalf of Company		
Dr. Moopens Healthcare Management Services LLC	0.88	1.97
Aster DM Healthcare FZC	3.00	0.04
Total	**3.88**	**2.01**
Investments / capital contribution		
Hindustan Pharma Distributors Private Limited	-	15.38
Dr.Ramesh Cardiac and Multispeciality Hospitals Private Limited	21.70	-
Malabar Institute of Medical Sciences Limited	18.15	-
Sri Sainatha Multispeciality Hospitals Private Limited	25.00	-
Total	**64.85**	**15.38**
Sale of medical consumables		
Malabar Institute of Medical Sciences Limited	-	4.74
Prerana Hospital Limited	-	0.50
Sri Sainatha Multispeciality Hospitals Private Limited	0.15	0.76
Aster Clinical Lab LLP	0.89	4.40
Total	**1.04**	**10.40**
Sale of property, plant and equipment		
DM Med City Hospitals (India) Private Limited	0.01	-
Total	**0.01**	**-**
Other Income		
Alfaone Retail Pharmacies Private Limited	1.47	0.31
Sanad Al Rahma for Medical Care Center LLC	-	0.03
Hindustan Pharma Distributors Private Limited	0.01	-
Aster DM Healthcare (Trivandrum) Private Limited	-	0.03
Total	**1.48**	**0.37**
Income from consultancy services		
DM Education and Research Foundation	2.22	2.55
Total	**2.22**	**2.55**
Dividend received		
Malabar Institute of Medical Sciences Limited	7.41	7.41
Affinity Holdings Private Limited	-	47.43
Total	**7.41**	**54.84**
Managerial remuneration		
Short term employee benefits	3.67	1.70
Total	**3.67**	**1.70**
Donation given		
Aster DM Foundation	0.25	5.60

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 A. Related Parties (as per Ind AS) (Contd..)

Nature of transactions	Related party transactions	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Total	**0.25**	**5.60**
Lease rental for land and equipments		
DM Med City Hospitals (India) Private Limited	1.06	1.06
DM Education and Research Foundation	0.74	0.74
Lease rental for medical equipment		
Aster DM Healthcare (Trivandrum) Private Limited	0.06	0.06
Total	**1.86**	**1.86**
Guarantee commission expense		
Ambady Infrastructure Private Limited	0.23	0.16
DM Med City Hospitals (India) Private Limited	0.41	0.34
Total	**0.64**	**0.50**
Guarantee commission received		
Prerana Hospital Limited	0.27	0.23
Sri Sainatha Multispeciality Hospitals Private Limited	0.00	-
Hindustan Pharma Distributors Private Limited	0.07	0.02
Aster Clinical Lab LLP	0.13	0.08
Malabar Institute of Medical Sciences Limited	0.62	0.63
Total	**1.09**	**0.96**
Interest on loan from related parties		
EMED Human Resources India Private Limited	0.00	0.00
DM Med City Hospitals (India) Private Limited	2.64	-
Ambady Infrastructure Private Limited	0.68	0.03
Hindustan Pharma Distributors Private Limited	0.80	0.18
Alfaone Medicals Private Limited	9.69	1.44
Aster DM Healthcare (Trivandrum) Private Limited	9.61	-
Aster Clinical Lab LLP	6.02	4.64
Total	**29.44**	**6.29**
Purchase of medical consumables		
Malabar Institute of Medical Sciences Limited	-	0.05
Hindustan Pharma Distributors Private Limited	10.37	4.00
Sri Sainatha Multispeciality Hospitals Private Limited	0.01	1.18
Total	**10.38**	**5.23**
Laboratory outsourcing charges		
Aster Clinical Lab LLP	39.64	39.70
Total	**39.64**	**39.70**
Other shared service expenses		
Malabar Institute of Medical Sciences Limited	0.29	0.81
EMED Human Resources India Private Limited	0.01	0.00
Ambady Infrastructure Private Limited	-	0.12
DM Education and Research Foundation	9.98	9.11
Total	**10.28**	**10.04**
Revenue from operations		
Malabar Institute of Medical Sciences Limited	13.59	5.92
Sri Sainatha Multispeciality Hospitals Private Limited	1.14	0.96
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	0.33	-
Sanghamitra Hospitals Private Limited	0.02	-
Sanad Hospital	0.00	-
Prerana Hospital Limited	1.69	0.59
Total	**16.77**	**7.47**
Interest income under the effective interest method on lease deposit		
DM Education and Research Foundation	0.81	0.75
DM Med City Hospitals (India) Private Limited	1.06	0.97
Total	**1.87**	**1.72**
Employee stock option expense recharged		
Aster DM Healthcare FZC	0.67	0.82
Total	**0.67**	**0.82**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 A. Related Parties (as per Ind AS) (Contd..)

b) Balance receivable / (payable) as at the year end

Nature of transactions	Related party transactions	
	As at 31 March 2023	As at 31 March 2022
Financial assets - Other financial assets (current) - Dues from related parties		
Prerana Hospital Limited	1.21	0.23
Aster DM Healthcare FZC	28.05	25.58
Aster Pharmacies Group LLC	0.39	0.39
Alfaone Retail Pharmacies Private Limited	1.72	0.28
Sri Sainatha Multispeciality Hospitals Private Limited	1.09	0.25
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited	0.67	0.27
Hindustan Pharma Distributors Private Limited	-	0.13
Aster DM Healthcare (Trivandrum) Private Limited	2.13	1.32
Ambady Infrastructure Private Limited	0.77	0.76
Aster Clinical Lab LLP	10.86	2.49
Sanad Al Rahma for Medical Care Center LLC	0.00	0.02
DM Med City Hospitals (India) Private Limited	4.20	3.05
EMED Human Resources India Private Limited	0.21	0.25
DM Education and Research Foundation	15.76	14.46
Dr. Moopens Healthcare Management Services LLC	21.20	13.92
Sanghamitra Hospitals Private Limited	0.28	-
Malabar Institute of Medical Sciences Limited	6.76	4.23
Total	**95.30**	**67.62**
Financial assets - loans (Non current) - Dues from related parties		
Aster DM Healthcare (Trivandrum) Private Limited**	101.94	89.71
Ambady Infrastructure Private Limited	6.44	5.77
Aster Clinical Lab LLP	89.33	75.27
Hindustan Pharma Distributors Private Limited	13.45	5.78
EMED Human Resources India Private Limited	0.02	0.02
DM Med City Hospitals (India) Private Limited	44.70	18.26
Alfaone Medicals Private Limited	110.64	28.07
Total	**366.53**	**222.87**
Other financial liabilities (Current) - Dues to related party		
Union Investments Private Limited	(1.04)	(1.04)
Total	**(1.04)**	**(1.04)**
Other financial liabilities (Current) - Dues to subsidiaries		
Al Raffah Hospital LLC	(1.17)	(1.17)
Hindustan Pharma Distributors Private Limited	(0.32)	-
Total	**(1.49)**	**(1.17)**
Other financial liabilities (Current) - Dues to creditors for expenses		
Wayanad Infrastructure Private Limited	(0.09)	(0.09)
Total	**(0.09)**	**(0.09)**
Trade receivables		
EMED Human Resources India Private Limited	-	0.00
Dr. Moopen's Healthcare Management Services W.L.L, Qatar	-	0.04
Total	**-**	**0.04**
Other non current assets - Deferred lease expenses		
DM Education and Research Foundation	1.42	2.16
DM Med City Hospitals (India) Private Limited	3.82	4.78
Total	**5.24**	**6.94**
DM Education and Research Foundation	0.74	0.74
DM Med City Hospitals (India) Private Limited	0.95	0.95
Total	**1.69**	**1.69**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 A. Related Parties (as per Ind AS) (Contd..)

Nature of transactions	Related party transactions	
	As at 31 March 2023	As at 31 March 2022
Financial assets loans - (Non current) Rent and other deposits		
DM Education and Research Foundation	12.31	11.50
DM Med City Hospitals (India) Private Limited	13.14	12.09
Total	**25.45**	**23.59**
Managerial remuneration payable		
Short term employee benefits	(0.17)	(0.04)
Total	**(0.17)**	**(0.04)**
Guarantee given [refer note 35B(c)]		
Prerana Hospital Limited	72.50	72.50
Hindustan Pharma Distributors Private Limited	40.00	20.00
Sri Sainatha Multispeciality Hospitals Private Limited	-	2.00
Malabar Institute of Medical Sciences Limited	174.00	174.00
Aster Clinical Lab LLP	55.00	51.00
Total	**341.50**	**319.50**
Guarantee received		
Ambady Infrastructure Private Limited	355.00	125.00
DM Med City Hospitals (India) Private Limited	390.00	125.00
Total	**745.00**	**250.00**

35 B. Investments, Loans, Guarantees and Security

(a) The Company has made investment in the following companies:

Particulars	As at 1 April 2022	IND AS Adjustment	Allotment/ Purchases during the year	Sold during the year	Impairment/ Write off during the year	As at 31 March 2023
Investment in equity instruments						
Sri Sainatha Multispeciality Hospitals Private Limited	58.24	(3.65)	25.00	-	-	79.59
Prerana Hospital Limited	42.94	-	-	-	-	42.94
Aster DM Healthcare (Trivandrum) Private Limited	33.97	-	-	-	-	33.97
DM Med City Hospitals (India) Private Limited	5.29	-	-	-	-	5.29
Ambady Infrastructure Private Limited	20.84	-	-	-	-	20.84
Affinity Holdings Private Limited	*	-	-	-	-	*
Malabar Institute of Medical Sciences Limited	259.64	-	18.15	-	-	277.79
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	272.68	(86.13)	21.70	-	-	208.25
Hindustan Pharma Distributors Private Limited	15.38	-	-	-	-	15.38
Mindriot Research and Innovation Foundation	*	-	-	-	-	*
Aster Clinical Labs LLP	1.00	-	-	-	-	1.00
Alfaone Medicals Private Limited	0.23	-	-	-	-	0.23
Total	**710.21**	**(89.78)**	**64.85**	**-**	**-**	**685.28**
Investment in preference shares						
Affinity Holdings Private Limited, Mauritius	1,455.82	-	-	-	-	1,455.82
Total	**1,455.82**	**-**	**-**	**-**	**-**	**1,455.82**
Total Investments	**2,166.03**	**(89.78)**	**64.85**	**-**	**-**	**2,141.10**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 B. Related Parties (as per Ind AS) (Contd..)

Particulars	As at 1 April 2021	IND AS Adjustment	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	58.24	-	-	-	-	58.24
Prerana Hospital Limited	42.94	-	-	-	-	42.94
Aster DM Healthcare (Trivandrum) Private Limited	33.97	-	-	-	-	33.97
DM Med City Hospitals (India) Private Limited	5.29	-	-	-	-	5.29
Ambady Infrastructure Private Limited	20.84	-	-	-	-	20.84
Affinity Holdings Private Limited	*	-	-	-	-	*
Malabar Institute of Medical Sciences Limited	259.64	-	-	-	-	259.64
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	272.68	-	-	-	-	272.68
Hindustan Pharma Distributors Private Limited	-	-	15.38	-	-	15.38
Mindriot Research and Innovation Foundation	*	-	-	-	-	*
Aster Clinical Labs LLP	1.00	-	-	-	-	1.00
Alfaone Medicals Private Limited	0.23	-	-	-	-	0.23
Total	**694.83**	**-**	**15.38**	**-**	**-**	**710.21**
Investment in preference shares						
Affinity Holdings Private Limited, Mauritius	1,455.82	-	-	-	-	1,455.82
Total	**1,455.82**	**-**	**-**	**-**	**-**	**1,455.82**
Total Investments	**2,150.65**	**-**	**15.38**	**-**	**-**	**2,166.03**

(b) The company has given unsecured loans to the following entities:

Entity	As at 1 April 2022	Movement	As at 31 March 2023	Purpose of loans
Subsidiaries				
Aster DM Healthcare (Trivandrum) Private Limited	89.71	12.23	101.94	Financial assistance
DM Med City Hospitals (India) Private Limited	18.26	26.44	44.70	Financial assistance
Ambady Infrastructure Private Limited	5.77	0.67	6.44	Financial assistance
EMED HR (India) Private Limited	0.02	0.00	0.02	Financial assistance
Aster Clinical Labs LLP	75.27	14.06	89.33	Financial assistance
Hindustan Pharma Distributors Private Limited	5.78	7.67	13.45	Financial assistance
Alfaone Medicals Private Limited	28.07	82.57	110.64	Financial assistance
Total	**222.88**	**143.64**	**366.53**	

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**	

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 B. Investments, Loans, Guarantees and Security (Contd..)

(c) The Company has given guarantees to the following entities:

Entity	As at 1 April 2022	Movement	As at 31 March 2023	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	50.00	5.00	55.00	Corporate guarantee given to Axis Bank to give term loan and working capital facility to Aster Clinical Labs LLP
Hindustan Pharma Distributors Private Limited	20.00	20.00	40.00	Corporate guarantee given to RBL Bank to give working capital loan to Hindustan Pharma Distributors Private Limited
	319.50	**22.00**	**341.50**	

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

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 B. Investments, Loans, Guarantees and Security (Contd..)

Entity	As at 1 April 2021	Movement	As at 31 March 2022	Purpose of guarantees
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**	

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 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	-	-	-	-
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**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

37 Financial Instruments - Fair Values and Risk Management (Contd..)

As at 31 March 2023

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	2,141.10	-	-	2,141.10	-	-	-	-
Loans	11	353.05	-	-	353.05	-	-	-	-
Other financial assets	12	180.31	-	-	180.31	-	-	-	-
Trade receivables	8	111.33	-	-	111.33	-	-	-	-
Cash and cash equivalents	9	24.38	-	-	24.38	-	-	-	-
Other bank balances	10	6.91	-	-	6.91	-	-	-	-
Total		**2,817.08**	**-**	**-**	**2,817.08**	**-**	**-**	**-**	**-**
Liabilities									
Financial liabilities not measured at fair value									
Borrowings	16	-	-	339.98	339.98	-	-	-	-
Lease liabilities	39	-	-	357.29	357.29				
Trade payables	17	-	-	203.42	203.42	-	-	-	-
Other financial liabilities	18	-	-	27.09	27.09	-	-	-	-
Total		**-**	**-**	**927.78**	**927.78**	**-**	**-**	**-**	**-**

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 2023 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 2021	91.20
Net change in fair value (unrealised)	-
Addition during the year	-
Balance as at 31 March 2022	**91.20**
Net change in fair value (unrealised)	-
Addition during the year	-
Deletion during the year	91.20
Balance as at 31 March 2023	**-**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

37 Financial Instruments - Fair Values and Risk Management (Contd..)

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 2023		For the year ended 31 March 2022	
	Increase	Decrease	Increase	Decrease
Volatility (1% movement)	-	-	(0.57) to 0.20	(0.19) to 0.56
EBITDA growth rates (1% movement)	-	-	(0.06) to 3.59	(3.44) to 0.06
Risk free rate (1% movement)	-	-	0.09 to 63.90	(0.09) to (62.83)

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 111.33 crores (31 March 2022: INR 61.55 crores) and unbilled receivables (net of advances from patient) as given in note 12 amounting to INR 13.51 crores (31 March 2022: INR 6.24 crores).

The movement in lifetime ECL in respect of trade and other receivables during the year was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning	9.30	8.68
Impairment loss recognised	1.60	0.62
Balance at the end	**10.90**	**9.30**

No single customer accounted for more than 10% of the revenue as of 31 March 2023 and 31 March 2022. 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 2023

All amounts in INR crores, unless otherwise stated

37 Financial Instruments - Fair Values and Risk Management (Contd..)

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 contractual maturities of significant financial liabilities as of 31 March 2023:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	203.42	-	203.42
Current borrowings	109.83	-	109.83
Non current borrowings (including current maturities)	36.69	193.46	230.15
Lease liabilities	10.18	347.11	357.29
Other financial liabilities	27.09	-	27.09
Total	**387.21**	**540.57**	**927.78**

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 2023:

Particulars	Less than 1 year	More than 1 year	Total
Cash and cash equivalents	24.38	-	24.38
Other bank balances	6.91	-	6.91
Investments	-	2,141.10	2,141.10
Trade receivables	111.33	-	111.33
Loans	-	353.05	353.05
Other financial assets	109.87	70.44	180.31
Total	**252.49**	**2,564.59**	**2,817.08**

The table below provides details regarding the 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**

37 Financial Instruments - Fair Values and Risk Management (Contd..)

Financial assets of INR 2,817.08 crores (including restricted deposits of INR 4.15 crores) as at 31 March 2023 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 111.33 crores as at 31 March 2023 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. 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 2,141.10 crores) and loans and advances to subsidiary companies (INR 353.05 crores, net of provision of INR 13.48 crores) wherein Management has considered 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.

