Fortis Healthcare Limited
Tower-A, Unitech Business Park, Block-F,
South City 1, Sector – 41, Gurgaon,
Haryana – 122 001 (India)
Tel : 0124 492 1033
Fax : 0124 492 1041
Emergency : 105010
Email : secretarial@fortishealthcare.com
Website : www.fortishealthcare.com

FHL/SEC/2022-23 **July 8, 2022**

The National Stock Exchange of India Ltd.	**BSE Limited**
Scrip Symbol: FORTIS	**Scrip Code: 532843**

Sub: Notice of the 26th Annual General Meeting and Annual Report for the Financial Year 2021-22.

Dear Madam / Sir,

This is further to our letter no. FHL/SEC/2022-23 dated June 21, 2022 regarding convening of the 26th Annual General Meeting of the Company ("26th AGM") on Monday, August 1, 2022 through Video Conferencing/Other Audio Visual Means (VC/OAVM) Facility.

Pursuant to the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Notice of the 26th AGM and the Annual Report for the financial year 2021-22, inter-alia, including the Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2022, being sent by email to those Members whose email addresses are registered with the Company/Depository Participant(s) / Registrar & Share Transfer Agent.

A copy of the Annual Report adopted by the shareholders at the aforesaid AGM shall also be submitted to you on or after August 1, 2022. A schedule of events relating to AGM is set out below:

Event	Date	Time
Cut-off date to determine the eligibility of the shareholders to cast their votes on AGM resolutions	July 25, 2022	Not Applicable
Commencement of e-Voting	July 29, 2022	09:00 A.M.
End of e-Voting	July 31, 2022	05:00 P.M.
Annual General Meeting	August 1, 2022	02:00 P.M.

The Notice of the 26th AGM and the Annual Report are also being uploaded on the website of the Company at www.fortishealthcare.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Fortis Healthcare Limited**

murlee manohar jain
Digitally signed by murlee manohar jain
Date: 2022.07.08 15:57:55 +05'30'

Murlee Manohar Jain
Company Secretary and Compliance Officer
ICSI Membership: F9598

Encl: a/a

FORTIS HEALTHCARE LIMITED

CIN: L85110PB1996PLC045933

Registered Office: Fortis Hospital, Sector 62, Phase – VIII, Mohali, Punjab - 160062

Tel.: +91-172-5096001, **Fax:** +91-172-5096221

Email: secretarial@fortishealthcare.com, **Website:** www.fortishealthcare.com

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting ("AGM") of **Fortis Healthcare Limited** will be held on **Monday, August 1, 2022 at 14:00 hours (IST)** through Video Conferencing ("VC") / Other AudioVisual Means ("OAVM"), to transact the following business(es):

ORDINARY BUSINESS: -

1. To consider and adopt the Audited Standalone Financial Statements of the Company together with Reports of the Board and Auditors thereon and the Audited Consolidated Financial Statements of the Company including Auditors' Report thereon for the financial year ended on March 31, 2022.

2. To appoint Dr. Farid Bin Mohamed Sani (DIN- 08646785), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

3. To appoint Mr. Dilip Kadambi (DIN- 02148022), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

SPECIAL BUSINESS: -

4. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Cost Records and Audit) Rules, 2014, remuneration of Rs. 350,000/- (Rupees Three Lacs Fifty thousand only) plus out of pocket expenses and taxes, being paid to M/s. Jitender, Navneet & Co., Cost Auditor appointed by the Board of Directors, to conduct the audit of the cost records of the Company, for the Financial Year ended March 31, 2022, be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors or any Committee of the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Ravi Rajagopal (DIN: 00067073), who was appointed as an Independent Director of the Company with effect from April 27, 2018 and who holds office for first term upto April 26, 2023 and being eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) years commencing with effect from April 27, 2023 upto April 26, 2028.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to settle all matters, any question or difficulty that may arise in regard to aforesaid proposal."

6. To consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Indrajit Banerjee (DIN: 01365405) who was appointed as an Independent Director of the Company with effect from April 27, 2018 and who holds office for first term upto April 26, 2023 and being eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) years commencing with effect from April 27, 2023 upto April 26, 2028.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to settle all matters, any question or difficulty that may arise in regard to aforesaid proposal."

7. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Suvalaxmi Chakraborty, (DIN: 00106054) who was appointed as an Independent Director of the Company with effect from April 27, 2018 and who holds office for first term upto April 26, 2023 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) years commencing with effect from April 27, 2023 upto April 26, 2028.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to settle all matters, any question or difficulty that may arise in regard to aforesaid proposal."

By Order of the Board
For **Fortis Healthcare Limited**

Date: May 25, 2022
Place: Gurugram

Murlee Manohar Jain
Company Secretary
Membership No: F9598

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), are enclosed herewith and forms part of this Notice.

2. General instructions for accessing and participating in the 26th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

a. In view of the outbreak of COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020, 20/2020, 21/2021 and 03/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 14th December, 2021 and

5th May 2022 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12th May, 2020 15th January, 2021 and 13th May 2022 respectively issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 26th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 26th AGM shall be the Registered Office of the Company.

b. **In terms of the MCA / SEBI Circulars since the requirement of physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for 26th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in 26th AGM through VC/OAVM Facility and e-Voting during 26th AGM.**

c. In line with the MCA Circulars and SEBI Circulars, the Notice of 26th AGM will be available on the website of the Company at www.fortishealthcare.com, on the website of BSE Limited at www.bseindia.com, on website of National Stock Exchange of India Limited at www.nseindia.com and also on the website of NSDL at www.evoting.nsdl.com.

d. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

e. NSDL will be providing facility for voting through remote e-Voting, for participation at 26th AGM through VC / OAVM Facility and e-Voting during 26th AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

f. Members may join 26th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 13:30 Hours IST i.e. 30 minutes before the time scheduled to start the 26th AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 26th AGM.

g. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of upto 2,500 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend 26th AGM without any restriction on account of first-come-first-served principle.

h. Attendance of the Members participating in 26th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at 26th AGM and facility for those Members participating in 26th AGM to cast vote through e-Voting system during 26th AGM.

3. Instructions for Members for Remote e-Voting are as under:-

The remote e-voting period begins on July 29, 2022 at 9:00 A.M. and ends on July 31, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 25, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 25, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of MCA and SEBI Circulars on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for **IDeAS e-Services,** option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL. Click on NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. **NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******..
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Mukesh Agarwal at magarwalandco@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Ms. Soni Singh) at evoting@nsdl.co.in

4. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@fortishealthcare.com

b. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@fortishealthcare.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

d. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

5. The instructions for members for e-voting on the day of the 26th Annual General Meeting are as under:-

a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

c. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

6. Instructions for members for attending the 26th Annual General Meeting through VC/OAVM are as under:

a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

b. Members are encouraged to join the Meeting through Laptops for better experience.

c. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d. Please note that Members connecting from mobile devices or tablets or through laptops etc connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid technical glitches.

e. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at 26th AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach Company's email address secretarial@fortishealthcare.com atleast 72 hours in advance before the start of the meeting i.e. by July 29, 2022 by 14:00 hours IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

f. Members, who would like to ask questions during 26th AGM with regard to the financial statements or any other matter to be placed at the 26th AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address secretarial@fortishealthcare.com atleast 72 hours in advance before the start of the 26th AGM i.e. by July 29, 2022 by 14:00 hours IST. Only those Members who have registered themselves as a speaker shall be allowed to ask questions during the 26th AGM, depending upon the availability of time.

g. Shareholders who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or shall be replied suitably, after the meeting by the Company.

h. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the the 26th AGM through VC/OAVM Facility.

7. Other Guidelines for Members:

a. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut- off date of July 25, 2022.

b. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. July 25, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 25, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

c. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

d. Mr. Mukesh Agarwal, Company Secretary in Whole time Practice (C.P. No. 3851), has been appointed as the Scrutinizer to scrutinize remote e-Voting process and casting vote through e-Voting system during the Meeting in a fair and transparent manner.

e. During 26th AGM, the Chairman shall, after response to questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the AGM.

f. The Scrutinizer shall after the conclusion of e-Voting at the 26th AGM, first download votes cast at the AGM and thereafter unblock votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of total votes cast in favour or against, invalid votes, if any, and whether resolution(s) has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of 26th AGM, who shall then countersign and declare the result of voting forthwith.

g. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.fortishealthcare.com and on the website of NSDL at www.evoting.nsdl.com immediately after declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

8. Pursuant to the MCA Circulars and SEBI Circulars, in view of prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of 26th AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for year 2021-22, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of 26th AGM and Annual Report for the year 2021-22 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address secretarial@fortishealthcare.com

b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

9 Notice of 26th AGM and Annual Report for the year 2021-22 including therein the Audited Financial Statements for the year, will be available on the website of the Company at www.fortishealthcare.com and the website of Stock Exchanges at BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. The Notice of 26th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.

10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from concerned Depository Participant and holdings should be verified from time to time.

11. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

12. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

Electronic copy of all documents referred to in the accompanying Notice of 26th AGM and Explanatory Statement shall be available for inspection in the Investor Section of website of Company www.fortishealthcare.com.

13. During 26th AGM, Members may access scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, during the Annual General Meeting at the available link against the EVEN of the Company on NSDL website.

14. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment/ re-appointment at the AGM, are detailed in Annexure-I of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

15. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliance by companies. Also, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, permits companies to send soft copies of Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiatives by registering / updating their e-mail address for receiving electronic communications. The Notice for Annual General Meeting along with the Annual Report of the Company will be made available on the Company's website –www.fortishealthcare.com.

16. The results on resolutions shall be declared on or before closing business hours i.e. 06:00 p.m. on Wednesday, August 3, 2022 at the Corporate office of the Company and the same along with scrutinizer's report shall also be available on the website of the Company and on the website of NSDL and that of BSE & NSE. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favor of the resolutions.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of cost records of the Company, for the Financial Year ended March 31, 2022 as per the following details:

Name of the Cost Audit Firm	Amount (In Rupees)
M/s. Jitender, Navneet & Co.	3,50,000 (plus out of pocket expenses and taxes)

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the Financial Year ended March 31, 2022.

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding, if any.

The Board of Directors recommends the resolution as set out at Item No. 4 for the approval of the Members as an Ordinary Resolution.

Item No 5, 6 & 7

Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty were appointed as Independent Directors on the Board of the Company w.e.f. April 27, 2018 for a period of 5 years, pursuant to the approval of the members in their Extra-Ordinary General Meeting (EGM) held on May 22, 2018, in accordance with the provisions of Section 149, 150, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). They hold office as Independent Directors of the Company up to April 26, 2023 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

Further, Section 149 of the Act and provisions of the Listing Regulations, inter-alia, prescribe that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board’s report. Further, section 149(11) provides that an independent director may hold office for up to two consecutive terms of 5 years each.

The Nomination & Remuneration Committee of the Board of Directors, on the basis of report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty as Independent Directors for a second term on the Board of the Company. The performance evaluation of these directors was done during each year of their current tenure. Some of the performance indicators used for such evaluation were–attendance in the Board & Committee meetings, quality of participation/preparation, ability to provide leadership, work as team player, commitment to protecting/enhancing interests of all shareholders and contribution in implementation of best governance practices etc.

The Board considers that they are well-respected professionals, in their respective fields who bring a wealth of experience and business acumen to the Board. Further, the Board opined that these Directors were onboarded at a time when the Company was facing various regulatory challenges and was severely cash constrained, necessitating urgent induction of a strategic investor who could make serious cash injection in the Company. The Board agreed that these Independent Directors contributed significantly in bringing requisite objectivity & transparency in the bidding process that led to IHH, being invited to become a significant equity shareholder in the Company.

Accordingly, the Board, based on the performance evaluation of said Independent Directors and as per the recommendation of the Nomination & Remuneration Committee, considers that, given their background, experience and contributions made by them during their first tenure, the continued association of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Therefore, the Board of Directors in its meeting held on May 25, 2022 considered & recommended the re-appointment of the aforesaid Independent Directors for a second term of 5 consecutive years, not liable to retire by rotation, with effect from April 27, 2023 upto and including April 26, 2028, for your approval.

The brief resume of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty is given in the Annexure A to this Notice and detailed profile is available on the website of the company at http://www.fortishealthcare.com/.

Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty are not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty for the office of Independent Directors of the Company. The Company has also received declarations from these directors that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations and are independent of the management. They are not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority. Copy of draft letter of appointment of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty, setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty, being the proposed appointees, are interested in the said resolutions set out respectively at item no. 5,6 & 7 of the Notice with regard to their respective reappointment. The relatives of Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the resolution set out at item no. 5,6 & 7 of the Notice for approval by the members of the Company as Special Resolutions.

By Order of the Board
For **Fortis Healthcare Limited**

Murlee Manohar Jain
Company Secretary
Membership No: F9598

Date: May 25, 2022
Place: Gurugram

Annexure- A

Details of the Directors seeking appointment/re-appointment at the Annual General Meeting.

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard - 2 issued by The Institute of Company Seceratries of India)

S. No.	Particulars	Dr. Farid Bin Mohamed Sani	Mr. Dilip Kadambi	Mr. Ravi Rajagopal	Mr. Indrajit Banerjee	Ms. Suvalaxmi Chakraborty
1.	**Age**	46 years	47 years	67 years	66 years	55 years
2.	**Qualification**	Bachelors and Masters in Chemical Engineering and PhD in Chemical Engineering, all three from University of Cambridge.	Bachelor of Commerce - Madras University, India and Post-Graduation Diploma in Business Administration from Institute of Chartered Financial Analysts of India ("ICFAI').	Chartered Accountant from Institute of Chartered Accountants of India (ICAI), also Cost Accountant from Institute of Cost and Management Accountant of India Bachelor of Commerce - Madras University and completed the advanced Management Program at Harvard Business School.	Chartered Accountant from Institute of Chartered Accountants of India (ICAI), Bachelor of Commerce (Hons) from St. Xavier's college, Kolkata.	Chartered Accountant from Institute of Chartered Accountants of India (ICAI), Bachelor of Commerce (Hons) from Calcutta University and Financial Investment Technology Program of the Berkeley Program in Finance at HAAS School of Business at University of California, Berkeley, California.
3	**Brief Profile, Nature of Expertise and Capabilities for the role**	Dr Farid was appointed to the Board of IHH Healthcare Berhad (IHH) in November 2019. Dr Farid is the Head, Chief Investment Officer's Office of Khazanah Nasional Berhad (Khazanah). He also serves on the Board and Board Committees of IHH subsidiaries. Dr Farid re-joined Khazanah in December 2018 after serving as Chief Strategy Officer of UEM Group. Prior to that, Dr Farid was with Telekom Malaysia Berhad from 2012 to 2017. Dr Farid first joined Khazanah in July 2004 until 2011. Prior to joining Khazanah, Dr Farid was previously a consultant at McKinsey & Co.	Mr. Dilip Kadambi has over 24 years of leadership experience in various multinational organisations across both financial and healthcare institutions. Extensive experience with a variety of skillsets in areas such as investor relations, capital raising, corporate finance, strategy & business development, change management, mergers & acquisitions, financial reporting, revenue cycle management, group procurement and healthcare operations. He was Interim CEO and Group CFO at Columbia Asia Healthcare prior to joining IHH. He also held senior positions in Standard Chartered Bank, Singapore, CIMB Bank Berhad, ABN AMRO Bank etc	Mr. Rajagopal is Vice Chairman and Independent Director of The Peabody Group, the UK's largest affordable housing company. He is a Director and Audit Chair of Airtel Africa Plc, A FTSE 100 company in the UK. He is a Trustee of the Science Museum Foundation UK, the most iconic Museum of its kind in the world. Earlier board experience includes serving as Director and Audit Chair of globally diversified natural resources company, Vedanta plc (FTSE 250) and a Diageo nominee Director of United Spirits, India from 2013 to 2016. With an extensive career spanning 35 years working in large consumer goods companies, spending the last 20 years with Diageo plc in a variety of senior leadership roles including group controller for the plc and latterly as global head of mergers and acquisitions. Prior to that Mr. Rajagopal was with ITC India across different businesses in India and overseas where he held a number of progressively senior roles. His overall experience includes working in many markets across the world in both a strategic and operational capacity. Mr. Rajagopal is involved with a number of charitable activities. He is Chair of an Advisory Board for a project responsible for building and operating over 8000 childcare centres across northern India; and he is a Trustee of a group of four schools in Chennai that educates over 1,100 underprivileged children at no cost.	Mr. Banerjee in his early career at Brooke Bond India Ltd and Indian Aluminium Co ltd (Indal), his focus was on establishing sound financial controls in complicated business environment which also facilitated businesses to improve their competitive position. Since then, he has played the role of CFO/Executive Director in companies that experienced difficult business situations of varying nature in complex shareholding situations. Between 1982 and 1999 he was at Indal, of which the final two years he was Chief Financial Officer, where he played a key role in the strategy formation and risk management in the company during the transformation stage. He joined Lupin Ltd. in 2002, where he addressed the critical liquidity challenges faced by the company and led the entry of a set of private equity investors that helped re-brand the company. In 2007, he joined Cairn India Ltd., where he guided the financing of the country's largest greenfield upstream onshore oil and gas development project which was the first large project of its size and complexity in India. He was also President and CFO, and a Member of the Executive Committee, at Ranbaxy Laboratories Ltd between 2011 and 2015, where he helped the company sustain itself through its most challenging times and played a critical role in the process leading to the merger of the company with Sun Pharma, later leading the integration of businesses and processes of the merged entity post-merger. In all the organisations where he has held key managerial positions, he has focused on enhancing stakeholder value while ensuring superior systems and processes that respect good governance practices. Since November 2015, he has engaged in certain specific management consultancy services, including business structuring and planning; management of growth situations; management of crisis situations through cash flow monitoring, prioritisation of operational requirements and bank relationship management; financing of working capital and establishment of Risk Management processes in multi-business and multi-regional organisations; business and financial process integration for existing organisations as well as for merging entities.	Ms. Suvalaxmi Chakraborty has rich exposure to various facets of banking, including Corporate Banking, Treasury Management, Asset Liability Management, Corporate Risk Management, Micro-Banking and Agri business. She has also featured in the Fortune India List of 50 most powerful women in business. Ms. Chakraborty, currently, is, CEO & MD of FinReach Solutions Private Ltd., set up by a few investors with a view to facilitate credit access for MSMEs. At FinReach, she is responsible to set up the business, technology platform, operationalize the entity and run the day to day operations. She is a Non-Executive Director of Espandere Advisors Pvt. Ltd., providing Business and Transaction Advisory services in Banking & Finance, Agriculture & Rural, Infrastructure and Manufacturing Sector. She has also worked as Advisor, Fullerton India Credit Company Ltd., a 100% step down subsidiary of Temasek Holdings (Pte) Ltd, Singapore. Ms. Chakraborty held several positions at ICICI Ltd. and ICICI Bank between 1989 and 2006, including General Manager for Corporate Banking and Country Head of Rural, Micro-banking and Agri Business. She launched and ran the commercial banking business of Barclays Bank in India from 2007 to 2010, after which she was Chief-Executive Office for the Indian operations of State Bank of Mauritius from 2010 to 2013. Currently she serves as an Independent Director for SRL Limited and nominee director in Kaleidofin Private Ltd. She has held the position of Independent/ Nominee Director in the past in Magma HDI General Insurance Company Ltd., Caspian Impact Investments Pvt Ltd., IIFL home Finance Ltd. and North East Small Finance Bank Ltd.
4	**Experience**	Over 20 years	Over 24 years`	Over 35 years	Over 35 years	Over 32 years.