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, 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 2023	AED	OMR	USD
Other current financial liabilities	-	1.17	-
Cash and cash equivalents	0.02	-	0.11
Net assets/(liabilities)	**0.02**	**(1.17)**	**0.11**

As at 31 March 2022	AED	OMR	USD
Other current financial liabilities	-	1.17	-
Cash and cash equivalents	0.07	-	0.12
Net assets/(liabilities)	**0.07**	**(1.17)**	**0.12**

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 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
AED Sensitivity				
INR/ AED - Increase by 1%	*	*	*	*
INR/ AED - Decrease by 1%	*	*	*	*
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

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

37 Financial Instruments - Fair Values and Risk Management (Contd..)

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
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 2023	As at 31 March 2022
Variable rate long term borrowings including current maturities	230.15	128.92

Sensitivity analysis

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Sensitivity				
1% increase in MCLR rate	(2.30)	(1.29)	(2.30)	(1.29)
1% decrease in MCLR rate	2.30	1.29	2.30	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.

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 2023	As at 31 March 2022
Defined benefit obligation liability	9.65	8.61
Plan assets	-	-
Net defined benefit liability	**9.65**	**8.61**

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

38 Employee Benefits (Contd..)

B Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at beginning of the year	8.61	7.69
Benefit paid	(1.38)	(1.33)
Current service cost	2.27	2.05
Past service cost	0.19	-
Interest cost	0.57	0.49
Actuarial gain/(loss) recognised in other comprehensive income		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(0.49)	(0.37)
- experience adjustments	(0.11)	(0.31)
Transfers in/(out)	(0.01)	0.39
Balance at the end of the year	**9.65**	**8.61**
Net defined benefit obligation (liability)	**9.65**	**8.61**

C (i) Expenses recognised in the statement of profit & loss account

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	2.27	2.05
Past service cost	0.19	-
Interest cost	0.57	0.49
Gratuity cost	**3.03**	**2.54**

(ii) Remeasurements recognised in other comprehensive income

Particulars	As at 31 March 2023	As at 31 March 2022
Actuarial gain/(loss) on defined benefit obligation	(0.60)	(0.68)
Remeasurements recognised in other comprehensive income	**(0.60)**	**(0.68)**

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 2023	As at 31 March 2022
Discount rate	7.20%	6.60%
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.)

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

38 Employee Benefits (Contd..)

The weighted-average assumptions used to determine net periodic benefit cost for the year ended 31 March 2023 and year ended 31 March 2022 as set out below:

Particulars	As at 31 March 2023	As at 31 March 2022
Weighted average duration of defined benefit obligation (in years)	7.0	6.5

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.

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 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.72)	0.84	(0.65)	0.75
Future salary growth (1% movement)	0.84	(0.74)	0.75	(0.66)
Withdrawal rate (1% movement)	(0.01)	0.00	(0.04)	0.03

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 2023	For the year ended 31 March 2022
Contribution to Provident Fund	8.66	7.54
Employee State Insurance	0.68	0.52
National Pension System	-	0.05
Labour Welfare Fund	0.11	0.04
Components recognised in the statement of profit and loss	**9.45**	**8.15**

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

39 Leases (Contd..)

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended 31 March 2023 and 31 March 2022:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	322.71	249.25
Additions	32.73	77.03
Finance cost accrued during the period (refer Note 28)	31.75	27.38
Payment of lease liabilities	(29.90)	(30.95)
Closing balance	**357.29**	**322.71**
Non-current lease liabilities	347.11	315.84
Current lease liabilities	10.18	6.87

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	36.22	26.85
One to five years	166.35	135.34
More than five years	630.90	647.20
Total undiscounted lease liabilities	**833.47**	**809.39**

(iii) Right-of-use assets

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Gross carrying value		
Opening balance	298.87	221.84
Addition to right-of-use assets	33.91	77.03
Total gross carrying value	**332.78**	**298.87**
Accumulated Depreciation		
Opening balance	47.36	29.77
Depreciation for the year (Refer Note 29)	21.24	17.59
Total accumulated Depreciation	**68.50**	**47.36**
Net Balance	**264.28**	**251.51**

(iv) Amounts recognised in statement of profit or loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Lease rental expenses for lease where Ind AS 116 is not applicable	40.49	29.40
Interest on lease liabilities	31.75	27.38
Depreciation on right-of-use assets	21.14	17.59

(v) Amounts recognised in statement of cash flows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash out flow for leases	29.90	30.95

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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 2023 and 31 March 2022 was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total equity attributable to the equity shareholders of the Company	3,130.56	2,955.21
As a percentage of total capital	90%	94%
Long-term borrowings including current maturities	230.15	128.92
Short-term borrowings	109.83	68.89
Total borrowings	**339.98**	**197.81**
As a percentage of total capital	10%	6%
Total capital (Equity and Borrowings)	**3,470.54**	**3,153.02**

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 ,13 February 2023 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 2023

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
Incentive option	2 March 2013	344,280	50	At the end of 1 year based on performance	5 years from the date of vesting
Incentive option	1 April 2014	344,280	50		
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	25% at the end of each financial year over a period of 4 years based on performance.	
Milestone option	1 April 2014	254,537	50		
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	25% at the end of each financial year over a period of 4 years based on performance.	
Performance option	1 March 2018	482,200	142		
Performance option	1 March 2018	183,829	50		
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.	
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 traches 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		
Performance option	13 February 2023	15,000	155.71		

Notes to the Standalone Financial Statements for the year ended 31 March 2023

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	2 March 2013	420,000	10	100% vesting at the end of 1 year from date of grant.	5 years from the date of vesting
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		
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.	
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	37.5% vesting on completion of 3 years and 6 years each respectively and 25% on completion of 9 years.	
Loyalty option	11 November 2019	7,200	10		
Loyalty option	10 February 2020	7,200	10		
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		
Loyalty option	13 February 2023	10,000	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	Performance	Performance	Loyalty option	Loyalty option
Date of grant	07 February 2022	13 February 2023	07 February 2022	13 February 2023
Fair value at grant date	INR 100.43	INR 106.20	INR 178.23	INR 201.80
Share price at grant date	INR 184.20	INR 209.60	INR 184.20	INR 209.60
Exercise price	INR 139.00	INR 155.70	INR 10.00	INR 10.00
Expected volatility	40.75%	42.50%	40.53%	42.40%
Expected life	5 years	3.5 years	9.53 years	3.5 years
Expected dividends	Nil	Nil	Nil	Nil
Risk- free interest rate	6.29%	7.30%	6.66%	7.26%

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

41 Share Based Payments (Contd..)

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 2023	For the year ended 31 March 2022
Outstanding as on 1 April	0.11	0.14
Granted during the year	0.00	0.02
Lapsed / forfeited during the year	(0.01)	(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	0.08	0.11
Options exercisable at the end of the year	0.05	0.03
Weighted average share price at the date of exercise for share options exercised during the period (in INR)	213.30	182.95

The options outstanding at 31 March 2023 have an exercise price in the range of INR 10 to INR 155.71 (31 March 2022: INR 10 to INR 145.31) and a weighted average remaining contractual life of 4.28 years (31 March 2022: 4.98 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 As a part of the Restructuring process, the Board of Directors approved the appointment of the Investment bankers by the Company on 10th June 2022 to explore options which present an opportunity to unlock value for the Company and its stakeholders. The Investment Bankers have received interest and indicative terms from potential buyers for the Gulf Co-operation Council region ('GCC') business. The investment bankers are working actively with the potential buyers and their advisors. The shortlisted bidders have expressed a strong commitment to complete a transaction soon. The preparatory work including due diligence etc. is largely complete. The investment bankers have communicated that the binding bids are likely to be received by end of Q1 of Financial Year 2023-24. Upon submission of the final evaluation by the investment bankers, the Board shall review the proposals of sale of the Company's business in the GCC. Appropriate intimations and impact/ disclosures will be made as and when any conclusions are arrived at and approved by the Board.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

44 Financial Ratios

	Ratio	Methodology	For the year ended 31 March 2023	For the year ended 31 March 2022	Percenatge change	Explanation if variance exceeds 25%
a)	Current ratio	Current assets/ Current liabilities	0.78	0.58	33%	Due to increase in businees thereis increase in receivable balance compared to previous year.
b)	Debt-equity ratio	Total debt/ Shareholder's equity	0.21	0.17	27%	Due to increase in outstanding borrowings at year end.
c)	Debt service coverage ratio	Earnings available for debt service/ Debt service	2.73	2.00	36%	Due to increase in scale of operations during current year, the profit available for debt service has increased
d)	Return on equity	Net profit after taxes/ Average shareholder's equity	5.69%	3.10%	84%	Due to improved profit margins.
e)	Inventory turnover ratio	Cost of goods sold/ Average inventory	11.26	12.68	11%	NA
f)	Trade receivables turnover ratio	Revenue from operations/ Average accounts receivables	17.74	21.37	17%	NA
g)	Trade payables turnover ratio	Total purchases/ Average trade payables	2.02	2.08	3%	NA
h)	Net capital turnover ratio	Net sales/ Working capital	(16.90)	(7.80)	116%	Due to increase in revenue.
i)	Net profit ratio	Net profit/ Net sales	11.30%	8.08%	40%	Due to increase in profits.
j)	Return on capital employed	Earnings before interest and taxes/ Capital employed	4.86%	1.50%	223%	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	0.34%	3%	86%	Due to higher dividend recieved in the previous 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)

45 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 2023 and 31 March 2022 ('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.

Notes to the Standalone Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 (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 Company has granted loans to below mentioned related party which is repayable on demand

   (i) Aster Clinical Lab LLP

   (ii) Hindustan Pharma Distributors Private Limited

   (iii) Alfaone Medicals Private Limited

k) 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.

l) 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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

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" or "the Company") 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 and joint venture and financial statements of DM Healthcare Employees Welfare Trust ("the ESOP trust") which comprise the Consolidated Balance Sheet as at 31 March 2023, 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 ESOP trust auditor and the other auditors on separate financial statements of subsidiaries, associates and joint venture 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 2023, 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 (SAs) specified under section 143 (10) of the Act. 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, its associates and joint venture 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 ESOP trust auditor and by the other auditors in terms of their reports referred to in the sub-paragraph (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**	**Principal audit procedures performed**
	As at 31 March 2023, the Group had INR 1,159.67 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. 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 expected 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.	We tested the design, implementation and operating effectiveness of internal controls over the Group's impairment evaluation by testing on a sample basis (only for India): ▪ 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, EBITDA margins, discount rates and the mathematical accuracy of the workings and basis for final conclusion. We received the managements evaluation of the impairment assessment for material 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 subjected the various assumptions to certain sensitivity to key inputs and (iv) testing the integrity and mathematical accuracy of the impairment models.

Sr. No.	Key Audit Matter	Auditor's Response
	Given the above complexities, the determination of recoverable amount is subjective as it involves specific assumptions applicable to each CGU 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. Refer note 3.6 for policy on "Impairment of non-financial assets"- Goodwill, note 2.4 on "Use of estimates and judgements" related to impairment reviews and note 5 on "Goodwill and other intangible assets" for disclosures related to Impairment review of goodwill in the consolidated financial statements.	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. We reviewed the impairment disclosures to ensure consistency against the requirements of Ind AS 36 – Impairment of Assets.
2	**Estimates of Variable considerations under Ind AS 115** 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. 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. Management exercises judgement in determination of estimates of variable considerations which impacts the transaction price at which the revenue is to be recognised. Refer Note 3.9 to the consolidated financial statements.	**Principal audit procedures performed** Our procedures, including those carried out by other auditors, included the following: ▪ 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: ▪ 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.
3	**Implementation of new IT system used for accounting/financial reporting** The Company implemented a new IT system which is an enterprise resource planning application used for accounting/financial reporting during the year ("Go-Live date"). Matters which required significant audit attention in relation to the above implementation included: 1. Complete and accurate migration of relevant financial and accounting data/ information/ balances from legacy IT system to the new IT system. 2. Assessment and evaluation of relevant application systems, programs, processes, interfaces, reports, and controls and segregation of duties (SOD) conflicts insofar as they relate to accounting and financial reporting. 3. IT general controls and IT Application controls relevant for financial reporting.	**Principal audit procedures performed:** ▪ We understood the Management's implementation plan of the new IT system and the changes from legacy versus the new IT system in so far as accounting/ financial reporting is concerned. ▪ We reviewed the post-implementation report obtained by the Management from an independent third-party IT specialist. ▪ Tested the completeness and accuracy of migration of relevant financial and accounting data/information/balances from legacy IT system to the new IT system. ▪ We tested the IT general controls of the new IT system relevant to financial reporting, including relevant interfaces. ▪ We tested the design and implementation, and operating effectiveness of the relevant business cycle automated controls of the new IT system. ▪ We tested the completeness and accuracy of information used for controls and also the information produced by the new IT system. ▪ We tested the SOD conflicts implemented by the management. The above procedures were in addition to the relevant planned procedures for the legacy IT system used by the Company upto the Go-Live date.

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 Company's Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiaries , associates, joint venture and ESOP trust 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 subsidiaries, associates, joint venture and ESOP trust is traced from their financial statements audited by the other auditors and ESOP trust auditor.

  When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities relating to other information'.

Responsibilities of Management and Those Charged with Governance 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 and Joint venture 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 and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and joint venture 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 Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Director of the companies included in the Group and of its associates and joint venture 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 and joint are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

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/ Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 joint venture 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 and joint venture 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 or business activities within the Group and its associates, joint venture and ESOP trust 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 entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the ESOP trust, entities or business activities included in the consolidated financial statements, which have been audited by the trust auditor or other auditors, such trust auditor and 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/ Holding Company 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 statements of 64 subsidiaries and ESOP Trust included in the consolidated financial statements, whose financial statements (before elimination) reflect total assets of INR 12,167.25 crores as at 31 March 2023 and total revenues of INR 9,290.33 crores and net cash flows of INR 18.80 crores for the year ended 31 March 2023, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of loss after tax of INR 11.22 crores for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 4 associates, whose financial statements have not been audited by us. These financial statements have been audited, as applicable, by the ESOP trust auditor and other auditors whose reports have been furnished to us by the Management and our opinion and conclusion 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 the reports of the ESOP trust auditor and other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above. Our report on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the ESOP trust auditor other auditors.

(b) The consolidated financial statements includes the unaudited financial information of 4 subsidiaries, whose financial information reflect (before elimination) total assets of INR 2,418.34 crores as at 31 March 2023 and total revenues of INR 24.84 crores and net cash flows of INR 16.89 crores for the year ended 31 March 2023, as considered in the consolidated financial statements. The consolidated financial statements also includes the Group's share of profit after tax of INR 12.44 crores for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 5 associates and 1 joint venture 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 and conclusion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture 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 report on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

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 trust auditor and other auditors on the separate financial information of the ESOP trust, subsidiaries, associates and joint venture 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 2023 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 associates incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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 and based on the auditor's reports of subsidiary companies and associate companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies, associate companies and joint venture company to their respective 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, its associates, joint venture and ESOP trust. Refer Note 33 to the consolidated financial statements;

ii) The Group, its associates entities, joint venture and ESOP trust did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and associate companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries, associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiaries and associates 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 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 and associates 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 and associates ("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, associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates 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, associates 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, associates 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates 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 misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in the consolidated financial statements, the Board of Directors of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries and associates at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. 01 April 2023 to the Parent and its subsidiaries and associates which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

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 except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Malabar Institute of Medical Sciences Ltd	U85110KL1995PLC008677	Subsidiary	Clause vii (b) Clause xiv (b)
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	U73100AP1995PTC020491	Subsidiary	Clause iii (a) Clause iii (f) Clause vii (b) Clause xiv (b)
Prerana Hospital Limited	U85110PN1996PLC104292	Subsidiary	Clause xiv (b)
Sri Sainatha Multispeciality Hospitals Private Limited.	U85110TG2007PTC054118	Subsidiary	Clause iii (a) Clause xiv (b)
Ambady Infrastructure Private Limited	U45201KL2008PTC021727	Subsidiary	Clause iii (b) Clause xvii
DM Med City Hospitals India Private Limited	U85110KL2009PTC024999	Subsidiary	Clause iii (a) Clause iii (f) Clause vii (b)
Hindustan Pharma Distributors Private Limited	U51909KA2021PTC150604	Subsidiary	Clause xvii
Aster DM Healthcare (Trivandrum) Private Limited	U85110KL2010PTC025573	Subsidiary	Clause xvii Clause xiv (b)
Adiran IB Healthcare Private Limited	U33100AP2016PTC104523	Step down subsidiary	Clause vii (b)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Vikas Bagaria
(Partner)
(Membership No. 60408)
(UDIN: 23060408BGYGPC1639)

Place: Bengaluru
Date: 25 May 2023

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 with reference to consolidated financial statements 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 financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of Aster DM Healthcare Limited (hereinafter referred to as "Parent") and its subsidiary companies, associate 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, associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements 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 with reference to consolidated financial statements of the Parent, 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate 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 with reference to consolidated financial statements of the Parent, its subsidiary companies, associate companies company which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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, associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements insofar as it relates to, 11 subsidiary companies, 3 associate 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. 008072S)

Vikas Bagaria
(Partner)
(Membership No. 60408)
(UDIN: 23060408BGYGPC1639)

Place: Bengaluru
Date: 25 May 2023

Consolidated Balance Sheet as at 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4.1	4,628.55	3,357.88
Capital work-in-progress	4.2	255.09	977.67
Right-of-use assets	40	2,919.98	2,304.82
Goodwill	5	1,159.67	1,087.91
Other intangible assets	5	344.21	258.02
Intangible assets under development	4.2	23.87	20.07
Financial assets			
Investments	6	68.30	38.19
Loans	7	111.90	28.07
Other financial assets	8	210.13	180.02
Deferred tax assets (net)	28	45.57	25.00
Income tax assets (net)	29	79.24	97.51
Other non-current assets	9	113.13	74.62
Total non-current assets		**9,959.64**	**8,449.78**
Current assets			
Inventories	10	1,305.62	1,025.68
Financial assets			
Investments	6	11.25	6.64
Trade receivables	11	2,336.31	2,020.52
Cash and cash equivalents	12	378.53	343.37
Other bank balances	13	50.03	36.24
Other financial assets	8	188.83	168.15
Other current assets	9	650.99	495.86
Total current assets		**4,921.56**	**4,096.46**
Total assets		**14,881.20**	**12,546.24**
Equity and liabilities			
Equity			
Equity share capital	14	499.52	499.52
Other equity		3,948.55	3,453.89
Equity attributable to owners of the Company		**4,448.07**	**3,953.41**
Non-controlling interests	36B	412.39	529.21
Total equity		**4,860.46**	**4,482.62**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	1,312.30	1,466.40
Lease liabilities	40	3,154.41	2,472.92
Other financial liabilities	16	216.49	11.66
Provisions	17	407.12	358.94
Deferred tax liabilities (net)	28	238.06	168.93
Other non-current liabilities	18	37.08	26.19
Total non-current liabilities		**5,365.46**	**4,505.04**
Current liabilities			
Financial liabilities			
Borrowings	15	975.18	725.76
Lease liabilities	40	258.41	242.05
Trade payables	19		
- Total outstanding dues of micro and small enterprises		15.58	14.43
- Total outstanding dues of creditors other than micro and small enterprises		2,972.19	2,103.66
Other financial liabilities	16	109.61	221.78
Provisions	17	109.28	93.30
Current tax liabilities (net)	29	19.32	10.63
Other current liabilities	18	195.71	146.97
Total current liabilities		**4,655.28**	**3,558.58**
Total equity and liabilities		**14,881.20**	**12,546.24**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	20	11,932.88	10,253.28
Other income	21	78.25	50.66
Total income		**12,011.13**	**10,303.94**
Expenses			
Purchases of medicines and consumables	22	3,811.75	3,068.46
Changes in inventories	23	(279.93)	(176.69)
Professional fees to consultant doctors		1,038.34	814.77
Laboratory outsourcing charges		70.64	254.73
Employee benefits expense	24	3,965.22	3,264.46
Finance costs	25	329.22	257.02
Depreciation and amortisation expenses	26	780.44	640.58
Other expenses	27	1,761.59	1,544.30
Total expenses		**11,477.27**	**9,667.63**
Profit before share of profit of equity accounted investees and tax		**533.86**	**636.31**
Share of profit of equity accounted investees and tax	39	1.22	0.54
Profit before tax		**535.08**	**636.85**
Tax expense			
Current tax	29	73.95	45.54
Current tax for earlier years		11.88	(1.73)
Deferred tax	28	(26.24)	(8.01)
Total Tax expense		**59.59**	**35.80**
Profit for the year		**475.49**	**601.05**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability		37.53	43.88
Income tax on items that will not be reclassified subsequently to profit or loss		0.03	(0.90)
Items that will be reclassified subsequently to profit or loss			
Exchange difference in translating financial statements of foreign operations		234.64	73.27
Income tax on items that will be reclassified subsequently to profit or loss		(73.25)	(22.80)
Other comprehensive income, net of taxes		**198.95**	**93.45**
Total comprehensive income for the year		**674.44**	**694.50**
Profit attributable to			
Owners of the Company		424.91	525.99
Non-controlling interests		50.58	75.06
Profit for the year		**475.49**	**601.05**
Other comprehensive income attributable to			
Owners of the Company		173.91	82.66
Non-controlling interests		25.04	10.79
Other comprehensive income for the year		**198.95**	**93.45**
Total comprehensive income attributable to			
Owners of the Company		598.82	608.65
Non-controlling interests		75.62	85.85
Total comprehensive income for the year		**674.44**	**694.50**
Earnings per share (equity share of face value of INR 10 each)	32		
Basic (in INR)		8.54	10.58
Diluted (in INR)		8.53	10.57

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403
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25 May 2023

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25 May 2023

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Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Consolidated Statement of Cash Flows for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities		
Profit before tax	535.08	636.85
Adjustments for		
Depreciation and amortisation expenses	780.44	640.58
(Profit)/loss on sale of property, plant and equipment	(5.78)	2.81
Allowance for credit losses on financial assets	169.64	240.08
Dividend income	(0.31)	(0.97)
Equity settled share based payments	0.67	(0.13)
Share of (profit)/ loss of equity accounted investees	(1.22)	(0.54)
Finance costs	329.22	257.02
Interest income	(2.70)	(2.72)
Operating cash flows before movements in working capital	**1,805.04**	**1,772.98**
Working Capital Changes		
Changes in inventories	(192.98)	(144.60)
Changes in trade receivable	(318.47)	(182.36)
Changes in other financial assets, loans and other assets	(177.92)	(194.99)
Changes in liabilities and provisions	777.26	120.13
Cash generated from operation	**1,892.93**	**1,371.16**
Income tax paid, net	(58.95)	(57.12)
Net cash generated from operating activities (A)	**1,833.98**	**1,314.04**
Cash flows from investing activities		
Acquisition of property, plant and equipment and capital work-in-progress	(716.85)	(483.04)
Acquisition of other intangible assets	(131.03)	(64.93)
Proceeds from disposal of property, plant and equipment	8.88	4.06
Interest received	1.91	2.23
Investments in liquid mutual fund units/ disposal of investments	(4.61)	17.49
Investment/ repayment of advance in shares of associates and others	(113.65)	(31.89)
Dividend received	0.31	0.97
Acquisition of subsidiary, net of cash and cash equivalents acquired	(16.84)	(15.37)
Net cash (used) in investing activities (B)	**(971.88)**	**(570.48)**
Cash flows from financing activities		
Non-current borrowings availed	357.50	67.38
Non-current borrowings repaid	(601.80)	(366.62)
Current borrowing movement (net)	189.28	119.64
Acquisition of non-controlling interest	(140.79)	(27.05)
Lease payments	(445.34)	(336.72)
Dividend paid to non-controlling interest by subsidiaries, including tax	(27.28)	(20.14)
Finance cost	(148.96)	(122.49)
Net cash (used in) financing activities (C)	**(817.39)**	**(686.00)**
Net increase in cash and cash equivalents (A+B+C)	**44.71**	**57.56**
Cash and cash equivalents at the beginning of the year*	299.33	234.55
Effect of exchange rate changes on cash and cash equivalents	21.03	7.22
Cash and cash equivalents at the end of the year*	**365.07**	**299.33**

(refer note 12- Cash and cash equivalents)

* 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 2023

All amounts in INR crores, unless otherwise stated

Components of cash and cash equivalents

Particulars	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
Cash and cash equivalents comprises of :		
a) Cash on hand	19.39	17.84
b) Balance with banks	358.68	325.53
c) Cash-in-transit/cheque in hand	0.46	-
	378.53	**343.37**
Less : Book overdraft	(13.46)	(44.04)
	365.07	**299.33**

Changes in financial liabilities arising from financing activities for the year ended 31 March 2023

Particulars	As at 31 March 2022	Cash inflows	Cash outflows	Non-cash changes			As at 31 March 2023
				Addition	Foreign exchange Movement	Fair value/ other changes	
Non-current borrowings (including current maturities)	1,901.55	357.50	(601.80)	-	127.81	-	1,787.16
Current borrowings (net)	290.61	189.28	-	-	20.43	-	500.32
Lease liabilities	2,714.97	-	(445.34)	756.43	207.30	179.46	3,412.82
Total	**4,907.13**	**546.78**	**(1,047.14)**	**756.43**	**355.54**	**179.46**	**5,700.30**

Changes in financial liabilities arising from financing activities for the year ended 31 March 2022

Particulars	As at 31 March 2021	Cash inflows	Cash outflows	Non-cash changes			As at 31 March 2022
				Addition	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	-	(366.72)	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**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

for and on behalf of the Board of Directors of
Aster DM Healthcare Limited
CIN : L85110KA2008PLC147259

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

Dr. Azad Moopen
Chairman and Managing Director
DIN: 00159403
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

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 2021		**49.95**	**499.52**
Changes in equity share capital during 2021-22	14	-	-
Balance as at 31 March 2022		**49.95**	**499.52**
Changes in equity share capital during 2022-23	14	-	-
Balance as at 31 March 2023		**49.95**	**499.52**

B Other equity

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus							Items of other comprehensive income		Total attributable to owners of the Company	Attributable to non-controlling interest (NCI)	Total
		Securities premium	Capital reserve	General reserve	Capital Redemption Reserve	Treasury shares	Other reserves	Retained earnings	Exchange difference in translating financial statements of foreign operations	Remeasurement of net defined benefit plan			
Balance as at 1 April 2021	**374.38**	**2,215.93**	**104.79**	**7.04**	**5.71**	**(15.71)**	**83.99**	**(99.06)**	**195.88**	**-**	**2,872.95**	**461.66**	**3,334.61**
Total comprehensive income for the year ended 31 March 2022													
Profit for the year	-	-	-	-	-	-	-	525.99	-	-	525.99	75.06	601.05
Other comprehensive (loss) for the year, net of tax	-	-	1.44	-	-	-	-	-	41.84	39.38	82.66	10.79	93.45
Total comprehensive income / (loss)	**374.38**	**2,215.93**	**106.23**	**7.04**	**5.71**	**(15.71)**	**83.99**	**426.93**	**237.72**	**39.38**	**3,481.60**	**547.51**	**4,029.11**
Transferred to retained earnings	-	-	-	-	-	-	-	39.38	-	(39.38)	-	-	-
Transactions with owners, recorded directly in equity													
Allotment of equity shares by ESOP trust	-	1.60	-	-	-	-	(2.21)	-	-	-	(0.61)	-	(0.61)
Change in reserve of ESOP Trust	-	-	-	-	-	1.18	-	-	-	-	1.18	-	1.18
Equity settled share based payment expense	-	-	-	-	-	-	(0.12)	-	-	-	(0.12)	-	(0.12)
Transfer to statutory reserve	-	-	-	-	-	-	23.17	(23.17)	-	-	-	-	-
Loss on sale of land to the extent of revaluation	-	-	-	-	-	-	-	(1.40)	-	-	(1.40)	-	(1.40)

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

B Other equity (Contd..)

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus							Items of other comprehensive income		Total attributable to owners of the Company	Attributable to non-controlling interest (NCI)	Total
		Securities premium	Capital reserve	General reserve	Capital Redemption Reserve	Treasury shares	Other reserves	Retained earnings	Exchange difference in translating financial statements of foreign operations	Remeasurement of net defined benefit plan			
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	**-**	**1.60**	**-**	**-**	**-**	**1.18**	**20.84**	**(11.95)**	**-**	**(39.38)**	**(27.71)**	**(18.30)**	**(46.01)**
Balance as at 31 March 2022	**374.38**	**2,217.53**	**106.23**	**7.04**	**5.71**	**(14.53)**	**104.83**	**414.98**	**237.72**	**-**	**3,453.89**	**529.21**	**3,983.10**

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus							Items of other comprehensive income		Total attributable to owners of the Company	Attributable to non-controlling interest (NCI)	Total
		Securities premium	Capital reserve	General reserve	Capital Redemption Reserve	Treasury shares	Other reserves	Retained earnings	Exchange difference in translating financial statements of foreign operations	Remeasurement of net defined benefit plan			
Balance as at 1 April 2022	**374.38**	**2,217.53**	**106.23**	**7.04**	**5.71**	**(14.53)**	**104.83**	**414.98**	**237.72**	**-**	**3,453.89**	**529.21**	**3,983.10**
Total comprehensive income for the year ended 31 March 2023													
Profit for the year	-	-	-	-	-	-	-	424.91	-	-	424.91	50.58	475.49
Other comprehensive income for the year, net of tax	-	-	3.57	-	-	-	-	-	136.28	34.06	173.91	25.04	198.95
Total comprehensive income	**374.38**	**2,217.53**	**109.80**	**7.04**	**5.71**	**(14.53)**	**104.83**	**839.89**	**374.00**	**34.06**	**4,052.71**	**604.83**	**4,657.54**

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

B Other equity (Contd..)

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus							Items of other comprehensive income		Total attributable to owners of the Company	Attributable to non-controlling interest (NCI)	Total
		Securities premium	Capital reserve	General reserve	Capital Redemption Reserve	Treasury shares	Other reserves	Retained earnings	Exchange difference in translating financial statements of foreign operations	Remeasurement of net defined benefit plan			
Transferred to retained earnings	-	-	-	-		-	-	34.06	-	(34.06)	-	-	-
Transactions with owners, recorded directly in equity													
Allotment of equity shares by ESOP trust	-	1.64	-	-	-	-	(1.64)	-	-	-	-	-	-
Change in reserve of ESOP Trust	-	-	-	-	-	1.04	-	-	-	-	1.04	-	1.04
Equity settled share based payment expense	-	-	-	-	-	-	0.61	-	-	-	0.61	-	0.61
Transfer to statutory reserve	-	-	-	-	-	-	1.79	(1.79)	-	-	-	-	-
Loss on sale of land to the extent of revaluation	-	-	-	-	-	-	-	(5.49)	-	-	(5.49)	-	(5.49)
Changes in ownership interests without loss of control													
Gross Obligation under written put option on Non -controlling interest	-	-	-	-	-	-	-	(38.33)	-	-	(38.33)	(91.18)	(129.51)
Transactions with non-controlling interests	-	-	2.33	-	-	-	-	(64.32)	-	-	(61.99)	(73.98)	(135.97)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	(27.28)	(27.28)
Total contributions by and distributions to owners	**-**	**1.64**	**2.33**	**-**	**-**	**1.04**	**0.76**	**(75.87)**	**-**	**(34.06)**	**(104.16)**	**(192.44)**	**(296.60)**
Balance as at 31 March 2023	**374.38**	**2,219.17**	**112.13**	**7.04**	**5.71**	**(13.49)**	**105.59**	**764.02**	**374.00**	**-**	**3,948.55**	**412.39**	**4,360.94**

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

B Other equity (Contd..)

The description of the nature and purpose of each reserve within equity is as follows:

Equity component of compulsorily convertible preference shares

Other components of equity represent the equity component of compulsorily convertible preference shares.

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.

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.

Treasury Shares

The Company has created the DM Healthcare Employees Welfare Trust ("the Trust") for providing share based payment to its employees. The Company treats the Trust as its extension and shares held by the Trust are treated as treasury shares.

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 41 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.

As per our report of even date attached
for **Deloitte Haskins & Sells**
Chartered Accountants
Firm registration number: 008072S

Vikas Bagaria
Partner
Membership No.: 60408
Bengaluru
25 May 2023

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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

1. Group overview

Aster DM Healthcare Limited ("the Company") primarily carries on the business of rendering healthcare and allied services in India. The Group is a public limited Group and is listed on the Bombay Stock Exchange Limited and National Stock Exchange Limited. The registered office of the Group is in Bengaluru, Karnataka, India.

These consolidated financial statements of the Group as at and for the year ended 31 March 2023 comprise the financial statements of the Group 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

2.1 Statement of compliance

These consolidated 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.

The consolidated financial statements were authorised for issue by the Group's Board of Directors on 25 May 2023.

Details of the Group's accounting policies are included in note 3.

2.2 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency, and have been rounded off to nearest crores, unless otherwise indicated.

2.3 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
Net defined benefit liability	Fair value of plan asset less present value of defined benefit obligations

2.4 Use of estimates and judgements

In preparing these consolidated 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 2023 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 31 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 28 - Recognition of deferred tax asset: availability of future taxable profit against which tax losses carried forward can be used;
- 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.

2.5 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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); 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 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; and
- Fair value of property, plant and equipment and intangible assets.

2.6 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of the amendments is annual periods beginning on or after 1 April 2023. The Group is evaluating the amendments on its financial statements and does not expect to have any significant impact.

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, 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 acquire 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 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 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 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	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 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 to the Group 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.

The estimated useful lives for the current and comparative years are as follows:

Class of assets	Useful life (in years)
Software	3 to 6
Trademarks and trade name	5 to 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 the Consolidated 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 consolidated 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 consolidated 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 consolidated 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 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

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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.

ii. Impairment of non- financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated 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.

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 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.

3.7 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 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 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 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 consolidated statement of profit and loss in a subsequent period. However, the Group transfers those amounts recognised in other comprehensive income within equity. The Group 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 consolidated statement of profit and loss.

Other long term employee benefits

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. 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.

3.8 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

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 certainty 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, 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.

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(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 Group'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.

3.10 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 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 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 Group recognises any remaining amount of the re-measurement in the 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 consolidated statement of profit and loss.

ii. Company as a lessor

At the inception of the lease the Group 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 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.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. 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.

3.11 Recognition of dividend income, interest income or interest expense

Dividend income is recognised in the consolidated 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.

3.12 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.