S. No.	Particulars	Dr. Farid Bin Mohamed Sani	Mr. Dilip Kadambi	Mr. Ravi Rajagopal	Mr. Indrajit Banerjee	Ms. Suvalaxmi Chakraborty
5	**Directorships held in other Indian Companies as on date**	• Nil	• SRL Limited	• SRL Limited • Fortis Malar Hospitals Limited • Fortis Hospitals Limited	• Fortis Hospotel Limited • Endurance Technologies Limited	• SRL Limited • Finreach Solutions Private Limited • Espandere Advisors Private Limited • Kaleidofin Private Limited
6	**Memberships/ Chairmanships of committees of as on date (includes only Audit Committee and Stakeholders Relationship Committee)**	• Nil	• Member of Audit Committee of the Company.	• Member of Audit Committee of the Company. • Member of Audit and Risk Management Committee of Fortis Malar Hospital Limited. • Member of Audit and Risk Management Committee of SRL Limited.	• Member of Audit Committee of the Company. • Chairperson of the Audit Committee of Endurance Technologies Limited	• Chairperson of Audit Committee of the Company. • Member of Audit and Risk Management Committee of SRL Limited.
7	**Shareholding in the Company**	As on the date of this notice, the directors who are seeking re-appointment do not hold any shares or convertible instrument in the Company.				
8	**Relationship with other Directors and KMP's**	There is no inter-se relationship between the directors who are seeking re-appointment at this meeting and other Directors/ KMP's of the Company.				
9	**Date of Appointment (Original)**	December 30, 2019	June 4, 2020	April 27, 2018	April 27, 2018	April 27, 2018
10	**Terms and Conditions of Appointment**	Pursuant to the provisions of Companies Act, 2013, Dr. Farid Bin Mohamed Sani and Mr. Dilip Kadambi are liable to retire by rotation. Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty shall be re-appointed for second term of Five (5) years as Independent Directors of the Company. The terms and conditions of their appointment shall be governed by the letter of appointment to be issued by the Company.				
11	**Remuneration***	The Directors will be paid sitting fees for attending meeting of the Board of Directors and Committee thereof and/ or commission, if any approved by the shareholders from time to time.				
12	**No. of Board Meetings Attended in FY 2021-22***	6	6	6	6	6

*Refer Report on Corporate Governance for more details.

Fortis

WE CARE

ANNUAL REPORT
2021-2022

Company Information

Board of Directors

Chairman

Ravi Rajagopal
(Independent Director)

Managing Director and CEO

Dr. Ashutosh Raghuvanshi

Non-Executive Directors

Dilip Kadambi

Dr. Farid Bin Mohamed Sani

Heng Joo Joe Sim

Joerg Ayrle

Dr. Kelvin Loh Chi-Keon

Takeshi Saito

Independent Directors

Indrajit Banerjee

Shailaja Chandra

Suvalaxmi Chakraborty

Chief Financial Officer

Vivek Kumar Goyal

Company Secretary and Compliance Officer

Murlee Manohar Jain

Auditors

B S R and Co. LLP
Chartered Accountants

Fortis Healthcare Limited

CIN: L85110PB1996PLC045933
Registered Office:
Fortis Hospital, Sector 62
Phase – VIII, Mohali, Punjab - 160062
Tel.: +91-172-5096001
Fax: +91-172-5096221
Website: www.fortishealthcare.com

Registrar and Transfer Agent

KFin Technologies Limited

Contents

Investor Information

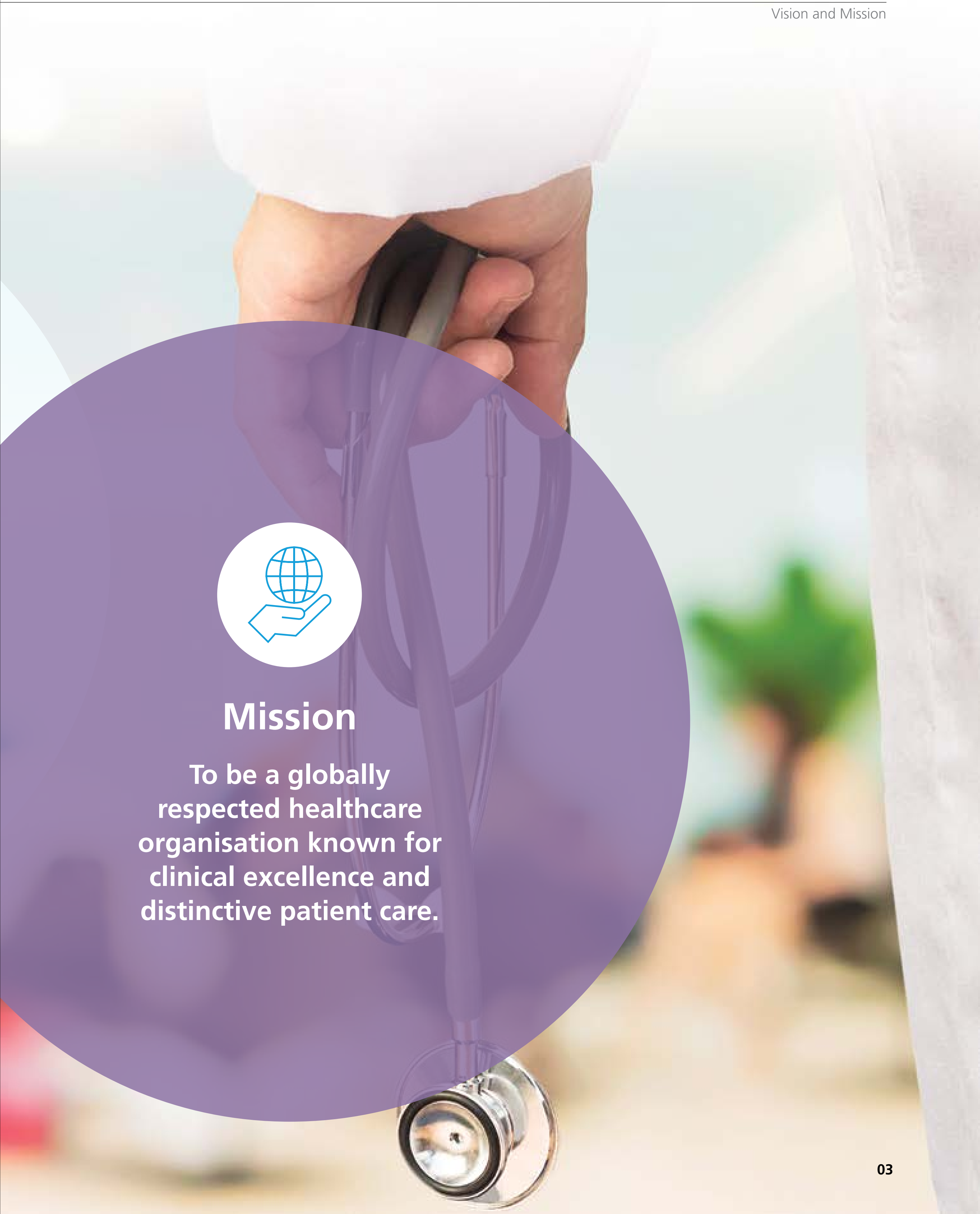
BSE code: 532843

NSE symbol: FORTIS

AGM date: 1st August 2022

Vision

To create a world-class integrated healthcare delivery system in India, entailing the finest medical skills combined with compassionate patient care.