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 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.

3.14 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.

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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 Group 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 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 the 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.

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 investment level because this best reflects the way 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 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).

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 consolidated statement 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 the consolidated 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 the consolidated statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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 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 the consolidated statement of profit and loss.

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iii. Derecognition

Financial assets

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

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

Financial liabilities

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

v. 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 statement of profit and loss.

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 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 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 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 30 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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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 (including electrical equipments)	Computer equipment (including servers and networks)	Medical equipment	Motor vehicles	Total
Gross carrying value									
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)
Adjustments*	(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**
Balance as at 1 April 2022	**826.79**	**719.61**	**1,347.59**	**467.59**	**351.84**	**185.16**	**1,968.24**	**56.68**	**5,923.50**
Additions	0.32	13.48	1,046.14	32.21	37.66	48.26	305.91	11.83	1,495.81
Acquisition through business combinations (refer note 38)	15.22	-	3.24	0.56	0.27	0.03	2.30	-	21.62
Disposals	(5.69)	(4.75)	(6.44)	(17.96)	(0.40)	(12.91)	(81.63)	(1.64)	(131.42)
Adjustments	(49.11)	49.11	0.67	(0.14)	0.04	5.67	(6.28)	0.04	-
Exchange difference on translation	7.31	17.71	128.05	33.15	9.62	15.28	105.27	4.78	321.17
Balance as at 31 March 2023	**794.84**	**795.16**	**2,519.25**	**515.41**	**399.03**	**241.49**	**2,293.81**	**71.69**	**7,630.68**
Accumulated depreciation									
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)
Adjustments*	-	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**
Balance as at 1 April 2022	**-**	**157.54**	**587.89**	**387.99**	**209.03**	**155.73**	**1,020.62**	**46.82**	**2,565.62**
Depreciation for the year	-	21.72	126.32	24.36	26.32	26.36	151.15	7.96	384.19
Eliminated on disposals	-	(4.75)	(4.14)	(17.91)	(0.40)	(12.87)	(81.31)	(1.45)	(122.83)
Adjustments	-	-	8.42	(0.38)	0.05	(2.11)	(6.02)	0.04	-
Exchange difference on translation	-	10.74	46.60	30.33	7.19	12.41	63.62	4.26	175.15
Balance as at 31 March 2023	**-**	**185.25**	**765.09**	**424.39**	**242.19**	**179.52**	**1,148.06**	**57.63**	**3,002.13**
Net carrying value									
As at 31 March 2023	**794.84**	**609.91**	**1,754.16**	**91.02**	**156.84**	**61.96**	**1,145.75**	**14.06**	**4,628.55**
As at 31 March 2022	**826.79**	**562.07**	**759.70**	**79.60**	**142.81**	**29.43**	**947.62**	**9.86**	**3,357.88**

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 the same was held for sale and from building to leasehold improvements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

4 Property, plant and equipment and capital work-in-progress (Contd..)

4.1.1 The Subsidiary has a hospital situated in Gunadala, Vijayawada which is located on land that has been taken on a sub-lease from Mrs. P Maha Lakshmi, wife of the Managing Director who had taken it on lease from M/s. Loyola College Society ("Society") vide a lease agreement dated 21 September 2004. The lease was initially taken for a period of 9 years and 11 months which was renewed for an additional period of 15 years and 1 month. This additional lease period expired on 31 January 2019.

At the time of entering into the initial lease, a separate intent letter dated 1st May 1994 was also issued by the Society stating that the Company will have an option to request for renewal of lease for a further period of 25 years from 31 January 2019 based on such terms and conditions as may be mutually agreed. In accordance with this intent letter, the Management has made an application dated 03 July 2018 to the Society to extend the lease beyond 31 January 2019. However, the Society rejected this application and has issued a notice to the Company to vacate the premises and to hand over the entire building and structure to the Society.

Aggrieved by this, the Management has filed a legal case against the Society and the matter is presently sub-judice. The Company had received injunction orders in its favour from the Court of the II.Addl. District Judge vide its oders dated 28 June 2021. Based on legal advise, the Management is of the view that it has a good case to seek renewal of the lease and does not expect any impact of this matter on the future operations of the hospital.

4.2 Capital work-in-progress (CWIP)

4.2.1 Ageing schedule of CWIP

Particulars	Amount outstanding for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2023					
Intangible assets under development	2.07	21.80	-	-	23.87
Capital Work-in-progress					
Projects in progress	138.97	19.41	1.53	95.18	255.09
Projects temporarily suspended	-	-	-	-	-
Total	**138.97**	**19.41**	**1.53**	**95.18**	**255.09**
Balance as at 31 March 2022					
Intangible assets under development	20.07	-	-	-	20.07
Capital Work-in-progress					
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**

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

5 Goodwill and other intangible assets

Particulars	Goodwill on consolidation	Brand name, tradename and trademark	Payor/ Customer relationship	Software	Other intangibles	Total
Gross carrying value						
Balance at 1 April 2021	**1,059.28**	**123.44**	**107.33**	**65.73**	**93.22**	**1,449.00**
Additions	-	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**
Balance at 1 April 2022	**1,095.16**	**127.79**	**111.85**	**96.91**	**110.98**	**1,542.69**
Additions	-	-	-	64.18	63.69	127.87
Disposals	-	-	-	(3.21)	-	(3.21)
Exchange difference on translation	71.76	8.03	8.51	7.84	8.41	104.55
Balance at 31 March 2023	**1,166.92**	**135.82**	**120.36**	**165.72**	**183.08**	**1,771.90**
Accumulated amortisation and impairment losses						
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)
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**
Balance at 1 April 2022	**7.25**	**55.29**	**44.01**	**50.98**	**39.23**	**196.76**
Impairment / Amortisation for the year	-	16.67	17.27	18.80	9.84	62.58
Eliminated on disposals	-	-	-	(3.21)	-	(3.21)
Exchange difference on translation	-	3.53	3.61	3.27	1.48	11.89
Balance at 31 March 2023	**7.25**	**75.49**	**64.89**	**69.84**	**50.55**	**268.02**
Carrying amount (net)						
At 31 March 2023	**1,159.67**	**60.33**	**55.47**	**95.88**	**132.53**	**1,503.88**
At 31 March 2022	**1,087.91**	**72.50**	**67.84**	**45.93**	**71.75**	**1,345.93**

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 2023	As at 31 March 2022
Medcare Hospital LLC, UAE	132.45	121.83
Sanad Al Rahma for Medical Care LLC, KSA	128.50	118.20
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited, India	174.97	174.97
Al Raffah Hospital LLC, Oman	49.54	45.57
Harley Street Group , UAE	92.06	84.69
Malabar Institute of Medical Sciences Limited, India	40.06	40.06
Pharmacies - GCC states	184.43	169.65
Wahat Al Aman Home Healthcare LLC	91.49	84.16
Grand Optics LLC	95.31	87.67
Others	170.86	161.11
	1,159.67	**1,087.91**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

5 Goodwill and other intangible assets (Contd..)

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:

a) 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.

b) 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 2023	As at 31 March 2022
Discount rate	12% - 22%	10% - 20%
Terminal value growth rate	3% - 5%	3% - 5%
Weighted average cost of capital (WACC) before tax - equity	4% - 11%	11% - 20%
Weighted average cost of capital (WACC) before tax - debt	15% - 32%	4% - 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 2023	As at 31 March 2022
Non-current investments		
Equity shares, unquoted (at cost)		
Janata Sahakari Bank Limited, Pune (1,000 equity shares of INR 10 each amounting to INR 10,000)	*	*
Equity accounted investees (refer note 39)	68.30	38.19
	68.30	**38.19**
Current investments		
Investment in liquid mutual funds, quoted at FVTPL		
Reliance Equity Hybrid Fund - Segregated Portfolio - 1	*	*
Reliance Liquid Fund [8,057.41 (31 March 2022: 11,561) units]	6.82	6.02
Nippon India Money Market Fund [1,260.54 (31 March 2022: Nil) units]	0.02	-
Nippon India Ultra Short Term Duration Fund [10,136.04 (31 March 2022: Nil) units]	3.79	-
Nippon India Taiwan Equity Fund [99,995 (31 March 2022: 99,995) units]	0.10	0.10
Nippon India Liquid Fund [412 (31 March 2022: 412) units]	0.21	0.21
Nippon India Balanced Advantage Fund [4,279 (31 March 2022: 4,279) units]	0.05	0.05
Nippon India Growth Fund [611 (31 March 2022: 611) units]	0.10	0.10
Nippon India Flexi Cap Fund [159,161 (31 March 2022: 159,161) units]	0.16	0.16
	11.25	**6.64**
Aggregate carrying amount of quoted investments	11.25	6.64

*Amount is below the rounding off norms adopted by the Company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

7 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Other loans	111.90	28.07
	111.90	**28.07**

8 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good		
Fixed deposits with banks and other deposits*	22.82	20.04
Rent and other deposits	86.68	68.48
Interest accrued on fixed deposits with banks	0.06	0.02
Advances given to equity accounted investees	88.22	86.88
Others	12.35	4.60
	210.13	**180.02**

*The above deposits are maintained against guarantees issued by Banks and are restricted for periods exceeding 12 months as at the Balance Sheet date.

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured, considered good		
Unbilled receivables	49.49	38.30
Rent and other deposits	95.49	75.85
Interest accrued on fixed deposits with banks	2.80	2.05
Others	41.05	51.95
	188.83	**168.15**
	398.96	**348.17**

9 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Advances for capital goods	95.07	50.37
Prepaid rent	3.00	3.00
Prepaid expenses	15.06	21.25
	113.13	**74.62**
Current		
Prepaid expenses	142.89	113.93
Balances with statutory / government authorities	116.10	75.41
Advance for supply of goods and services	106.85	40.52
Other assets	285.15	266.00
	650.99	**495.86**
	764.12	**570.48**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

10 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(Valued at lower of cost and net realisable value)		
Medicines, medical consumables and others	1,305.62	1,025.68
	1,305.62	**1,025.68**

For details of inventories pledged, refer note 15

11 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Considered good - unsecured	3,143.63	2,654.27
Less: loss allowance	(807.32)	(633.75)
Net trade receivables	**2,336.31**	**2,020.52**

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.

Particulars (Ageing)	As at 31 March 2023	As at 31 March 2022
Undisputed trade receivables- considered good, unsecured		
Outstanding for following periods from due date of payment		
Less than 6 months	1704.68	1,255.52
6 months - 1 year	434.77	522.29
1-2 years	188.86	337.48
2-3 years	458.14	392.45
More than 3 years	357.18	146.53
Total	**3,143.63**	**2,654.27**

Loss allowance provision matrix- default rates applied at each reporting date

Particulars	As at 31 March 2023	As at 31 March 2022
Due date to 1 year	0% - 39%	0% - 68%
1-2 years	14% - 100%	22% - 82%
More than 2 years	46% - 100%	49% - 100%

12 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks (including deposits accounts due to maturing within 3 months of the reporting date)	358.68	325.53
Cash on hand	19.39	17.84
Cash-in-transit / cheques in hand	0.46	-
	378.53	**343.37**
Less : Book overdraft (refer note 16)	(13.46)	(44.04)
Cash and cash equivalents in the statement of cash flows	**365.07**	**299.33**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

13 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Balance in banks for margin money	43.34	16.77
In deposit accounts (with original maturity of more than 3 months, but less than 12 months)	6.69	19.47
	50.03	**36.24**

14 Share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	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
	61.62	**616.20**	**61.62**	**616.20**
Issued, subscribed and fully paid-up				
Equity shares of INR 10 each	49.95	499.52	49.95	499.52
	49.95	**499.52**	**49.95**	**499.52**

The Company does not have any compulsory convertible preference shares (CCPS) as on 31 March 2023 and 31 March 2022.

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	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	499.52	49.95	499.52
Issue of equity shares	-	-	-	-
Balance as at the end of the year	**49.95**	**499.52**	**49.95**	**499.52**

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

14 Share capital (Contd..)

14.4 Details of shareholders holding more than 5% shares of the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
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	9.47	18.96%	11.47	22.96%
Rimco (Mauritius) Limited, Mauritius	5.06	10.13%	5.06	10.13%

14.5 Details of shareholding of Promoters

Promoter name	Shares held as at 31 March 2023		Percentage change during the year ended 31 March 2023
	Number of shares (in crores)	% of total shares	
Union Investments Private Limited, Mauritius	18.69	37.41%	Nil
Union (Mauritius) Holdings Limited, Mauritius	2.00	4.00%	100%
Dr. Azad Moopen	0.17	0.35%	Nil
Alisha Moopen	0.02	0.04%	Nil
Ziham Moopen	0.02	0.03%	Nil
Naseera Azad	0.01	0.03%	Nil
Zeba Azad Moopen	0.01	0.02%	Nil

14.6 Shares reserved for issue under options and contracts

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Under Employee Stock Option Scheme, 2013: Nil (31 March 2022: 49,229) equity shares of INR 10 each, at an exercise price of INR 50 per share (See note 41)	-	-	0.00	0.25
Under Employee Stock Option Scheme, 2013: 336,330 (31 March 2022: 413,380) equity shares of INR 10 each, at an exercise price of INR 10 per share (See note 41)	0.03	0.34	0.04	0.41
Under Employee Stock Option Scheme, 2013: 48,829 (31 March 2022: 71,145) equity shares of INR 10 each, at an exercise price of INR 116 per share (See note 41)	0.00	0.57	0.01	0.83
Under Employee Stock Option Scheme, 2013: 322,910 (31 March 2022: 438,539) equity shares of INR 10 each, at an exercise price of INR 89 per share (See note 41)	0.03	2.87	0.04	3.90
Under Employee Stock Option Scheme, 2013: 5,400 (31 March 2022: 10,800) equity shares of INR 10 each, at an exercise price of INR 107 per share (See note 41)	0.00	0.06	0.00	0.12
Under Employee Stock Option Scheme, 2013: 14,662 (31 March 2022: 15,000) equity shares of INR 10 each, at an exercise price of INR 115 per share (See note 41)	0.00	0.17	0.00	0.17

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

14 Share capital (Contd..)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares (in crores)	Amount	Number of shares (in crores)	Amount
Under Employee Stock Option Scheme, 2013: 32,444 (31 March 2022: 57,000) equity shares of INR 10 each, at an exercise price of INR 118 per share (See note 41)	0.00	0.38	0.01	0.67
Under Employee Stock Option Scheme, 2013: 24,000 (31 March 2022: 39,000) equity shares of INR 10 each, at an exercise price of INR 145.31 per share (See note 41)	0.00	0.35	0.00	0.57
Under Employee Stock Option Scheme, 2013: 39,600 (31 March 2022: 39,600) equity shares of INR 10 each, at an exercise price of INR 139 per share (See note 41)	0.00	0.55	0.00	0.55
Under Employee Stock Option Scheme, 2013: 15,000 (31 March 2022: Nil) equity shares of INR 10 each, at an exercise price of INR 155.71 per share (See note 41)	0.00	0.23	-	-

14.7 Details of bonus shares issued during the past 5 years immediately preceeding 31 March 2023:

The Company has not issued bonus shares during the period of five years immediately preceding 31 March 2023.

14.8 Details of shares issued for consideration other than for cash during the past 5 years immediately preceeding 31 March 2023:

The Company has not allotted any equity shares as fully paid-up without consideration being received in cash during the past 5 years immediately preceeding 31 March 2023.

14.9 Details of buyback of shares during the past 5 years immediately preceeding 31 March 2023:

The Company bought back 5,714,285 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 2023	As at 31 March 2022
Non-current		
Secured - at amortised cost		
Term loans from banks	1,269.12	1,466.40
Term loans from financial institution	43.18	-
	1,312.30	**1,466.40**
Current		
Unsecured - at amortised cost		
Cash credit and overdraft facilities from banks	13.00	-
Secured - at amortised cost		
Cash credit and overdraft facilities from banks	178.06	164.05
Current maturities of non-current borrowings - banks	468.04	435.15
Current maturities of non-current borrowings - financial institution	6.82	-
Short term loans from banks	309.26	126.56
	975.18	**725.76**
	2,287.48	**2,192.16**

Information about the Group's exposure to interest rate and liquidity risks are included in note 35.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

15 Borrowings (Contd..)

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 charge on leasehold rights of the project building, current assets, operating cashflows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future of the Aster DM Healthcare Limited
- There are no continuing default in the repayment of the principal loan and interest amounts.

b) Indian subsidiaries

- First, fixed and exclusive charge on the medical equipments, 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.
- Second charge on current assets, operating Cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill, uncalled capital, present and future
- 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.

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, inventories, furniture and fixtures, computers and motor vehicles in favour of the bank;
- Corporate guarantee of the subsidiaries;
- Vehicle mortgage;
- Pledge of shares and collection accounts;
- Assignment of point of sale collection/ credit card receivables;

- Assignment of receivables from insurance companies;
- Assignment and subordination of shareholders loans;
- Pledge of equity interest held by Affinity Holdings Private Limited in a subsidiary;

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

15 Borrowings (Contd..)

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 2023	As at 31 March 2022
Secured loan from banks	Parent	8%- 9.4%	2023 - 2031	INR	236.97	128.92
Secured loan from banks	Subsidiaries	7.09%-11%	2023 - 2031	INR	213.10	209.22
Secured loan from banks	Subsidiaries	7.49%-8.49%	2023 - 2030	AED	308.64	168.25
Secured loan from banks	Subsidiaries	7.86%	2023 - 2027	USD	1,028.45	1,235.13
Secured loan from banks	Subsidiaries	6.00%	2023	OMR	-	160.03
Total					**1,787.16**	**1,901.55**
Less : Current maturities of non-current borrowings (Refer note 16)					(474.86)	(435.15)
					1,312.30	**1,466.40**

B Terms and conditions of current borrowings are as follows:

Particulars	Borrowed by Parent/ subsidiaries	Interest rate	Maturity period	Currency	As at 31 March 2023	As at 31 March 2022
Secured loan from banks	Parent	8.15% to 10.00%	2023 - 2024	INR	103.01	68.89
Secured loan from banks	Subsidiaries	7.10% to 10.35%	2023 - 2024	INR	43.65	24.00
Secured loan from banks	Subsidiaries	7.12%-8.49%	2023 - 2024	AED	333.97	157.96
Secured loan from banks	Subsidiaries	6.00%	2023	OMR	-	25.58
Secured loan from banks	Subsidiaries	9.75%	2023 - 2024	JOD	19.69	14.18
					500.32	**290.61**

16 Other financial liabilties

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Payable to non-controlling interest on account of business combination	6.34	8.87
Liability for written put options	209.13	2.44
Others	1.02	0.35
	216.49	**11.66**
Current		
Book overdraft	13.46	44.04
Interest accrued but not due on borrowings*	2.02	1.22
Dues to related party (Refer note 42)	1.04	1.04
Liability for written put options	9.58	91.20
Contingent consideration payable to non controlling interest (refer note 35)	-	22.63
Payable to partners in clinics	15.12	15.75
Dues to creditors for capital goods	61.52	38.04
Security deposits from employees and others	6.87	7.86
	109.61	**221.78**
	326.10	**233.44**

* 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 2023

All amounts in INR crores, unless otherwise stated

17 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Provision for employee benefits		
Compensated absences	10.34	9.43
Net defined benefit liability - post employment benefits*	396.78	349.51
	407.12	**358.94**
Current		
Provision for employee benefits		
Compensated absences	22.33	17.08
Net defined benefit liability - post employment benefits*	81.50	71.34
Other provisions		
Zakat payable** [refer note (a) below]	5.45	4.88
	109.28	**93.30**
	516.40	**452.24**

* 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 2023	As at 31 March 2022
Balance at the beginning	4.88	4.31
Zakat charges	5.19	5.97
Payment/ adjustments made during the year	(4.62)	(5.40)
Balance at the end	**5.45**	**4.88**

18 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Deferred government grant*	36.46	26.19
Others	0.62	-
	37.08	**26.19**
Current		
Advances received from customers	110.61	71.87
Statutory dues payables	56.23	47.41
Unearned income	10.26	4.27
Deferred government grant*	4.75	3.24
Others	13.86	20.18
	195.71	**146.97**
	232.79	**173.16**

*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.

19 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises	15.58	14.43
Total outstanding dues of creditors other than micro and small enterprises	2,972.19	2,103.66
	2,987.77	**2,118.09**

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 35.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

19 Trade payables (Contd..)

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Group are given below:

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount remaining unpaid to any supplier as at the end of the year.	10.33	13.61
The interest due on the principal remaining outstanding as at the end of the year	0.08	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.	0.20	0.17
The amount of interest accrued and remaining unpaid at the end of the year.	0.96	0.82
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.	2.16	1.24

Ageing schedules

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 2023					
Micro, small and medium enterprises	15.42	0.09	0.04	0.03	15.58
Others	2,814.20	118.07	24.71	15.21	2,972.19
Total	**2,829.62**	**118.16**	**24.75**	**15.24**	**2,987.77**
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**

20 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from hospital and medical services	8,784.80	7,942.75
Revenue from pharmacy	3,032.76	2,211.51
Revenue from consultancy services	31.17	24.96
Other operating revenue*	84.15	74.06
	11,932.88	**10,253.28**

* 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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Category of customers		
Cash (Including Cards/UPI/wallets/bank transfer/Cheques)	4,673.90	4,349.64
Credit (Including CoPay)	7,143.66	5,804.62
Revenue from hospital and medical services and pharmacies	**11,817.56**	**10,154.26**
Others	115.32	99.02
Revenue from operations	**11,932.88**	**10,253.28**
(ii) Nature of treatment		
In- patient	4,280.83	3,589.77
Out- patient	4,503.97	4,352.98
Revenue from hospital and medical services	**8,784.80**	**7,942.75**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

21 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income under the effective interest method on		
Fixed deposits with banks	2.70	2.72
Lease deposits	2.19	2.08
Gain on disposal of property, plant and equipment (net)	5.78	-
Gain on sale of investments (net)	0.31	0.97
Other non-operating income	67.27	44.89
	78.25	**50.66**

22 Purchases of medicines and consumables

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Medicines and consumables	3,811.75	3,068.46
	3,811.75	**3,068.46**

23 Changes in inventories

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock	1,025.68	848.99
Closing stock	(1305.61)	(1,025.68)
	(279.93)	**(176.69)**

24 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and allowances	3,825.81	3,148.56
Contribution to defined contribution plans (refer note 31)	27.22	21.29
Equity settled share based payment expense (refer note 41)	0.67	(0.13)
Staff welfare expenses	111.52	94.74
	3,965.22	**3,264.46**

25 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on bank borrowings	148.65	118.76
Less : Amounts included in the cost of qualifying assets	(2.69)	-
	145.96	**118.76**
Interest expense on financial liabilities measured at amortised cost	-	0.96
Interest expense on lease liabilities (refer note 40)	179.46	135.35
Other borrowing costs	3.80	1.95
	329.22	**257.02**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 4)	384.19	332.77
Depreciation on right-of-use assets (refer note 40)	333.67	260.70
Amortisation on intangible assets (refer note 5)	62.58	47.11
	780.44	**640.58**

27 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Consumables	11.14	12.36
Power and fuel	148.95	120.28
Housekeeping, security and others	216.83	182.39
Rent (refer note 40)	146.60	120.53
Insurance	31.48	27.97
Repairs and maintenance:		
- Buildings	9.87	5.66
- Plant and equipment	106.54	87.03
- Others	106.50	82.19
Rates and taxes	73.49	61.38
Advertising and promotional expenses	203.72	137.29
Legal, professional and other consultancy	75.30	58.49
Visa and immigration expenses	42.94	60.35
Printing and stationery	29.27	24.46
Communication	50.67	45.05
Food and beverage	46.30	37.03
Travelling and conveyance	62.99	39.60
Allowances for credit losses on financial assets	169.64	240.08
Net loss on account of foreign exchange fluctuations	1.35	1.26
Bank charges	60.45	49.83
Corporate social responsibility*	2.86	5.06
Miscellaneous expenses**	164.70	146.01
	1,761.59	**1,544.30**

*** Details of corporate social responsibility**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Amount required to be spent by the Group during the year	2.03	0.92
- Amount of expenditure incurred	2.86	5.06
- 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 2023

All amounts in INR crores, unless otherwise stated

27 Other expenses (Contd..)

*** Details of corporate social responsibility (Contd..)**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- 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	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
- Details of related party transactions	INR 0.25 crores (Aster DM Foundation)	INR 3.64 crores (Aster DM Foundation)
- 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	0.25	-
On purposes other than above	2.61	5.06
Excess of previous year utilised	0.25	
	3.11	5.06
** Amount contributed to political party	0.11	0.04

28 Deferred tax asset/ liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset	45.57	25.00
Deferred tax liabilities	(238.06)	(168.93)
	(192.49)	**(143.93)**

(i) Deferred tax charge/ (benefit) recognised during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax charge / (benefit)	(26.24)	(8.01)
	(26.24)	**(8.01)**

(ii) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset		
MAT credit entitlement	34.62	6.73
Provision for employee benefits and other liabilities	(0.45)	5.48
Provision for doubtful debts and advances	27.39	15.98

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

28 Deferred tax asset/ liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities	16.63	13.93
Unabsorbed business loss including from specified business	129.08	181.11
Total deferred tax asset	**207.27**	**223.23**
Deferred tax liability		
On account of fair valuation of land *	(105.16)	(97.94)
Property, plant and equipment (including right-of-use assets)	(197.80)	(244.49)
Other financial assets (Deposit amortisation)	(96.80)	(24.73)
Total deferred tax liability	**(399.76)**	**(367.16)**
Deferred tax liability (net)	**(238.06)**	**(168.93)**
Deferred tax assets	**45.57**	**25.00**

* 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 2023	As at 31 March 2022	Credit/ (charge) in the statement of profit and loss	Credit/ (charge) in other comprehensive income/ retained earnings	As at 31 March 2023
MAT credit entitlement	6.73	27.89	-	34.62
Provision for employee benefits and other liabilities	5.48	(6.03)	0.10	(0.45)
Provision for doubtful debts and advances	15.98	11.41	-	27.39
Unabsorbed business loss including from specified business	181.11	(52.03)	-	129.08
Lease liabilities	13.93	2.70	-	16.63
On account of fair valuation of land *	(97.94)	(7.22)	-	(105.16)
Property, plant and equipment	(244.49)	46.69	-	(197.80)
Other financial assets	(24.73)	2.83	(74.89)	(96.80)
	(143.93)	**26.24**	**(74.79)**	**(192.49)**

* The deferred tax liability arising on the fair valuation recognised based on tax rates applicable to the long-term capital gains.

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 2023

All amounts in INR crores, unless otherwise stated

28 Deferred tax asset/ liabilities (Contd..)

(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 2023		As at 31 March 2022	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Tax losses (business loss)	771.21	240.18	885.57	276.07
Tax losses (Long term capital loss)	37.91	7.81	37.75	7.78
Tax losses (unabsorbed depreciation)	63.64	19.62	79.85	21.70
Total	**872.76**	**267.61**	**1,003.17**	**305.55**

(v) Tax losses carried forward

Particulars	As at 31 March 2023	Expiry	As at 31 March 2022	Expiry
Brought forward losses - allowed to carry forward for specified period	215.86	Various dates from FY 2023-24 to 2029-30	216.07	Various dates from FY 2022-23 to 2028-29
Brought forward losses from specified business - allowed to carry forward for infinite period	728.72	Infinite period	882.93	Infinite period
Brought forward losses - allowed to carry forward for infinite period	81.08	Infinite period	86.40	Infinite period
	1,025.66		**1,185.40**	

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.

29 Income tax asset/ liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax asset	79.24	97.51
Income tax liabilities	(19.32)	(10.63)
	59.92	**86.88**

(i) Tax expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	53.68	33.05
Income tax for earlier years	11.88	(1.73)
Deferred tax (including MAT credit entitlement)	(26.24)	(8.01)
Foreign income taxes	20.27	12.49
Total (A)	**59.59**	**35.80**

All amounts in INR crores, unless otherwise stated

29 Income tax asset/ liabilities

(ii) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	535.08	636.85
Statutory income tax rate	31.20%	31.20%
Tax expenses	166.94	198.70
Income chargeable at special rate	20.27	12.49
Tax on exempt income	(88.67)	(126.98)
Other temporary differences	0.64	(12.85)
Additional deduction on investment allowance	(13.21)	(4.80)
Current tax for earlier years	11.88	(1.73)
Un-recognised deferred tax assets	(38.26)	(29.03)
Income tax expense	**59.59**	**35.80**

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.

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 2023	For the year ended 31 March 2022
Segment revenue		
Hospitals	6,795.29	5,759.03
Clinics	2,374.64	2,443.01
Retail Pharmacies	2,733.24	2,027.99
Others	29.71	23.25
Total	**11,932.88**	**10,253.28**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

30 Segment reporting (Contd..)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Segment results before tax		
Hospitals	654.16	654.59
Clinics	251.96	292.90
Retail Pharmacies	250.74	182.77
Others	1.76	2.29
Total	**1,158.62**	**1,132.55**
Less:		
Finance cost	(329.22)	(257.02)
Other unallocable expenditure (net of unallocable income)	(295.54)	(239.22)
Profit before share of equity accounted investees and tax	**533.86**	**636.31**
Share of profit of equity accounted investees	1.22	0.54
Profit before tax	**535.08**	**636.85**
Tax expense	(59.59)	(35.80)
Profit for the year	**475.49**	**601.05**
Less : Non controlling interest	(50.58)	(75.06)
Profit attributable to the owners of the Company	**424.91**	**525.99**

Particulars	As at 31 March 2023	As at 31 March 2022
Segment assets		
Hospitals	9,463.78	8,036.51
Clinics	2,398.09	1,835.12
Retail Pharmacies (including opticals)	2,231.58	1,845.65
Others	13.77	17.20
Unallocated*	773.98	811.76
Total	**14,881.20**	**12,546.24**
Segment liabilities		
Hospitals	5,688.05	3,949.41
Clinics	1,245.66	885.35
Retail Pharmacies	1,232.25	1,037.60
Unallocated*	1,854.78	2,191.26
Total	**10,020.74**	**8,063.62**

* These are assets and liabilities used interchangeably between segments.

B. Geographical 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) Republic of Mauritius

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Segment revenue		
GCC States	8,949.58	7,869.72
India	2,983.30	2,383.56
Republic of Mauritius	-	-
Total	**11,932.88**	**10,253.28**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

30 Segment reporting (Contd..)

Particulars	As at 31 March 2023	As at 31 March 2022
Segment assets		
GCC States	11,097.89	9,189.34
India	3,783.00	3,353.74
Republic of Mauritius	0.31	3.16
Total	**14,881.20**	**12,546.24**

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:

Reconciliation of the projected benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit liability - Gratuity plan (Plan A)	35.38	31.34
Plan assets	4.53	4.89
Net defined benefit liability	**30.85**	**26.45**
Net defined benefit liability - End of service benefits (Plan B)	447.43	394.40
Total employee benefit liability	**478.28**	**420.85**
Non-current	396.78	349.51
Current	81.50	71.34

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligation as at beginning of the year	31.34	28.41
Benefits paid	(3.66)	(2.83)
Current service cost	6.43	5.51
Interest cost	2.15	1.81
Past Service Cost	0.19	0.04
Actuarial (gains)/ losses recognised in other comprehensive income		
-changes in demographic assumptions	(0.18)	-
-changes in financial assumptions	(0.98)	(0.18)
-experience adjustments	0.09	(1.42)
Defined benefit obligations as at end of the year	**35.38**	**31.34**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

31 Employee benefits: (Contd..)

b) Reconciliation of the present values of plan assets

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Plan assets at beginning of the year	4.89	4.62
Contributions paid into the plan	3.20	0.18
Interest income	0.31	0.29
Benefits paid	(3.64)	(0.21)
Return on plan assets recognised in other comprehensive income	(0.23)	0.01
Plan assets at the end of the year	**4.53**	**4.89**
Net defined benefit liability	**30.85**	**26.45**

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligation as at beginning of the year	394.40	397.83
Benefits paid	(46.91)	(55.65)
Current service cost	91.23	76.89
Past service cost	-	-
Interest cost	11.02	5.40
Actuarial (gains) losses recognised in other comprehensive income		
-changes in demographic assumptions	(0.76)	-
-changes in financial assumptions	(34.36)	(26.09)
-experience adjustments	(1.57)	(16.18)
Effect of changes in foreign exchange rates	34.38	12.20
Defined benefit obligations as at end of the year	**447.43**	**394.40**

c) Expense recognised in consolidated statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
i) Expense recognised in consolidated statement of profit and loss		
Current service cost	97.66	82.40
Interest cost	13.17	7.21
Interest income	(0.31)	(0.29)
Past service cost	0.19	0.04
	110.71	**89.36**
ii) Remeasurements recognised in other comprehensive income (excluding tax)		
Actuarial (gain)/ loss on defined benefit obligation	(37.76)	(43.87)
Return on plan assets excluding interest income	0.23	(0.01)
	(37.53)	**(43.88)**

d) Plan assets comprises the following

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance policy	4.53	4.89

All amounts in INR crores, unless otherwise stated

31 Employee benefits: (Contd..)

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.