Mission

To be a globally respected healthcare organisation known for clinical excellence and distinctive patient care.

Values

Patient Centricity

Innovation

Teamwork

Integrity

Ownership

Key Performance Highlights 2022*

**On a consolidated basis*

Total Income
₹5,745 Crores

Overall Hospital Occupancy
63%

EBITDA (Earnings before Interest, Tax, Depreciation, and Amortisation)
₹1,096 Crores

Hospital Business ARPOB (Average Revenue Per Occupied Bed)
₹1.80 Crores

Reported PAT (Profit After Tax)
₹790 Crores

Overall tests performed by SRL
44.2 Million

Net Debt to EBITDA
0.60x
(basis Q4FY21-22 annualised EBITDA)

COVID-19 tests performed by SRL
5.6 Million

BOARD OF DIRECTORS

Fortis Healthcare Limited

Ravi Rajagopal
Independent Director, Chairman

Dr. Ashutosh Raghuvanshi
Managing Director and CEO

Dr. Kelvin Loh Chi-Keon
Non-Executive Director

Indrajit Banerjee
Independent Director

Suvalaxmi Chakraborty
Independent Director

Shailaja Chandra
Independent Director

Dilip Kadambi
Non-Executive Director

Dr. Farid Bin Mohamed Sani
Non-Executive Director

Heng Joo Joe Sim
Non-Executive Director

Joerg Ayrle
Non-Executive Director

Takeshi Saito
Non-Executive Director

BOARD OF DIRECTORS

SRL Limited

Ravi Rajagopal
Independent Director, Chairman

Praneet Singh
Non-Executive Director

Dr. Ashutosh Raghuvanshi
Non-Executive Director

Dilip Kadambi
Non-Executive Director

Dr. Kelvin Loh Chi-Keon
Non-Executive Director

Srinivas Chidambaram
Non-Executive Director

Suvalaxmi Chakraborty
Independent Director

MANAGEMENT COMMUNIQUE

Chairman’s Message

A global health crisis of this magnitude has not been witnessed in many generations, and we are truly grateful to our clinicians who have done a remarkable job despite the many challenges.

Dear Shareholders,

I am pleased to present the Annual Report 2021-22 of your Company.

The COVID-19 pandemic continued to impact us through the year. The country faced serious disruption during the second wave in April-May 2021, and then again in January 2022. The crisis took a heavy toll on your Company. Over 7500 employees across the network and many of their family members tested positive and were admitted at our hospitals. I express my deepest sympathies with those who have been affected by this crisis. A global health crisis of this magnitude has not been witnessed in many generations, and we are truly grateful to our clinicians who have done a remarkable job despite the many challenges. I also thank the Fortis Medical Council members, our staff and all frontline workers who have worked bravely to provide essential care and services to our patients.

As the pandemic raged, the Fortis team stood up to the challenge. Over 53,000 COVID in-patients were discharged from our network hospitals till March, 2022. SRL, our diagnostics company, conducted 5.6 Million RT-PCR tests through its network across the country. After vaccines were approved in early 2021, it was a challenge for the Government to inoculate citizens rapidly. As time was of essence, private participation was invited in rolling out India's vaccination drive, the largest such drive in the world. I am delighted to share that 24 Fortis Hospitals across India participated in the COVID vaccination drive and a total of 7.1 lakh doses were administered till March 31, 2022.

During the second COVID wave, the requirement of oxygen supplies across our units went up manifold leading to an unprecedented crisis. To pre-empt any future crisis and in compliance with the mandates of various State Governments, the Company has installed Vacuum Swing Adsorption Oxygen Generating Plants at eight of our units.

The hospital revenues in the first and fourth quarters were impacted by the Delta and Omicron waves. By end of the fiscal, non-COVID revenues began to grow again as patient inflows resumed and we were able to bring the business to near normal levels. The key revenue drivers for the hospitals as well as the diagnostics businesses during the year included a mix of both, COVID and non-COVID patients and we received 27 lakh footfalls in FY 2022 as compared to 17.5 lakh in the FY 2021, representing a 55% increase.

Overall, our efforts to drive operations, both in terms of revenue accretion and cost optimisation initiatives, have yielded positive results. Key initiatives for cost optimisation include sourcing renewable power though open access, renegotiation of facility management services, standardisation of non-medical consumables across multiple Fortis units and renegotiations of rate contracts for medical equipment and medical consumables including substitution of items. Strategic plans for further strengthening clinical specialities, medical infrastructure, manpower training, upskilling and on-boarding new talents are actively being pursued. Investments in brownfield bed expansion should see the Company add close to 250-300 beds each year for the next two to three years, taking our operational bed capacity to over 5,000 beds. The Company's healthy balance sheet and cash flows allow it to partake in growth and consolidation prospects in the industry and to that effect we would evaluate and pursue inorganic opportunities in our select focus clusters of Delhi-NCR, Maharashtra, Bengaluru and Kolkata. All these should augur well for future business growth and profitability.

In a continual endeavour to improve efficiency, we created Analytical Dashboards for Clinical Quality parameters. These Dashboards will help in identifying specific improvement opportunities, developing focused action plans for process improvements and better patient outcomes. A successful pilot for the Dashboards was conducted in all Hospitals this year and have become operational from April, 2022. We have also continued to focus on digital automation by investing in state-of-the-art IT infrastructure. Our apps and e-consults helped clinicians stay connected with patients despite drop in footfalls during the pandemic. *myFortis*, a unified platform to enable and track patient lifecycle management, is integrated with multiple departments, doctors, patients and our partner ecosystem. It is the backbone of OPD bookings, e-consultations and payments. Of the 16.21 lakh OPD consultations during the fiscal, 9.83 lakh OPD consults, representing 60% of the total OPD consults, were booked through the *myFortis* platform. A total of 2.44 lakh users also downloaded the *myFortis* app.

The Company also began the process of migrating its Oracle ERP to SaaS (Oracle Fusion) model ensuring the software is always updated with latest

MANAGEMENT COMMUNIQUE

Chairman's Message

product releases. We continue to build our Business Intelligence platform to enhance management insights based on key performance indicators to take real-time decision. These insights enable us to plan capacities better and take evidence-supported decisions for growth and expansion. The HIS application was further enhanced with integration of upgraded centralised PACS and Blood Bank solution.

Our relentless efforts at raising the bar in terms of clinical excellence and patient care continue to receive all-round accolades. Fortis hospitals – Fortis Memorial Research Institute, Gurugram, Fortis Hospital, Mulund and Fortis Flt Lt Rajan Dhall Hospital, Vasant Kunj, featured in Newsweek's World's Best Hospitals 2022 - India list. Fortis hospitals won eight National and Regional level awards for clinical excellence at the Economic Times Healthcare Awards 2021. Fortis Escorts, New Delhi, received the Association of Healthcare Providers of India (AHPI) Award 2021 for Excellence in Healthcare.

In the suo moto contempt petition pending before the Hon'ble Supreme Court, hearings had concluded in May, 2021 and the judgement is awaited. SEBI, vide its orders dated 19.4.2022 and 18.5.2022, in the matter related to the diversion of funds by the ex-promoters, imposed penalties on them and several others including Fortis Healthcare Limited, Fortis Hospitals and Escorts Heart Institute. SEBI has concluded that funds to the tune of ₹397.12 crore were diverted from Fortis for the ultimate benefit of the Singh brothers. Fortis and its subsidiaries have impugned the orders of SEBI/imposition of penalty submitting inter alia that they themselves are victims of wrongdoings of the ex-promoters and should not be penalised for their acts.

To conclude, we will continue to focus on delivering responsible, safe and patient-centric healthcare services. We will maintain a collaborative approach with all our partners in the value chain and stay true to our commitment to the community. As the Chairman of the Board, I will continue to focus on further strengthening the Company's corporate governance framework and mentoring the leadership team. I would like to express my gratitude to all our senior clinicians, nurses, critical care staff, our frontline health and sanitation staff, as well as administrative teams for valiantly fighting through the challenges posed by COVID. I thank IHH for their continued support as we align our ways of working to set industry benchmarks. In particular, we have been collaborating to synergise capex procurement, Electronic Medical Records (EMR) implementation, data security and data protection initiatives and setting up of a Digital Healthcare Platform for the entire Group. We are also working together to ensure long-term sustainability while conducting our business with the highest standards of ethics and transparency. I also thank my colleagues on the Board for their commitment to deliver the potential of Fortis and SRL and for their ceaseless efforts in helping build Fortis as a trusted care provider.