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	For the year ended 31 March 2023	For the year ended 31 March 2022
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	7.1% - 7.2%	5.40% - 7.40%
Future salary growth	4% - 8%	4% - 9%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Plan B		
Attrition rate	15%	15%
Discount rate	4.10% - 4.50%	2.60% - 2.90%
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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

31 Employee benefits: (Contd..)

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	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Plan A				
Discount rate (1% movement)	(2.53)	1.85	(2.35)	2.73
Future salary growth (1% movement)	1.86	(2.59)	2.74	(2.40)
Attrition rate (1% movement)	0.03	(0.05)	0.09	(0.11)
Plan B				
Discount rate (1% movement)	(18.93)	20.73	(18.11)	20.02
Future salary growth (1% movement)	20.97	(19.49)	19.91	(18.36)
Attrition rate (1% movement)	1.85	(2.17)	0.23	(0.27)

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 per share

A. Basic earnings 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 attributable to equity share holders (basic)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit for the year, attributable to the equity share holders	424.91	525.99

ii) Weighted average number of equity shares (basic)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance (Refer note 14)	49.72	49.70
Effect of share options exercised	0.01	0.01
Weighted average number of equity shares of INR 10 each for the year	49.73	49.71
Earnings per share, basic (INR)	**8.54**	**10.58**

B. Diluted earnings 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 2023	For the year ended 31 March 2022
Net profit for the year, attributable to the equity share holders	424.91	525.99

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

32 Earnings per share (Contd..)

ii) Weighted average number of equity shares (diluted)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of equity shares of INR 10 each for the year (basic)	49.73	49.71
Effect of exercise of share options	0.06	0.07
Weighted average number of equity shares of INR 10 each for the year (diluted)	49.79	49.78
Earnings per share, diluted (INR)	**8.53**	**10.57**

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 2023	As at 31 March 2022
Contingent liabilities:		
a) Claims against the Group not acknowledged as debts [see note (a), (b), (c), (d) and (k) below]	74.73	48.43
b) Value Added Tax (Refer note (e) below)	0.17	0.17
c) Disputed provident fund demand pending before appellate authorities [see note (f) below]	1.42	1.42
d) Other matters including claims relating to employees/ ex-employees etc. [see note (g) below]	1.61	1.61
e) Salary payable under minimum wages act [see note (h)]	17.14	17.14
f) Export commitments under EPCG scheme [see note (i) and (j) below]	28.18	19.51
g) Letter of Credit	44.83	2.06
Guarantees:		
a) Bank guarantee	34.39	42.29
Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	162.99	265.11

Notes:

Note 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 . 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 company also received income tax demand order of INR 2.28 crore for AY 16-17 where assessing officer contended TDS dedcuted from doctors are subject to section 192 rather than section 194J of income tax act 1961 based on the terms of arrangements with the doctors . The company had also recieved income tax demand order of INR 0.20 crore for AY 17-18 wherein assessing officer made disallowances on account of delayed payment of provident fund deducted from employees. The Management believes that the position taken by it on the above matters is tenable and hence, no adjustment has been made on the financial statements. The Company has filed an appeal against the demand received.

Note b: A subsidiary company in GCC - Saudi Arabia - has received an assessment for the year ended 31 December 2015 demanding additional zakat of INR 10.38 crores, income tax of INR 1.83 crores and delay penalty of INR 11.97 crores thereon. The company has contested the additional amounts and filed an appeal with ZATCA. Subsequent to the year end, the Company paid the income tax under amnesty scheme and obtained waiver on the delayed penalty. Currently, the appeal is under technical study and consideration of the General Secretariat of Zakat, Tax and Customs Committees "GSTC". The management is confident that outcomes will be in the favour of the Company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

33 Contingent liabilities (Contd..)

Note c: In the prior years, the Subsidiary Company had received income tax demand for assessement year 2006-07 which is currently pending with CIT (Appeals) and for A Y 2017-18 the Company has received an income tax demand for INR 0.10 crore, for which rectification has been filed with assessing officer.

Note d: 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.

Note e: 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.

Note f: 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.

Note g: 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.

Note h: 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.

Note i: 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 2023, the export obligations remaining to be fulfilled amounts to INR 16.00 crores (as at 31 March 2022: INR 12.80 crores). In the event that export obligations are not fulfilled, the Company would be liable to pay the levies.

Note j: A Subsidiary 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 2023, export obligations remaining to be fulfilled amounts to INR 12.18 Crore (as at 31 March 2022: INR 6.71 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 (as at March 2022: INR 11.8 Crore) to the customs authorities in this regard.

Note k: The Group has included claims of INR 39.57 crores under "Claims against the company not acknowledged as debt". The cases are compensation demanded by the patient/ their relatives and are pending with various Consumer Disputes Redressal Commission. The management believes that the Company has good chance of success in these cases and has adequate insurance coverage against all these claims.

Note l: 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.

Note m: 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.

Note n: 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.The Group does not expect any reimbursement in respect of the above contingent liabilities.

Note o: The Group has given Bank Guarantees in respect of certain contingent liabilities listed above.

Note p: The Group 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 other than disclosed in the consolidated financials statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

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 2023 and 31 March 2022 is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total equity attributable to the equity shareholders of the Company	4,448.07	3,953.41
As a percentage of total capital	*66%*	*64%*
Long-term borrowings	1,312.30	1,466.40
Short-term borrowings	975.18	725.76
Total borrowings	**2,287.48**	**2,192.16**
As a percentage of total capital	**34%**	**36%**
Total capital (equity and borrowings)	**6,735.55**	**6,145.57**

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 2023

Particulars	Note	Carrying value				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	2,336.31	-	-	2,336.31	-	-	-	-
Cash and cash equivalents	12	378.53	-	-	378.53	-	-	-	-
Other bank balances	13	50.03	-	-	50.03	-	-	-	-
Loans	7	111.90	-	-	111.90	-	-	-	-
Other financial assets	8	398.96	-	-	398.96	-	-	-	-
Financial assets measured at fair value									
Investments	6	68.30	11.25	-	79.55	11.25	-	-	11.25
Total		**3,344.03**	**11.25**	**-**	**3,355.28**	**11.25**	**-**	**-**	**11.25**
Liabilities									
Financial liabilities not measured at fair value*									
Borrowings (including current maturities of borrowings)	15	-	-	2,287.48	2,287.48	-	-	-	-
Lease liabilities	40	-	-	3,412.82	3,412.82				
Trade payables	19	-	-	2,987.77	2,987.77	-	-	-	-
Other financial liabilities	16	-	-	107.39	107.39	-	-	-	-
Financial liabilities measured at fair value									
Liability for written put options(note A.2 below)		-	218.71	-	218.71	-	-	218.71	218.71
Total		**-**	**218.71**	**8,795.46**	**9,014.17**	**-**	**-**	**218.71**	**218.71**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

As at 31 March 2022

Particulars	Note	Carrying value				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
Liability for written put options(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**

*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. During the current year on the basis of detailed internal assessment carried out, the Management concluded that there is no requirement to retain the provision for contingent consideration payable to the erstwhile minority shareholders of one of the subsidiaries in GCC, in the books of accounts. Accordingly, during the year ended 31 March 2023, the Group has recognized an income of INR 24.03 crores arising out of the reversal of the contingent consideration provision.

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 42.51% 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 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

B Measurement of fair values

The following methods and assumptions were used to estimate fair values:

a) The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.

b) 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.

c) 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 as at 31 March 2023 and 31 March 2022 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	Gross obligation	Contingent consideration
Balance at 1 April 2022	(93.64)	(22.63)
Gain on write back of included in "other income"		
Gain recognised during the year (unrealised) (refer note 35 A)	-	24.03
Gain included in OCI		
Exchange difference in translating financial statements of foreign operations	-	(1.40)
Additions during the year	(125.07)	-
Balance as at 31 March 2023	**(218.71)**	**-**

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 2023	As at 31 March 2023	
	Increase	Decrease
Volatility (1% movement)	(0.32)	0.32
EBITDA growth rates (1% movement)	29.20	(29.02)
Risk free rate (1% movement)	17.61	(17.27)

Particulars	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 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

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 INR 2,336.31 crore (31 March 2022: INR 2,020.52 crore) and unbilled receivables amounting to INR 49.49 crore (31 March 2022: INR 38.30 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 2023	As at 31 March 2022
Balance at the beginning	633.75	842.60
Impairment loss recognised	169.64	240.08
Impairment loss reversed/(utilised)	(51.36)	(470.85)
Exchange difference on allowance for credit loss	55.29	21.92
Balance at the end	**807.32**	**633.75**

No single customer accounted for more than 10% of the revenue as of 31 March 2023 and 31 March 2022. 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.

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	2,987.77	-	2,987.77
Current borrowings	500.32	-	500.32
Non current borrowings (including current maturities)	474.86	1,312.30	1787.16
Lease liabilities	258.41	3,154.41	3,412.82
Other financial liabilities	109.61	216.49	326.10

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

Financial assets carried at amortised cost as at 31 March 2023 is INR 3,344.03 crores and carried at FVTPL is INR 11.25 crores. (as at 31 March 2022: INR 2,814.56 crores and INR 6.64 crores respectively)

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.

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 2023	AED	OMR	QAR	SAR	USD	Others
Financial Assets						
Investments	75.33	-	-	-	-	-
Other financial assets (current and non-current)	212.88	4.04	-	15.18	-	0.69
Trade Receivables	1,506.42	222.13	117.02	236.44	-	16.32
Cash and Cash Equivalents and Bank balances	270.01	19.53	42.49	12.96	0.29	7.48
Financial Liabilities						
Borrowings (current and non-current)	407.54	235.08	-	-	1,028.45	19.69
Trade payables and other financial liabilities (current and non-current)	2,173.88	215.82	81.75	107.52	2.90	33.67
Lease liabilities (current and non-current)	2,333.94	308.31	200.83	24.39	-	12.15

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

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

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	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
AED Sensitivity				
INR/ AED - Increase by 1%	2.90	4.46	4.82	1.63
INR/ AED - Decrease by 1%	(2.90)	(4.46)	(4.82)	(1.63)
OMR Sensitivity				
INR/ OMR - Increase by 1%	(0.26)	0.13	0.72	0.90
INR/ OMR - Decrease by 1%	0.26	(0.13)	(0.72)	(0.90)
QAR Sensitivity				
INR/ QAR - Increase by 1%	0.17	0.17	1.47	1.43
INR/ QAR - Decrease by 1%	(0.17)	(0.17)	(1.47)	(1.43)
SAR Sensitivity				
INR/ SAR - Increase by 1%	(0.02)	(0.15)	4.21	3.87
INR/ SAR - Decrease by 1%	0.02	0.15	(4.21)	(3.87)

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 2023	As at 31 March 2022
Financial liabilities (bank borrowings)		
Variable rate long term borrowings including current maturities	1,892.98	1,885.19
Derivative financial instrument		
Interest rate swap	394.39	468.57

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

35 Financial Instruments- Fair values and risk managemen (Contd..)

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 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Sensitivity				
1% increase in MCLR rate	(18.93)	(18.85)	(18.93)	(18.85)
1% decrease in MCLR rate	18.93	18.85	18.93	18.85

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 consolidated Financial Statements for the year ended 31 March 2023

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'.

As at / For the year ended 31 March 2023

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	64.41%	3,130.51	36.43%	173.24	0.21%	0.41	25.75%	173.65
Subsidiaries and step down subsidiaries								
India								
DM Med City Hospitals (India) Private Limited	1.40%	67.82	0.29%	1.38	0.04%	0.08	0.22%	1.46
Ambady Infrastructure Private Limited	1.40%	68.22	(0.14%)	(0.65)	0.00%	-	(0.10%)	(0.65)
Aster DM Healthcare (Trivandrum) Private Limited	(0.70%)	(33.87)	(2.04%)	(9.70)	0.00%	-	(1.44%)	(9.70)
Malabar Institute of Medical Sciences Limited	11.54%	560.93	14.81%	70.42	0.12%	0.24	10.48%	70.66
Prerana Hospital Limited	1.10%	53.57	2.50%	11.90	0.16%	0.31	1.81%	12.21
Sri Sainatha Multispeciality Hospitals Private Limited	0.84%	40.68	(0.94%)	(4.48)	0.03%	0.05	(0.66%)	(4.43)
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	2.61%	126.64	0.89%	4.22	(0.27%)	(0.54)	0.55%	3.68
Aster Clinical Lab LLP	(1.84%)	(89.19)	(9.27%)	(44.06)	0.00%	-	(6.53%)	(44.06)
EMED Human Resources India Private Limited	0.02%	0.82	0.03%	0.14	0.00%	-	0.02%	0.14
Ezhimala Infrastructure LLP	0.19%	9.34	0.00%	0.02	0.00%	-	0.00%	0.02
Warseps Healthcare LLP	0.00%	0.10	0.00%	-	0.00%	-	0.00%	-
Sanghamitra Hospitals Private Limited	0.73%	35.61	0.90%	4.27	(0.03%)	(0.05)	0.63%	4.22
Aster Ramesh Duhita LLP	0.00%	0.05	(0.01%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	0.03%	1.39	0.25%	1.19	0.00%	-	0.18%	1.19
Hindustan Pharma Distributors Private Limited (16 Sept 2021)	0.13%	6.56	(1.54%)	(7.34)	0.01%	0.02	(1.09%)	(7.32)
Mindriot Research and Innovation Foundation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign								
Affinity Holdings Private Limited	40.93%	1,989.58	4.44%	21.10	0.00%	-	3.13%	21.10
Aster DM Healthcare FZC	63.06%	3,065.24	20.29%	96.46	15.30%	30.43	18.81%	126.89
Aster Hospital Sonapur L.L.C	(1.03%)	(50.08)	(6.51%)	(30.93)	0.00%	-	(4.59%)	(30.93)
Radiant Healthcare L.L.C	0.70%	34.04	0.40%	1.89	0.00%	-	0.28%	1.89
Aster Day Surgery Centre LLC	(0.31%)	(14.88)	0.25%	1.18	0.00%	-	0.17%	1.18
DM Healthcare (L L C)	10.75%	522.52	13.58%	64.56	0.00%	-	9.57%	64.56
Wahat Al Aman Home Health Care L.L.C.	1.17%	57.10	5.43%	25.81	0.00%	-	3.83%	25.81

Notes to the consolidated Financial Statements for the year ended 31 March 2023

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
Aster Grace Nursing and Physiotherapy LLC	(0.03%)	(1.35)	(0.00%)	(0.02)	0.00%	-	(0.00%)	(0.02)
Aster Pharmacies Group LLC	18.06%	878.03	49.78%	236.71	0.00%	-	35.10%	236.71
New Aster Pharmacy DMCC	0.30%	14.64	0.54%	2.56	0.00%	-	0.38%	2.56
Aster DCC Pharmacy LLC	(0.21%)	(9.99)	(0.18%)	(0.84)	0.00%	-	(0.12%)	(0.84)
Aster Al Shafar Pharmacies Group LLC	0.36%	17.59	1.04%	4.96	0.00%	-	0.73%	4.96
Rafa Pharmacy LLC	(0.04%)	(1.76)	(0.14%)	(0.67)	0.00%	-	(0.10%)	(0.67)
Aster Pharmacy LLC, AUH	0.06%	2.81	(0.06%)	(0.28)	0.00%	-	(0.04%)	(0.28)
Med Shop Drugs Store LLC	0.14%	6.71	(10.41%)	(49.49)	0.00%	-	(7.34%)	(49.49)
Alfa Drug Store LLC	4.26%	207.21	0.00%	-	0.00%	-	0.00%	-
Alfaone Drug Store LLC	1.95%	94.80	11.42%	54.30	0.00%	-	8.05%	54.30
Alfaone FZ-LLC	0.00%	0.22	0.00%	-	0.00%	-	0.00%	-
DM Pharmacies LLC	0.06%	3.13	0.00%	-	0.00%	-	0.00%	-
Aster Opticals LLC	(0.42%)	(20.37)	(0.09%)	(0.44)	0.00%	-	(0.06%)	(0.44)
Medcare Hospital (L.L.C)	33.65%	1,635.43	44.26%	210.47	0.00%	-	31.21%	210.47
Premium Healthcare Limited	0.05%	2.42	0.13%	0.64	0.00%	-	0.09%	0.64
Dr. Moopens Healthcare Management Services LLC	(12.21%)	(593.38)	(43.75%)	(208.01)	0.00%	-	(30.84%)	(208.01)
Eurohealth Systems FZ LLC	0.41%	20.15	(1.02%)	(4.83)	0.00%	-	(0.72%)	(4.83)
Al Rafa Investments Limited	(0.04%)	(1.92)	(0.04%)	(0.20)	0.00%	-	(0.03%)	(0.20)
Al Rafa Holdings Limited	(0.02%)	(0.74)	(0.01%)	(0.07)	0.00%	-	(0.01%)	(0.07)
Alfa Investments Limited	(0.01%)	(0.38)	(0.03%)	(0.14)	0.00%	-	(0.02%)	(0.14)
Active Holdings Limited	(0.00%)	(0.05)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Al Rafa Medical Centre LLC	(0.93%)	(45.07)	(0.29%)	(1.39)	0.00%	-	(0.21%)	(1.39)
Dar Al Shifa Medical Centre LLC	(0.02%)	(0.87)	0.08%	0.38	0.00%	-	0.06%	0.38
Aster Primary Care LLC	(0.02%)	(1.02)	(0.01%)	(0.03)	0.00%	-	(0.00%)	(0.03)
Modern Dar Al Shifa Pharmacy LLC	0.07%	3.57	0.02%	0.08	0.00%	-	0.01%	0.08
Harley Street LLC	0.00%	0.21	0.00%	-	0.00%	-	0.00%	-
Harley Street Pharmacy LLC	0.11%	5.38	0.66%	3.16	0.00%	-	0.47%	3.16
Harley Street Medical Centre LLC	1.39%	67.66	0.50%	2.37	0.00%	-	0.35%	2.37
Harley Street Dental LLC	(0.04%)	(2.18)	0.20%	0.94	0.00%	-	0.14%	0.94
Grand Optics LLC	(1.87%)	(90.95)	1.55%	7.36	0.00%	-	1.09%	7.36
Zahrat Al Shefa Medical Center L.L.C	0.07%	3.50	(0.32%)	(1.52)	0.00%	-	(0.23%)	(1.52)
Samary Pharmacy LLC	0.28%	13.82	0.24%	1.15	0.00%	-	0.17%	1.15

Notes to the consolidated Financial Statements for the year ended 31 March 2023

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
Metro Meds Pharmacy L.L.C	0.14%	6.79	0.53%	2.53	0.00%	-	0.37%	2.53
Metro Medical Center L.L.C	0.15%	7.38	0.66%	3.14	0.00%	-	0.47%	3.14
Symphony Healthcare Management Services LLC	(1.01%)	(49.30)	(0.34%)	(1.63)	0.00%	-	(0.24%)	(1.63)
E-Care International Medical Billing Services Co. LLC	0.86%	41.57	2.56%	12.16	0.00%	-	1.80%	12.16
Al Raffah Hospital LLC	1.24%	60.10	(4.39%)	(20.89)	0.00%	-	(3.10%)	(20.89)
Al Raffah Pharmacies Group LLC	0.12%	5.72	0.19%	0.90	0.00%	-	0.13%	0.90
Oman Al Khair Hospital L.L.C	0.12%	6.05	(1.18%)	(5.60)	0.00%	-	(0.83%)	(5.60)
Dr. Moopen's Healthcare Management Services WLL	4.18%	203.32	0.49%	2.32	0.76%	1.51	0.57%	3.83
Welcare Polyclinic W.L.L	0.09%	4.31	0.34%	1.61	0.00%	-	0.24%	1.61
Dr. Moopens Aster Hospital WLL	(1.25%)	(60.76)	3.34%	15.89	0.00%	-	2.36%	15.89
Zest Wellness Pharmacy LLC	0.01%	0.64	(0.01%)	(0.03)	0.00%	-	(0.00%)	(0.03)
Sanad Al Rahma for Medical Care LLC	8.65%	420.56	(0.43%)	(2.07)	0.80%	1.59	(0.07%)	(0.48)
Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	(1.35%)	(65.51)	0.28%	1.33	0.00%	-	0.20%	1.33
Orange Pharmacies LLC	(0.61%)	(29.84)	0.35%	1.66	0.00%	-	0.25%	1.66
Al Shafar Pharmacy LLC, AUH	(0.03%)	(1.36)	(0.01%)	(0.06)	0.00%	-	(0.01%)	(0.06)
Aster DM Healthcare INC	0.00%	-	(0.13%)	(0.60)	0.00%	-	(0.09%)	(0.60)
Aster Medical Centre LLC	(0.62%)	(29.95)	0.00%	-	0.00%	-	0.00%	-
Aster Kuwait Pharmaceuticals and Medical Equipment Company W.L.L	0.00%	-	(0.70%)	(3.32)	0.00%	-	(0.49%)	(3.32)
		12,309.67		**647.13**		**34.05**		**681.18**
Associates (Investment as per equity method) (Refer note 39)	1.41%	68.30	0.26%	1.22	0.00%	-	0.18%	1.22
Adjustment arising out of consolidation	(163.15%)	(7,929.90)	(46.99%)	(223.44)	70.30%	139.86	(12.39%)	(83.58)
Non controlling interest in subsidiaries	8.48%	412.39	10.64%	50.58	12.59%	25.04	11.21%	75.62
Consolidated net assets/ Profit after tax	**100.00%**	**4,860.46**	**100.00%**	**475.49**	**100.00%**	**198.95**	**100.00%**	**674.44**

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All amounts in INR crores, unless otherwise stated

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As at / For the year ended 31 March 2022

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	65.93%	2,955.20	15.00%	90.14	0.51%	0.48	13.05%	90.62
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
Ambady 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 Multispeciality Hospitals Private Limited	1.01%	45.12	1.28%	7.69	0.28%	0.26	1.14%	7.95
Dr. Ramesh Cardiac and Multispeciality 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 September 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 (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	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 LLC	(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

Notes to the consolidated Financial Statements for the year ended 31 March 2023

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
Wahat Al 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
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 (1 June 2020)	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%	219.35	0.00%	-	31.58%	219.35
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

Notes to the consolidated Financial Statements for the year ended 31 March 2023

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
Noor Al Shefa Clinic LLC	0.00%	-	(0.12%)	(0.72)	0.00%	-	(0.10%)	(0.72)
Zahrat Al Shefa Medical Center L.L.C	0.10%	4.66	(0.23%)	(1.36)	0.00%	-	(0.20%)	(1.36)
Zahrat Al Shefa 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 L.L.C	0.11%	5.11	0.29%	1.76	0.00%	-	0.25%	1.76
Metro Medical Center L.L.C	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 L.L.C	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%)	(477.64)	42.20%	39.44	(63.10%)	(438.20)
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 2023

All amounts in INR crores, unless otherwise stated

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 2023	As at 31 March 2022
Malabar Institute of Medical Sciences Limited	134.82	130.79
Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	54.37	60.25
Medcare Hospital (L.L.C)	212.61	206.35
Other entities	10.59	131.82
	412.39	**529.21**

(i) Malabar Institute of Medical Sciences Limited

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current assets	840.51	758.56
Current assets	136.30	133.95
Non-current liabilities	(220.43)	(188.27)
Current liabilities	(194.39)	(198.49)
Net assets	**561.99**	**505.75**
NCI	**23.99%**	**25.86%**
Carrying amount of non-controlling interests	**134.82**	**130.79**

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from operations	899.43	772.84
Profit for the year	69.97	68.29
Other comprehensive income for the year	0.24	(0.69)
Total comprehensive income for the year	**70.21**	**67.60**
Attributable to non-controlling interest		
Profit for the year	16.79	17.66
Other comprehensive income for the year	0.06	(0.18)
Cash flows from/ (used in) :		
Operating activities	133.60	112.68
Investing activities	(107.11)	(59.41)
Financing activities	(27.26)	(48.57)
Net increase in cash and cash equivalents	**(0.77)**	**4.70**

(ii) Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current assets	209.99	184.46
Current assets	39.54	26.14
Non-current liabilities	(69.87)	(56.36)
Current liabilities	(51.75)	(31.29)
Net assets	**127.91**	**122.95**
NCI	**43%**	**49%**
Carrying amount of non-controlling interests	**54.37**	**60.25**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

36B Non-controlling interest (Contd..)

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from operations	213.11	212.80
Profit/ (loss) for the year	5.49	14.87
Other comprehensive income for the year	(0.54)	0.01
Total comprehensive income/ (loss) for the year	**4.95**	**14.88**
Attributable to non-controlling interest		
Profit/ (loss) for the year	2.33	7.29
Other comprehensive income/ (loss) for the year	(0.23)	0.00
Cash flows from/ (used in) :		
Operating activities	23.95	21.92
Investing activities	(36.87)	(12.37)
Financing activities	13.26	(16.19)
Net increase in cash and cash equivalents	**0.34**	**(6.64)**

(iii) Medcare Healthcare LLC

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current assets	1,202.75	1,030.61
Current assets	2,021.82	1,780.47
Non-current liabilities	(846.49)	(761.04)
Current liabilities	(742.65)	(674.37)
Net assets	**1,635.43**	**1,375.68**
NCI	**13%**	**15%**
Carrying amount of non-controlling interests	**212.61**	**206.35**

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue from operations	2,264.16	1,952.83
Profit/ (loss) for the year	210.47	219.35
Total comprehensive income/ (loss) for the year	**210.47**	**219.35**
Attributable to non-controlling interest		
Profit/ (loss) for the year	27.36	32.90
Cash flows from/ (used in) :		
Operating activities	442.67	244.49
Investing activities	(144.23)	(92.15)
Financing activities	(280.78)	(179.85)
Net increase in cash and cash equivalents	**17.66**	**(27.51)**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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:

Sl No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2023		31 March 2022	
			Beneficial	Legal *	Beneficial	Legal *
Direct subsidiaries					100%	100%
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%	74%	74%
4	Malabar Institute of Medical Sciences Limited	India	76%	76%	87%	87%
5	Prerana Hospital Limited	India	87%	87%	77%	77%
6	Sri Sainatha Multispeciality Hospitals Private Limited	India	100%	100%	51%	51%
7	Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited	India	57%	57%	100%	100%
8	Aster Clinical Lab LLP	India	100%	100%	86%	86%
9	Hindustan Pharma Distributors Private Limited	India	86%	86%	100%	100%
10	Affinity Holdings Private Limited	Mauritius	100%	100%		
Step down subsidiaries						
11	EMED Human Resources India Private Limited	India	100%	100%	100%	100%
12	Ezhimala Infrastructure LLP	India	76%	76%	74%	74%
13	Cantown Infra Developers LLP	India	76%	76%	-	-
14	Warseps Healthcare LLP	India	100%	100%	100%	100%
15	Sanghamitra Hospitals Private Limited	India	53%	53%	37%	37%
16	Aster Ramesh Duhita LLP	India	29%	29%	26%	26%
17	Komali Fertility Centre LLP (earlier Ramesh Fertility Centre LLP)	India	29%	29%	26%	26%
18	Komali Fertility Centre LLP- Ongole	India	29%	29%	-	-
19	Adiran IB Healthcare Private Limited	India	57%	57%	-	-
20	Aster Caribbean Holdings Limited	Cayman Island	100%	100%	100%	100%
21	Aster Cayman Hospital Limited	Cayman Island	100%	100%	100%	100%
22	Aster DM Healthcare FZC	UAE	100%	100%	100%	100%
23	Aster Hospital Sonapur L.L.C	UAE	90%	39%	90%	39%
24	Radiant Healthcare L.L.C	UAE	76%	25%	76%	25%
25	Aster Day Surgery Centre LLC	UAE	82%	49%	82%	49%
26	DM Healthcare (L L C)	UAE	100%	100%	100%	100%
27	Wahat Al Aman Home Health Care L.L.C.	UAE	100%	49%	100%	49%
28	Aster Grace Nursing and Physiotherapy LLC	UAE	60%	29%	60%	29%
29	Aster Pharmacies Group LLC	UAE	100%	49%	100%	49%
30	New Aster Pharmacy DMCC	UAE	100%	100%	100%	100%
31	Aster DCC Pharmacy LLC	UAE	100%	49%	100%	49%
32	Aster Al Shafar Pharmacies Group LLC	UAE	51%	49%	51%	49%
33	Rafa Pharmacy LLC	UAE	100%	49%	100%	49%
34	Aster Pharmacy LLC, AUH	UAE	100%	49%	100%	49%
35	Med Shop Drugs Store LLC	UAE	100%	49%	100%	49%
36	Alfa Drug Store LLC	UAE	100%	49%	100%	49%
37	Alfa One Drug Store LLC	UAE	100%	49%	100%	49%
38	Alfaone FZ LLC	UAE	100%	100%	100%	100%
39	DM Pharmacies LLC **	UAE	100%	49%	100%	49%
40	Aster Opticals LLC	UAE	60%	49%	60%	49%
41	Medcare Hospital (L.L.C)	UAE	87%	75%	85%	73%
42	Premium Healthcare Limited	UAE	80%	80%	80%	80%

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

37 Group information (Contd..)

Sl No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2023		31 March 2022	
			Beneficial	Legal *	Beneficial	Legal *
43	Dr. Moopens Healthcare Management Services LLC	UAE	100%	49%	100%	49%
44	Eurohealth Systems FZ LLC	UAE	100%	95%	100%	95%
45	Al Rafa Investments Limited	UAE	100%	0%	100%	0%
46	Al Rafa Holdings Limited	UAE	100%	0%	100%	0%
47	Alfa Investments Limited #	UAE	0%	0%	0%	0%
48	Active Holdings Limited	UAE	100%	0%	100%	0%
49	Al Rafa Medical Centre LLC	UAE	51%	40%	51%	40%
50	Dar Al Shifa Medical Centre LLC	UAE	51%	40%	51%	40%
51	Aster Primary Care LLC	UAE	71%	40%	71%	40%
52	Modern Dar Al Shifa Pharmacy LLC	UAE	51%	40%	51%	40%
53	Harley Street LLC	UAE	60%	9%	60%	9%
54	Harley Street Pharmacy LLC	UAE	60%	9%	60%	9%
55	Harley Street Medical Centre LLC	UAE	60%	9%	60%	9%
56	Harley Street Dental LLC	UAE	38%	2%	38%	2%
57	Grand Optics LLC	UAE	85%	34%	85%	34%
58	Zahrat Al Shefa Medical Center L.L.C	UAE	70%	19%	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	Zest Wellness Pharmacies LLC	UAE	50%	50%	NA	NA
65	Al Raffah Hospital LLC	Oman	100%	100%	100%	100%
66	Al Raffah Pharmacies Group LLC	Oman	100%	70%	100%	70%
67	Oman Al Khair Hospital L.L.C	Oman	60%	42%	60%	42%
68	Dr. Moopen's Healthcare Management Services WLL	Qatar	99%	49%	99%	49%
69	Welcare Polyclinic W.L.L	Qatar	100%	45%	100%	45%
70	Dr. Moopens Aster Hospital WLL	Qatar	99%	49%	99%	49%
71	Sanad Al Rahma for Medical Care LLC	Kingdom of Saudi Arabia	100%	100%	100%	100%
72	Aster DM Healthcare WLL (earlier Aster DM Healthcare SPC)	Bahrain	100%	100%	100%	100%
73	Orange Pharmacies LLC	Jordan	51%	0%	51%	0%
74	Al Shafar Pharmacy LLC, AUH **	UAE	51%	49%	51%	49%
75	Aster Medical Centre LLC**	UAE	90%	39%	90%	39%

* 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.

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 2023

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:

Sl No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2023		31 March 2022	
			Beneficial	Legal *	Beneficial	Legal *
1	MIMS Infrastructure and Properties Private Limited	India	37%	37%	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 Medcare Healthcare Investment Co. LLC	UAE	49%	49%	49%	49%
9	Skin III	UAE	60%	60%	NA	NA

(c) Joint Venture

The consolidated Ind AS financial statements of the Group includes Joint Venture listed in the table below:

Sl No	Entity	Country of incorporation	Ownership interest held by Group			
			31 March 2023		31 March 2022	
			Beneficial	Legal *	Beneficial	Legal *
1	Aster Arabia Trading Company LLC	Saudi	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 Cantown Infra Developers LLP

During the year ended 31 March 2023, the Group acquired 99.9% shares in Cantown Infra Developers LLP. Cantown Infra Developers LLP is engaged in the infrastructure development and real estate. Upon transfer of control, the Group owns economic and beneficial interest in 76% of the net worth and profit / (loss) of Cantown Infra Developers LLP. The Group 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	15.23

B Identifiable assets acquired and liabilities assumed

Particulars	INR (in Crore)
Property, plant and equipment	15.20
Other assets	0.21
Cash and cash equivalent	0.50
Total assets	**15.91**
Other liabilities	0.68
Total liabilities	**0.68**
Net identifiable assets acquired	**15.23**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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	15.23
Fair value of non controlling interest	-
Fair value of net identifiable assets acquired	15.23
	-

Measurement of fair values

Assets acquired	Valuation technique
Property, plant and equipment	The Fair value of Property, plant and equipment (land) is evaluated based on valuation guidelines and using comparable approach.

ii) Acquisition of Adiran IB Healthcare Private Limited

During the Year ended 31 March 2023, the Group acquired 100% shares in Adiran IB Healthcare Private Limited. Upon transfer of control, the Group owns economic and beneficial interest in 57.49% of the net worth and profit / (loss) of Adiran IB Healthcare Private Limited. The acquisition is expected to provide the Group with an increased share of medical and healthcare sector through access to the Entity's Government schemes.