The Company's healthy balance sheet and cash flows allow it to partake in growth and consolidation prospects in the industry and to that effect we would evaluate and pursue inorganic opportunities in our select focus clusters of Delhi-NCR, Maharashtra, Bengaluru and Kolkata. All these should augur well for future business growth and profitability.

Heartfelt appreciation goes to all our business partners, vendors and other associates who have firmly stood by us amidst adversity. I also thank the Government for the assistance, cooperation and encouragement they have extended to the Company, especially during the oxygen crisis last year. We deeply value the faith, guidance and support of all our immensely valued shareholders and would continue to do so as we attempt to emerge stronger from the challenges and look ahead to brighter times.

Thank you!

Ravi Rajagopal
Chairman

MANAGEMENT COMMUNIQUE

MD and CEO's Message

"The external headwinds notwithstanding, we continued to focus on expanding our capacity and capability across the network."

Dear Shareholders,

I am pleased to present the performance of your Company for the Financial Year 2021-22.

About a year ago, in April-May, 2021, we were battling a humungous COVID wave, never seen before. The Delta strain of COVID-19 created one of the worst healthcare crises ever witnessed and with the rapid rise in cases, it overwhelmed the country's healthcare infrastructure. Unavailability of beds, medicines and a massive short supply of oxygen added to the crisis and hardly anyone in the country was left unaffected in one way or the other.

While the heart-breaking stories made headlines every day, our clinicians and frontline staff displayed exemplary courage and commitment towards patients, in spite of significant personal risks.

Unfortunately, the pandemic took a toll on Fortis too and I extend my heartfelt condolences to all our colleagues and their families who have lost their loved ones or have been adversely affected. I also take this opportunity to express my heartfelt gratitude towards all our frontline doctors, nurses, paramedics and other team members who have been relentlessly battling the pandemic. I am both humbled and inspired by their steely determination.

It gives me great pride to share that we were able to treat over 53,000 COVID-19 in-patients and provide 16.21 lakh OPD consultations. SRL, our diagnostics business, did about 5.6 Million RT-PCR tests through its network of 22 RT-PCR labs across the country.

On this backdrop, let me now share our journey on the operations front through the year. I am glad to share that your Company's financial performance improved significantly during the financial year, in spite of the operational challenges caused by COVID-19 in the first and fourth quarters. The first quarter was particularly impacted by the second wave.

Our hospitals witnessed a rapid rise in COVID admissions between April to mid-May, 2021, with a decline in non-COVID occupancy. However, non-COVID occupancy witnessed a relatively faster rebound as compared to the first wave. The two successive quarters witnessed steady improvement in occupancy contributed primarily by an increase in elective surgical procedures as a result of both normal business resumption and pent up demand. The first two months of the fourth quarter, however, had to bear the brunt of the Omicron surge, which impacted the overall occupancy of the hospital business. The Omicron wave was however short-lived and less severe and towards the latter half of the fourth quarter we began to see a healthy rebound in operations. The diagnostic business witnessed a strong and exceptional first quarter, primarily due to the significant contribution from COVID revenues, offsetting the decline in non-COVID revenues. The acquisition of balance 50% stake in the DDRC SRL, JV, Kerala during April 2021, also strengthened the business.

For the Financial Year 2021-22, your Company reported a consolidated revenue from operations of ₹5,718 crores compared to ₹4,030 crores reported for FY 2020-21. This reflected a strong growth of 42%. Revenue from the hospital business grew 36% to reach ₹4,264 crores while gross revenues from our diagnostic business housed in SRL grew 55% to reach ₹1605 crores over the corresponding year.

The consolidated EBITDA of your Company stood at ₹1,096 crores compared to ₹451 crores for the corresponding year. This reflected a significant expansion in EBITDA margins which stood at 19.2% in FY 2021-22 versus 11.2% reported in FY 2020-21. The hospital business EBITDA for FY 2021-22 was ₹672 crores compared to ₹263 crores reported for FY 2020-21. EBITDA margin of the hospital business stood at 15.8% in FY 2021-22 compared to 8.4% in FY 2020-21.The diagnostic business of the Company reported EBITDA of ₹425 crores compared to ₹200 crores in the corresponding year. EBITDA margin of the diagnostic business stood at 26.5% (basis gross revenue) for FY 2021-22 compared to 19.3% in FY 2020-21.

Profit After Tax for FY 2021- 22 stood at ₹790 crore compared to a loss of ₹56 crores in the previous financial year. PAT of ₹790 crore includes an exceptional gain of ₹315 crores.

With respect to the balance sheet, your Company maintained a comfortable liquidity position with net debt of ₹549 crores as on March 31, 2022, as opposed to ₹849 crores in the previous year (net

MANAGEMENT COMMUNIQUE

MD and CEO's Message

debt to equity of 0.08x compared to 0.13x, respectively).

The financials apart, I would like share some encouraging business trends. Our occupancy in FY 2021-22 was at 63% versus 55% in FY 2020-21 and ARPOB has increased 14% to reach ₹1.80 crores. We have grown our revenues from key focus specialties such as Oncology, Cardiac Sciences, Neuro Sciences, Renal Sciences, Gastroenterology and Orthopaedics, which contributed 55% to the overall hospital revenues versus 53% in FY 2020-21. Additionally, almost all our hospitals have done well in the fiscal and we are witnessing a turnaround in some of our underperforming facilities. These qualitative outcomes reflect the efforts put in by all our clinicians and staff members and clearly indicate that the Company has moved on from the challenges of the past.

The external headwinds notwithstanding, we continued to focus on expanding our capacity and capability across the network. In September 2021, Union Minister Shri Krishan Pal Gurjar laid the foundation of Fortis Escorts, Faridabad's new building, which will house 60 additional beds. In March 2022, Fortis Shalimar Bagh, New Delhi, launched a dedicated, state-of-the-art Mother and Child Care Wing. On the occasion of World Heart Day, Fortis Memorial, Gurugram, launched a cutting-edge Cath Lab with South Asia's first '3D mapping Carto 7 machine.' Advanced Cath Labs have been installed at various Fortis hospitals including those at Cunningham Road (Bengaluru), Amritsar and Shalimar Bagh, New Delhi.

To prevent a recurrence of Oxygen crisis, we have installed Vacuum Swing Adsorption Oxygen Generating Plants at most of our large hospitals, including Fortis Memorial, Gurugram, Fortis Escorts Hospital, Faridabad and Fortis Hospital, Shalimar Bagh, to name a few.

Oncosciences, Haematology and Bone Marrow Transplants remain our focus areas and we have onboarded several senior clinicians of global repute across the network. We have started work on getting India's first MR Linac at our flagship facility in Gurugram. This advanced technology is of great use in treating tumours with utmost precision and significantly improves quality of life. In order to expand the reach and bring quality treatment closer to people, a daycare Fortis Cancer Institute, at Defence Colony, New Delhi, has been set up.

Another area of focus has been efficiency improvement across the organisation by adopting technology. We continue to build our Business Intelligence platform to enhance management insights. We continue to invest in scaling our IT infrastructure whilst hastening digital automation. "*myFortis*", a unified platform to enable and track patient lifecycle management, has been integrated with multiple departments, doctors, patients and our partner ecosystem. The app has greatly facilitated OPD bookings, e-consultation, payments and patient management. We are in the process of migrating from Oracle ERP to SaaS (Oracle Fusion) model and enhancing the HIS application.

Almost all our hospitals have done well in the fiscal and we are witnessing a turnaround in some of our underperforming facilities. These qualitative outcomes reflect the efforts put in by all our clinicians and staff members and clearly indicate that the Company has moved on from the challenges of the past.

Our continued efforts to improve the quality of our services and care delivery for patients have not gone unnoticed. Apart from the numerous accolades we receive from our patients and their attendants each day, we have also won quite a few prestigious awards and recognitions through the year. Fortis Hospitals – Fortis Flt Lt Rajan Dhall Hospital, Vasant Kunj, Fortis Memorial Research Institute, Gurugram and Fortis Hospital, Mulund featured on Newsweek's World's Best Hospitals 2022 - India list. Fortis Mohali won both, the National Award for Excellence in Energy Management and the State Energy Conservation Award. Fortis hospitals won eight National and Regional level awards at the Economic Times Healthcare Awards 2021. Fortis Escorts, New Delhi, received the AHPI Award 2021 for Excellence in Healthcare.

As I gaze into the future, it is very obvious to me that the need for quality healthcare will only grow exponentially in the years to come. Great strides in medical sciences and greater awareness and expectations amongst patients are fuelling increased demand for advanced treatment in a warm and friendly hospital setting. Your Company is striving to meet these demands by sharpening its focus on building clinical expertise, continuously improving infrastructure, strengthening the core specialities and building a great team to serve patients with greater zeal and enthusiasm.

I conclude by thanking all our stakeholders, investors and partners for believing in us. I am confident that our strong patient-centric healthcare delivery system, best-in-class infrastructure and a highly committed clinical team will propel our next level of growth.

Thank you!

Dr. Ashutosh Raghuvanshi
Managing Director and
Chief Executive Officer

MANAGEMENT COMMUNIQUE

SRL CEO's Message

"SRL has been a trendsetter and has pioneered innovation in the industry. Amongst the long list of our many firsts, I am proud and humbled to share that SRL's lab software 'CLIMS' is now ABDM Integrated (Ayushman Bharat Digital Mission) under the National Health Authority."

Dear Shareholders,

Firstly, I would like to thank you for your confidence and trust in SRL Diagnostics. I am pleased to report that we have ended the year in a strong position. This is a testament to the commitment and perseverance exhibited by our teams across the country. It has been reassuring to note that SRL's ability to consistently deliver high standard diagnostics reports has once again been on display during the pandemic. SRL Diagnostics has conducted a large number of COVID-19 tests supported by our large network of 22 COVID-19 RTPCR testing labs. Our 7,000-member strong SRL family takes immense satisfaction in having delivered the absolute best to the citizens amidst the most challenging circumstances.

SRL's high-flying moment in 2021 came when we were selected as the official Lab Diagnostics partner by the Indian Olympic Association for Paris 2020 and Tokyo 2024 Olympics. Leaning on our rich experience of delivering large and complex public-private projects, we seamlessly executed the testing requirements of the official Olympics and Paralympics squad and crew. As one of the largest diagnostics services provider, we have been aggressively expanding our network in focus geographies. We have added over 800 customer touch points and embedded 1700+ direct clients in 570+ towns.

There is a renewed health and fitness consciousness and this reflects in how well our wellness portfolio has picked up. The growth in our preventive healthcare/wellness segment has been driven by well-curated wellness packages coupled with our offering of SMART+ HEALTH reports that are easy to understand. Our home collection service capabilities is now available in 150+ cities across India. We are an organisation driven by science. Our goal always has been to launch diagnostic solutions that not only meets the challenges of today but also anticipates future needs. We have added close to 100 tests to our test menu this year with a special focus on genomics in cancer, reproductive disorders, rare diseases and inherited disorders.

For the past 25 years and as the first corporate lab chain in the country, SRL has been a trend setter and has pioneered innovation in the industry. Amongst the long list of our many firsts, I am proud and humbled to share that SRL's lab software 'CLIMS' is now ABDM Integrated (Ayushman Bharat Digital Mission) under the National Health Authority. It is our privilege to be a part of the national digital health ecosystem in India.

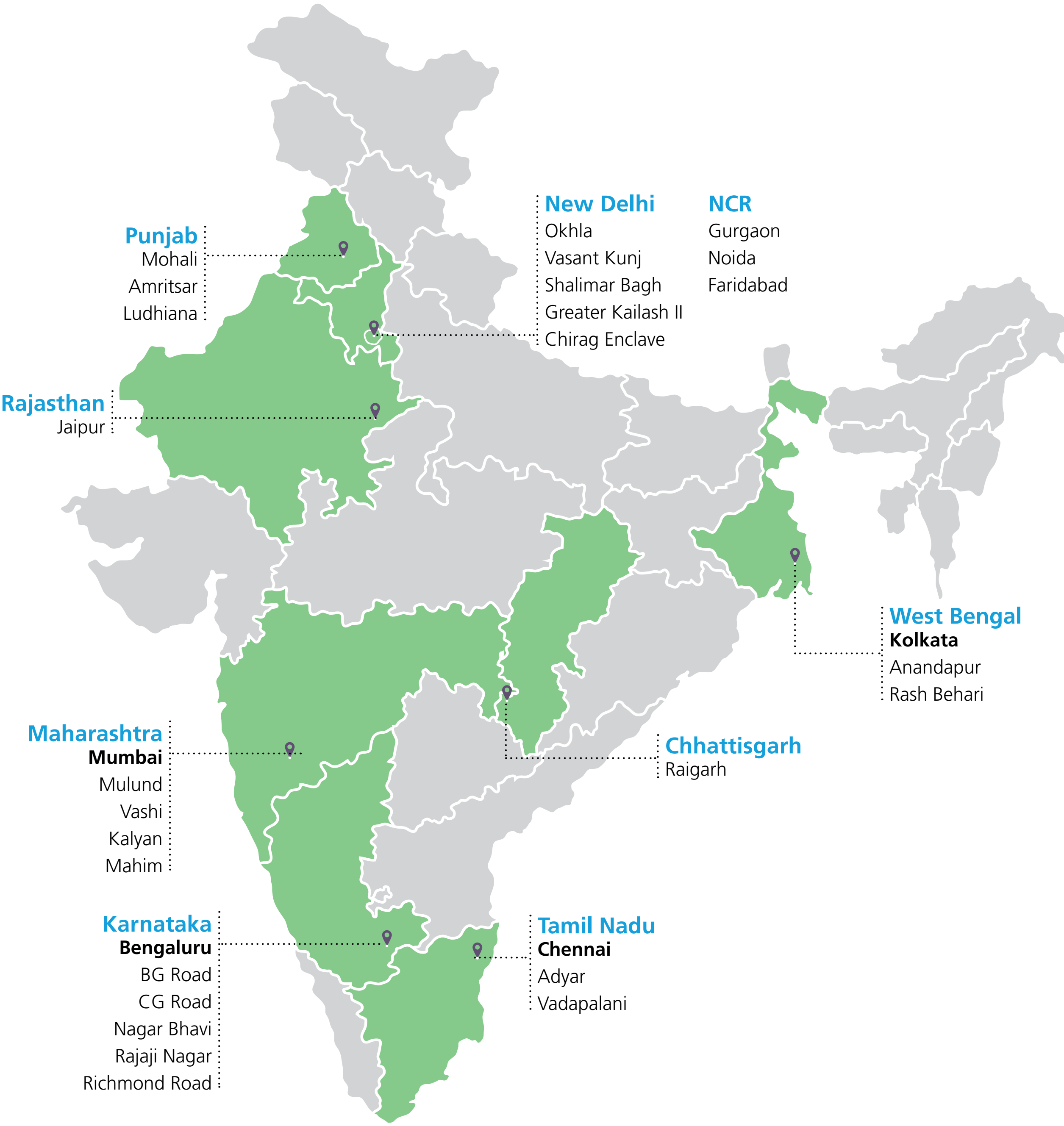
Financially, the Company has done well in terms of overall revenue, profits and maintaining healthy margins. In FY 2021-22, our overall revenues increased by 55% and tests increased by 88% compared to FY 2020-21. The business served a total of over 21 million patients during the year, compared to 11 million during FY 2020-21. We completed 44 million tests during the year compared to 23 million tests performed in FY 2020-21. We feel that a growing preference for evidence-based treatment and personalised medicine will expand the role of diagnostics in clinical decision making. As a healthcare organisation, we have always stayed a step ahead and walked the extra mile for all our stakeholders. SRL's resilience, ability to adapt, and a progressive vision will chart the way for the Company's outstanding performance in the next few months.

I would, once again, like to thank you for having confidence in SRL and I assure you that we will do everything to keep your trust intact. We are committed to improve customer experience through data-driven actionable insights, enabling a convenient one-stop-shop for all our customers' diagnostic needs. We are well positioned to continue our momentum in delivering profitable and sustainable growth in the coming years.