A Consideration transferred

The following table summarises the acquisition date fair value of consideration transferred:

Particulars	INR (in Crore)
Total consideration	1.60

B Identifiable assets acquired and liabilities assumed

Particulars	INR (in Crore)
Property, plant and equipment	6.40
Other assets	0.57
Cash and cash equivalent	-
Total assets	**6.97**
Borrowings	2.10
Other liabilities	0.94
Total liabilities	**3.04**
Net identifiable assets acquired	**3.93**

C Bargain purchase recognised

Goodwill arising from acquisition has been determined as follows:

Particulars	INR (in Crore)
Consideration transferred	1.60
Fair value of net identifiable assets acquired	3.93
Bargain purchase recognised	**2.33**

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

38 Acquisition of Subsidiaries and Non-Controlling Interests (NCI) (Contd..)

iii) 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**

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

iv) Acquisition of Non-controlling interest (NCI) – Sri Sainatha Multispeciality Hospitals Private Limited

During the current year the Group has entered into a Share Purchase Agreement with the promoter group of Sri Sainatha Multispeciality Hospitals Private Limited to acquire the remaining 22.69% class B equity shares for a cash consideration of INR 25 Crores. The Company has completed the acquisition of shares on 03 November 2022, through it's internal reserves. Pursuant to the said acquisition the shareholding of the Company in Sri Sainatha Multispeciality Hospitals Private Limited has increased from 77.32% to 100%, thereby it becomes a wholly-owned subsidiary of the Company. Accordingly, the Group had recognised a decrease in NCI of INR 9.67 crore and corresponding decrease in retained earnings of INR 15.33 crore.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

38 Acquisition of Subsidiaries and Non-Controlling Interests (NCI) (Contd..)

v) Acquisition of Non-controlling interest (NCI) – Malabar Institute of Medical Sciences Limited

During the current year the Group has acquired 1.87% stake in equity shares for a cash consideration of INR 18.14 Crores. Pursuant to the said acquisition the shareholding of the Company in Malabar Institute of Medical Sciences Limited has increased from 74.14% to 76.01%. Accordingly, the Group had recognised a decrease in NCI of INR 10.34 crore and corresponding decrease in retained earnings of INR 7.80 crore.

vi) Acquisition of Non-controlling interest (NCI) by exercise of put option – Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited

During the current year the Group has exercised the put option and acquired 6.49% stake in equity shares. Pursuant to the said exercise the shareholding of the Company in Dr. Ramesh Cardiac and Multispeciality Hospitals Private Limited has increased from 51% to 57.49%. Accordingly, the Group had recognised a decrease in NCI of INR 102.04 crore and corresponding decrease in retained earnings of INR 37.76 crore.

vii) Acquisition of Non-controlling interest (NCI) – Sanghamitra Hospitals Private Limited

During the year ended 31 March 2023, the Group had acquired an additional stake of 16.70% in Sanghamitra Hospitals Private Limited for a consideration of INR 25.14 crore, thereby increasing the Group's effective stake from 36.57% as at 31 March 2022 to 53.27% as at 31 March 2023. Accordingly, the Group had recognised a decrease in NCI of INR 3.41 crore and corresponding decrease in retained earnings of INR 21.73 crore.

viii) Acquisition of Non-controlling interest (NCI) – Medcare Hospital LLC

During the year ended 31 March 2023, the Group had acquired an additional stake of 2% in Medcare Hospital LLC for a consideration of INR 50.81 crore, thereby increasing the Group's effective stake from 85% as at 31 March 2022 to 87% as at 31 March 2023. Accordingly, the Group had recognised a decrease in NCI of INR 29.36 crore and corresponding decrease in retained earnings of INR 21.45 crore.

ix) 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.

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 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Unquoted investments in equity instruments						
AAQ Healthcare Investments LLC	UAE	33%	2.68	1.83	12.64	9.96
Aries Holdings FZC	UAE	25%	4.38	4.41	23.49	21.31
Skin III Ltd	UAE	51%	5.31	-	36.72	-
Al Mutamaizah Medcare Healthcare Investment Co. LLC	UAE	49%	-	(2.23)	-	-
MIMS Infrastructure and Properties Private Limited	India	36%	0.23	0.33	10.41	10.50
Alfaone Medicals Private Limited	India	16%	(0.04)	0.01	0.20	0.24
Alfaone Retail Pharmacies Private Limited	India	16%	(11.34)	(3.82)	(15.16)	(3.82)
Total			**1.22**	**0.53**	**68.30**	**38.19**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

39 Investment in equity accounted investees (Contd..)

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 2023	As at 31 March 2022
Non-current assets	21.38	21.71
Current assets	3.42	3.00
Non-current liabilities	(0.02)	(0.04)
Current liabilities	(0.27)	(0.21)
Net assets	**24.50**	**24.46**
Ownership held by the group	36%	36%
Group's share of net assets	**8.90**	**8.89**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	1.88	2.09
Profit before tax	0.86	1.27
Income tax	(0.22)	(0.35)
Profit after tax	0.64	0.92
Other comprehensive income	-	-
Total comprehensive income	**0.64**	**0.92**
Ownership held by the group	36%	36%
Group's share of total comprehensive income	**0.23**	**0.33**

(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 2023	As at 31 March 2022
Non-current Assets	199.16	186.82
Current Assets	113.75	105.51
Non-current Liabilities	(152.69)	(153.31)
Current Liabilities	(65.11)	(59.74)
Net Assets	**95.11**	**79.28**
Ownership held by Group	25%	25%
Group's share of net assets	**23.78**	**19.82**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	26.24	24.40
Profit before tax	17.53	17.65
Income tax	-	-
Profit after tax	17.53	17.65
Other Comprehensive Income	-	-
Total Comprehensive Income	**17.53**	**17.65**
Ownership held by the Group	25%	25%
Group's share of total comprehensive income	**4.38**	**4.41**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

39 Investment in equity accounted investees (Contd..)

(iii) Skin III Ltd

The Group has a 51% interest in Skin III Ltd,effective from 21 September 2022 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 Skin III Ltd.

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current Assets	7.52	-
Current Assets	13.78	-
Non-current Liabilities	(0.66)	-
Current Liabilities	(1.75)	-
Net Assets	**18.89**	**-**
Ownership held by Group	51%	0%
Group's share of net assets	**9.72**	**-**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	35.56	-
Profit before tax	10.31	-
Income tax	-	-
Profit after tax	10.31	-
Other Comprehensive Income	-	-
Total Comprehensive Income	**10.31**	**-**
Ownership held by the Group	51%	0%
Group's share of total comprehensive income	**5.31**	**-**

(iv) 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 2023	As at 31 March 2022
Non-current assets	246.37	194.51
Current assets	205.16	82.42
Non-current liabilities	(119.30)	(110.37)
Current liabilities	(438.86)	(213.52)
Net assets	**(106.63)**	**(46.96)**
Group's share of net assets	**(26.22)**	**(16.14)**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	117.88	55.40
Profit before tax	(74.93)	(22.67)
Income tax	0.06	(0.36)
Profit after tax	(74.87)	(23.07)
Other comprehensive income	0.42	0.02
Total comprehensive income	**(74.45)**	**(23.05)**
Group's share of total comprehensive income	**(8.70)**	**(4.21)**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at 1 April 2022	2,714.97	2,494.58
Finance lease (under non current borrowings including current maturities) transferred to lease liabilities	-	-
Additions	750.64	347.72
Finance cost accrued during the period	179.46	135.35
Amortisation of finance cost transferred to capital-work-in-progress	12.28	5.61
Deletions	(6.48)	(0.10)
Payment of lease liabilities	(445.34)	(336.72)
Exchange difference on lease liabilities	207.29	68.53
Balance as at 31 March 2023	**3,412.82**	**2,714.97**
Non-current lease liabilities	3,154.41	2,472.92
Current lease liabilities	258.41	242.05

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	409.47	285.85
One to five years	1,270.89	991.61
More than five years	4,189.10	3,270.23
Total undiscounted lease liabilities at 31 March 2023	**5,869.46**	**4,547.69**

(iii) Right-of-use assets (Land and buildings)

Right-of-use assets are presented on the balance sheet.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at 1 April 2022	2,304.82	2,167.44
Deferred leases expenses (under current and non current assets) transferred to right of use assets	-	-
Finance lease asset (under property, plant and equipment) transferred to right of use assets	-	-
Addition/ reclassification to right-of-use assets	783.47	359.40
Acquisition through business combinations	-	-
Disposals/ alteration/ reclassification	(7.25)	(0.95)
Depreciation for the year	(333.67)	(260.70)
Amortisation to Capital-work-in-progress	(7.26)	(19.87)
Exchange difference on translation	179.87	59.50
Balance at 31 March 2023	**2,919.98**	**2,304.82**

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

40 Leases (Contd..)

(iv) Amounts recognised in statement of profit or loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Lease rental expenses for lease where Ind AS 116 is not applicable	146.60	120.53
Interest on lease liabilities	179.46	135.35
Depreciation on right-of-use assets	333.67	260.70

(v) Amounts recognised in statement of cash flows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash out flow for leases	(445.34)	(336.72)

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 and 13 February 2023 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.

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.	

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

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
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.	5 years from the date of vesting
Performance option	1 March 2018	4,82,200	142		
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 traches 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		
Performance option	13 February 2023	15,000	155.71		
Loyalty option	2 March 2013	4,20,000	10	100% vesting at the end of 1 year from date of grant.	5 years from the date of vesting
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.	
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.	
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 and 6 years each respectively and 25% on completion of 9 years.	
Loyalty option	11 November 2019	7,200	10		
Loyalty option	10 February 2020	7,200	10		
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		
Loyalty option	13 February 2023	10,000	10		

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41 Share based payments (Contd..)

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	Loyalty option	Loyalty option	Performance options	Performance options
Date of grant	07 February 2022	13 February 2023	07 February 2022	13 February 2023
Fair value at grant date	Rs 178.23	Rs 201.80	Rs 100.43	Rs 106.20
Share price at grant date	Rs 184.20	Rs 209.60	Rs 184.20	Rs 209.60
Exercise Price	Rs 10.00	Rs 10.00	Rs 139.00	Rs 155.70
Expected volatility	40.530%	42.400%	40.750%	42.50%
Expected life	9.53 years	3.5 years	5 years	3.5 years
Expected dividends	Nil	Nil	Nil	Nil
Risk- free interest rate	6.66%	7.26%	6.29%	7.30%

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	Year ended 31 March 2023	Year ended 31 March 2022
Outstanding as on 1 April	0.11	0.14
Granted during the year	0.00	0.02
Lapsed / forfeited during the year	(0.01)	(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	0.08	0.11
Options exercisable at the end of the year	0.05	0.03
Weighted average share price at the date of exercise for share options exercised during the period (in INR)	213.30	182.95

The options outstanding at 31 March 2023 have an exercise price in the range of INR 10 to INR 155.71 (31 March 2022: INR 10 to INR 145.31) and a weighted average remaining contractual life of 4.28 years (31 March 2022: 4.98 years).

D Expense recognised in statement of profit and loss

For details on the employee benefits expense, see Note 24.

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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
(c) Associates	MIMS Infrastructure and Properties Private Limited, India
	Aries Holdings FZC, UAE
	Aries Investments LLC
	Al Mutamaizah Medcare Healthcare Investment Co.LLC
	AAQ Healthcare Investments LLC
	Alfaone Medicals Private Limited
	Alfaone Retail Pharmacies Private Limited
	Mindriot Research and Innovation Foundation
	Skin III Ltd (from 22 September 2022)
(d) Joint Venture	Aster Arabia trading Company (from 09 March 2023)
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
b) Key managerial personnel and their relatives	Dr. Azad Moopen (Chairman and Managing Director)
	Alisha Moopen (Deputy Managing Director)
	Sreenath Reddy (Chief Financial Officer) (Upto 05 January 2023)
	Hemish Purushottam(Company Secretary & Compliance Officer)
	Biju Varkey (Independent Director) (Upto 11 November 2022)
	Dr. Layla Mohamed Hassan Ali Almarzooqi (Independent Director) (Upto 27 March 2023)
	Dr. James Mathew (Independent Director)
	Chenayappillil John George (Independent Director)
	Sridar Arvamudhan Iyengar (Independent Director)
	Wayne Earl Keathley (Independent Director)
	T J Wilson (Director)
	Anoop Moopen (Director)
	Emmanuel David Gootam (Independent Director) (from 10 November 2022)
	Purana Housdurgamvijaya Deepti (Independent Director) (from 27 March 2023)
	Mintz Daniel Robert (Non Executive Director)
	Shamsudheen Bin Mohideen Mammu Haji (Director)
	Amitabh Johri (Joint Chief Financial Officer)(from 25 May 2023)
	Sunil Kumar M R (Joint Chief Financial Officer)(from 25 May 2023)

ii) Related party transactions

Nature of transactions	Year ended 31 March 2023	Year ended 31 March 2022
DM Education and Research Foundation		
Collection on behalf of company	4.98	5.27
Income from consultancy services	2.22	2.55
Interest income under the effective interest method on lease deposit	0.81	0.75
Operating lease- Hospital operation and management expense	0.74	0.74
Other expenses	0.87	9.11
Repayment made (net)	4.94	8.19
Aster DM Foundation India		
Donation given	0.25	5.60

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42 Related party disclosures (Contd..)

Nature of transactions	Year ended 31 March 2023	Year ended 31 March 2022
MIMS Infrastructure and Properties Private Limited		
Finance cost	-	0.14
Repayment of advances	-	2.10
Dividend received	0.32	0.29
Alfaone Medicals Private Limited		
Interest on loan from related parties	9.69	1.44
Investments / capital contribution	-	-
Repayment	0.12	0.14
Short-term loans and advances given	73.00	26.37
Alfaone Retail Pharmacies Private Limited		
Revenue from operation	-	9.97
Other Income	1.47	0.31
Repayment	0.03	0.03
Aries Holdings FZC		
(Advance given)/ repayment received during the year (net)	6.78	(7.77)
AAQ Healthcare Investment LLC		
(Advance given)/ repayment received during the year (net)	(5.83)	(0.66)
Key managerial personnel & their relatives		
Rental expense	0.66	0.60
Short-term employee benefits		
- Salaries and allowances*	37.09	32.85

*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.

iii) Balance receivable / (payable)

Nature of transactions	Related party transactions	
	As at March 2023	As at March 2022
Wayanad Infrastructure Private Limited		
Other financial liabilities (current) - Dues to creditors for expenses	(0.09)	(0.09)
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	1.42	2.16
Other current assets - deferred lease expenses	0.74	0.74
Other financial assets (current)	15.76	14.46
Other financial assets- (non current) Rent and other deposits	12.31	11.50
Aries Holdings FZC		
Advance given to equity accounted investees	44.74	37.96
Security Deposit	22.37	20.58
AAQ Healthcare Investment LLC		
Advance given to equity accounted investees	43.48	49.31
Al Mutamaizah Medcare Healthcare Investment Co. LLC		
Advance given	-	11.73
Alfaone Medicals Private Limited		
Financial assets - loans (Non current)	110.64	28.07
Alfaone Retail Pharmacies Private Limited		
Trade receivables	-	10.83
Financial assets - Other financial assets (current)	1.72	0.28
Key managerial remuneration payable	(3.15)	(0.04)

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

43 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.

44 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.

45 As a part of the Restructuring process, the Board of Directors approved the appointment of the Investment bankers by the Company on 10th June 2022 to explore options which present an opportunity to unlock value for the Company and its stakeholders.The Investment Bankers have received interest and indicative terms from potential buyers for the Gulf Co-operation Council region ('GCC') business. The investment bankers are working actively with the potential buyers and their advisors.. The shortlisted bidders have expressed a strong commitment to complete a transaction soon. The preparatory work including due diligence etc. is largely complete. The investment bankers have communicated that the binding bids are likely to be received by end of Q1 of Financial Year 2023-24. Upon submission of the final evaluation by the investment bankers, the Board shall review the proposals of sale of the Company's business in the GCC. Appropriate intimations and impact/ disclosures will be made as and when any conclusions are arrived at and approved by the Board.

46 Financial ratios

	Ratio	Methodology	For the year ended 31 March 2023	For the year ended 31 March 2022	Percenatge change	Explanation if variance exceeds 25%
a)	Current ratio	Current assets/ Current liabilities	1.06	1.15	8.16%	NA
b)	Debt-equity ratio	Total debt/ Shareholder's equity	1.08	1.01	7.31%	NA
c)	Debt service coverage ratio	Earnings available for debt service/ Debt service	1.13	1.55	26.61%	Due to decrease in profit margins in current year
d)	Return on equity	Net profit after taxes/ Average shareholder's equity	10%	14%	27.30%	Due to decrease in profit margins in current year
e)	Inventory turnover ratio	Cost of goods sold/ Average inventory	3.03	3.09	1.94%	NA
f)	Trade receivables turnover ratio	Revenue from operations/ Average accounts receivables	5.48	5.08	7.83%	NA
g)	Trade payables turnover ratio	Total purchases/ Average trade payables	1.49	1.48	0.88%	NA
h)	Net capital turnover ratio	Net sales/ Working capital	44.81	19.06	135.09%	Due to increase in revenue.
i)	Net profit ratio	Net profit/ Net sales	4%	6%	32.03%	Due to decarese in profits in current year.
j)	Return on capital employed	Earnings before interest and taxes/ Capital employed	7.71%	9.73%	20.77%	NA
k)	Return on investment	Interest income, dividend income, net gain on sale of investments and net fair value gain over average investments	3.47%	6.30%	44.99%	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)

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

46 Financial ratios (Contd..)

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 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 2023 and 31 March 2022 ('the reporting periods').

b) The Group 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 Group has not traded / invested in Crypto currency during the reporting periods.

e) 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.

f) 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:

   (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 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

All amounts in INR crores, unless otherwise stated

47 Additional disclosures (Contd..)

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 Company has granted loans to below mentioned related party which is repayable on demand

(i) Alfaone Medicals Private Limited

k) 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.

l) 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
Bengaluru
25 May 2023

T J Wilson
Director
DIN: 02135108
Bengaluru
25 May 2023

Hemish Purushottam
Company Secretary
Membership No.: A24331
Bengaluru
25 May 2023

Amitabh Johri
Joint Chief Financial Officer
Bengaluru
25 May 2023

Sunil Kumar MR
Joint Chief Financial Officer
Bengaluru
25 May 2023

Notes

Aster DM Healthcare Limited

Registered Office
No.1785, Sarjapur Road, Sector -1,
HSR Layout, Ward No.174,
Agara Extension, Bengaluru-560102, Karnataka, India
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