Regards,

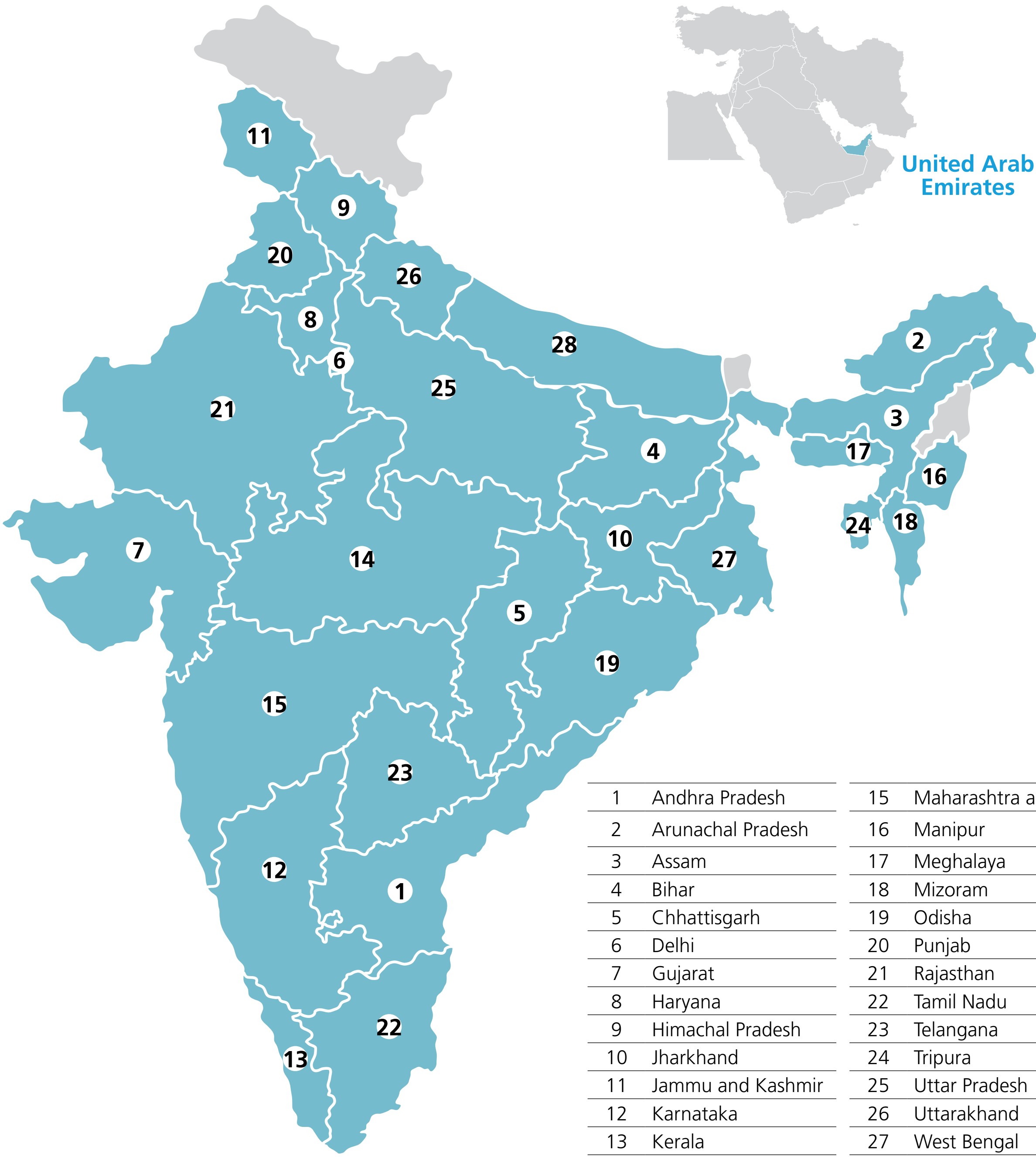
Anand K.
Chief Executive Officer

Fortis Hospital Network



This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof.

SRL Diagnostics Network



1	Andhra Pradesh	15	Maharashtra and Goa
2	Arunachal Pradesh	16	Manipur
3	Assam	17	Meghalaya
4	Bihar	18	Mizoram
5	Chhattisgarh	19	Odisha
6	Delhi	20	Punjab
7	Gujarat	21	Rajasthan
8	Haryana	22	Tamil Nadu
9	Himachal Pradesh	23	Telangana
10	Jharkhand	24	Tripura
11	Jammu and Kashmir	25	Uttar Pradesh
12	Karnataka	26	Uttarakhand
13	Kerala	27	West Bengal
14	Madhya Pradesh	28	Nepal

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FORTIS HEALTHCARE LIMITED

Inspiring Trust Across the Nation

Hospitals*
26

Doctors
5,425+

Nurses
6,395+

Operational Beds*
4,300+

** On a network basis, including O & M beds.*

SRL LIMITED

Labs
426+

Customer Touchpoints
3,050+

Doctors
450+

Lab Technologist
4,300+

COVID-19 AND OUR RESPONSE

Fortis Healthcare Limited

- **Oxygen plants installed at our units to make them self-sufficient and ready for the future:**

- Fortis Memorial Research Institute, Gurugram
- Fortis Hospital, Shalimar Bagh, New Delhi
- Fortis Hospital Anandapur, Kolkata
- Fortis Escorts Hospital Jaipur,
- Fortis Hospital, Noida
- Fortis Escorts Heart Institute, Okhla Road, New Delhi
- Fortis Escorts Hospital, Faridabad
- Fortis Flt. Lt. Rajan Dhall Hospital, Vasant Kunj, New Delhi

- **Fortis COVID Expert Group:**

The novel coronavirus was an unprecedented global crisis. Experts across countries had limited knowledge on SARS-CoV-2 virus. Over time, information scarcity was replaced with glut of information coming from all corners of the world. The COVID Expert Group was conceptualised to utilise the clinical expertise of Fortis clinicians. A set of experts would evaluate global best practices and institutional protocols to formulate Fortis guidelines. The group has been closely monitoring the progress of pandemic within the country. Subsequent to periodical deliberation and dissemination, all Fortis hospitals have been following standard, carefully drafted, globally accepted treatment modalities and patient workflows. Thereby, enabling highest standards of patient.

- **Pandemic Management Care:**

Specific Medical SOPs/guidelines/ protocols have been released for implementation at units which identify and emphasise on COVID-19 specifications and modalities. Few notable amongst them have been:

- Fortis vaccination plan drive
- Rational use of oxygen in the pandemic
- Rational use of steroids in COVID-19
- Rational use of Remdesivir
- Diagnosis and management of hyperglycemia in COVID-19
- Fortis Guidelines for Paediatric COVID cases
- Guidelines for management of post-COVID sequelae
- Healthcare workers' return to work
- COVID testing protocol
- Chemoprophylaxis for healthcare workers
- Guidelines for management of STEMI / NSTEMI and for performing invasive cardiac procedures
- Guidelines for surgical procedures
- Guidelines for liver transplantation
- Guidelines for Hemodialysis; Oncology; Obstetrician-Gynecologist; Radiological investigations
- Post COVID rehabilitation

90,948

Total footfall at Fortis Flu Clinics*

19,187

Total COVID patients admitted*

*The data is for the duration between 1st April 2021 to 31st March 2022

DEDICATED TO SERVE RESPONSIBLY

The Neurosurgery team at Fortis Hospital, Jaipur, successfully conducted 26 life-saving emergency surgeries in COVID positive patients during the year. These patients had either suffered a trauma or had tumours that required immediate surgery, and waiting for the pandemic to subside would have been dangerous. **(April 2021-March 2022)**

Doctors, nurses and staff members at Fortis Hospital, Anandapur, Kolkata, displayed great teamwork and treated the severe COVID pneumonia of 12-year-old child who is also a known case of autism. **(October 2021)**

The Neurosurgery team at Fortis Hospital, Noida, conducted a life-saving emergency surgery on a 4-year-old COVID positive patient to remove a large brain tumour. **(January 2022)**

A 51-year-old COVID positive patient who had multiple comorbidities such as diabetes and hypertension, underwent an emergency surgery at Fortis Rajajinagar, Bengaluru, to repair an abscess in her stomach (Diverticular perforation) and a large pelvic abscess caused due to COVID associated vasculitis. **(January 2022)**

A pregnant 47-year-old COVID positive woman, who also suffered from multiple complications, underwent a complex emergency Lower Segment Caesarean Section (LSCS) surgery at Fortis Hospital, Nagarbhavi, Bengaluru, which saved her twins. **(January 2022)**

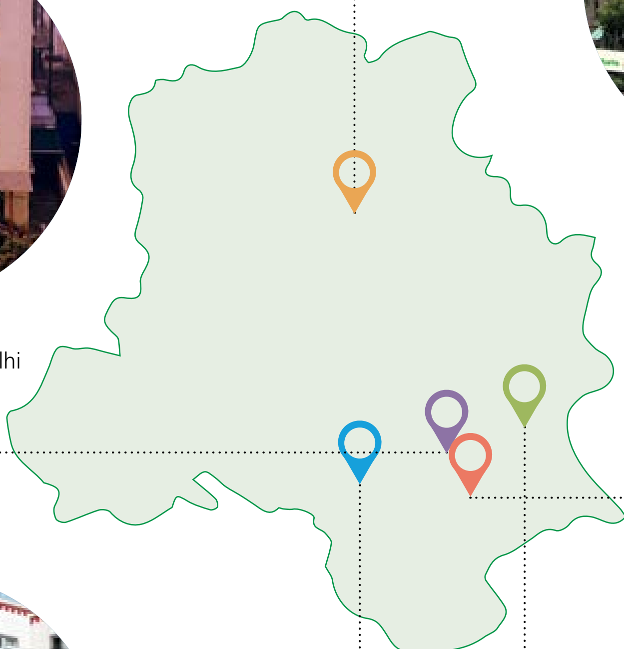
Know Our Hospitals

NEW DELHI

Fortis Hospital,
Shalimar Bagh, New Delhi

Fortis La Femme,
Greater Kailash II, New Delhi

Fortis C-DOC,
Chirag Enclave, New Delhi



Fortis Flt. Lt. Rajan Dhall Hospital,
Vasant Kunj, New Delhi

Fortis Escorts Heart Institute,
Okhla, New Delhi

Fortis Hospital, Shalimar Bagh is a multi-super speciality quaternary care hospital that provides world-class patient care. The 296-bed hospital delivers the highest quality of medical care through its team of doctors, nurses, technicians and management professionals.

Fortis Hospital, Shalimar Bagh, has Centres of Excellence in Oncology, including Surgical, Medical and Radiation Oncology; Cardiology and Cardiac Surgery, Gastroenterology and GI Surgery, Minimal Access and Bariatric Surgery, Nephrology, Urology and Kidney Transplant, Neurology, Neurosurgery, Interventional Neurology, Interventional Radiology, Orthopaedics as well as Joint Replacement & Sports Medicine. The hospital has a dedicated Mother & Child set-up, which includes IVF, Neonatology, Neonatal Intensive Care Unit and Paediatric Intensive Care Unit. The hospital also has robust Critical Care capabilities.

Fortis La Femme GK II is a multi-speciality hospital for women, inspired by the core belief that a woman is a very special person who deserves personalised clinical care. This 36-bed boutique facility provides patient-centric services in a distinctly elegant ambience, offering a host of value-added conveniences. Clinical offerings at this hospital includes Obstetrics (Painless Labour), Gynaecology (Minimal Access Laparoscopic Surgery), Fertility Clinic and IVF, Neonatology (Level III NICU), General Surgery (Minimal Access Laparoscopic), Cosmetology and Cosmetic Surgery, Onco Surgery (Breast and Gynae), Endocrinology, Internal Medicine, Foetal Medicine, ENT and Clinical Nutrition for women.

Fortis Escorts Heart Institute, New Delhi, an iconic 330-bed hospital, is recognised across the world for its path-breaking work and services, especially in the field of Cardiac Sciences. Fortis Escorts, Okhla, New Delhi, armed with clinical expertise and cutting-edge technology, has saved numerous lives by delivering world-class treatment and high-end patient care. With Padma Shri and Padma Bhushan awardees among its team of renowned doctors, the hospital earned respect as an eminent healthcare institution. Fortis Escorts, New Delhi has four centres of excellence:

- Fortis Escorts Heart Institute
- Fortis Escorts Liver & Digestive Diseases Institute
- Fortis Escorts Kidney & Urology Institute
- Fortis Escorts Bone & Joint Institute

The hospital offers advanced cardiac care, including complex angioplasties, Shockwave Coronary Lithotripsy, Laser Angioplasty and Impella-supported angioplasty, TAVR, cardiac pacing and electrophysiology, adult cardiac surgery, LVAD, heart transplant, minimally invasive cardiac surgery, paediatric cardiology and cardiac surgery. The Liver & Digestive Diseases Institute offers comprehensive treatment for gastrointestinal, pancreatic and liver disorders, and conducts complex liver transplants. The Kidney & Urology Institute treats chronic kidney diseases, conducts kidney transplants and provides dialysis and urological care, both, for adults and children. The Bone & Joint Institute offers complex joint replacement, spine surgery, sports injury care and arthroscopic procedures. The hospital receives a large number of international patients every year.

Fortis Flt. Lt. Rajan Dhall Hospital, **Vasant Kunj, New Delhi,** is a 162-bed multi-speciality tertiary care hospital that has played a pivotal role in transforming medical healthcare infrastructure in the NCR Region. The hospital has a total of seven Centers of Excellence, including Cardiac Sciences, Orthopaedics & Joint Replacement, Renal Sciences, Oncology, Rheumatology, Pulmonology & Critical Care and Bariatric Sciences.

Fortis C-DOC Hospital is a 23-bed facility that has emerged as a leading centre in North India for the comprehensive management of diabetes, metabolic diseases and endocrine disorders. The hospital is equipped with two operating suites and an advanced centre for the treatment of diabetic foot and wound care. The facility offers scientific weight loss and weight management programmes, bariatric and minimal access surgery. The hospital also has advanced clinical facilities such as diabetic eye lab and dialysis centre. The clinicians are supported by a 24/7 diagnostic lab, radiology and pharmacy services. A dedicated team of renowned medical experts follow globally accepted protocols and are supported by state-of-the-art technology as well as a well-trained support team. The hospital has also expanded its offerings to include spine and pain management, spine endoscopies, minimally invasive spine interventions for sciatica and spinal canal stenosis, minimally invasive knee, shoulder and joint interventions for osteoarthritis, degenerative joint diseases, and sports injuries and Orthobiologics.

Know Our Hospitals

NATIONAL CAPITAL REGION (NCR)

Fortis Memorial Research Institute, Gurugram

Fortis Hospital, Noida

Fortis Escorts Hospital, Faridabad

Fortis Memorial Research Institute (FMRI), is a 299-bed multi-super speciality, quaternary care hospital with team of reputed clinicians, including super-specialists and speciality nurses, supported by cutting-edge technology. Fortis Memorial has advanced Centres of Excellence in Robotic Surgery, Oncology (Medical, Surgical, Gynae and Radiation), Cardiology and Cardiac Surgery, Transplants (Kidney and Liver), Haematology, Haemato Oncology and Bone Marrow Transplant, Gastroenterology and GI Surgery, Neurology, Neuro and Spine Surgery, Urology and Robotic Surgery, Orthopaedics, Joint Replacement & Sports Medicine, Minimal Access & Bariatric Surgery and Paediatrics.

This 'Next Generation Hospital' is built on the foundation of 'Trust' and rests on the four strong pillars of Talent, Technology, Infrastructure and Service.

Fortis Hospital, Noida, is one of the most trusted hospitals in Uttar Pradesh. It is a state-of-the-art facility with over 236 beds and 11 operation theatres. The hospital is well known for having one of the most advanced Neurosciences and Orthopaedics departments as well as Kidney and Liver Transplant Programmes in Noida with over 1,500 successful transplants to its credit. The hospital is also regarded as a Centre of Excellence in Cardiac Sciences, Oncology, Orthopaedics and Emergency Trauma Care Services. Fortis Hospital, Noida, is the second mega hub hospital in the Fortis Healthcare Group, that enjoys the trust of over 1.2 million patients.

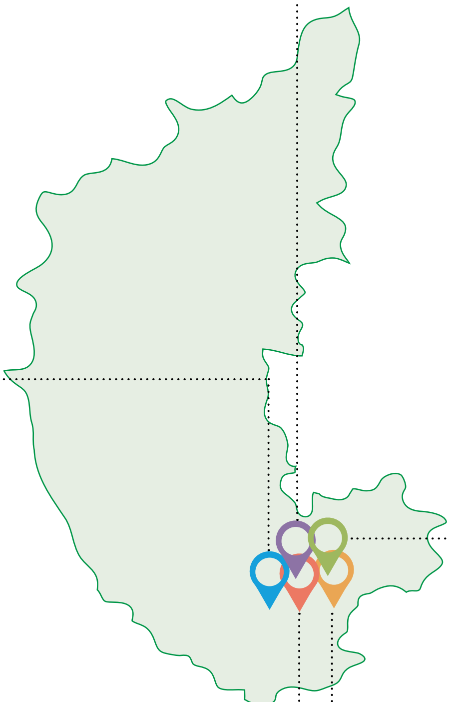
Fortis Escorts Hospital, Faridabad is a 210-bed multi-speciality hospital providing primary and tertiary medical care in all major specialities. The hospital has established itself as a leading healthcare services provider in the region and has been delivering exceptional clinical care for over 40 years. It was the first hospital in the city to be accredited with the coveted National Accreditation Board for Hospitals & Healthcare Providers (NABH) certification. From preventive health, emergency and trauma services to super-specialties and sophisticated state-of-the-art health technology, the hospital offers it all. Its team of experts comprises of experienced surgeons and physicians, nurses, nursing assistants, paramedics and technicians, who deliver comprehensive patient care. The hospital offers 24/7 on-call support for various specialities, including Cardiology, Neurosurgery, General Surgery, Orthopaedics, Urology, Critical Care, Pulmonology, Paediatrics, General Medicine, Gastroenterology, Obstetrics and Gynaecology.

Know Our Hospitals

KARNATAKA

Fortis Hospital, B.G. Road, Bengaluru

Fortis Hospital Richmond Road, Bengaluru



Fortis Hospital, C.G. Road, Bengaluru

Fortis Hospital, Rajajinagar, Bengaluru

Fortis Hospital, Nagarbhavi, Bengaluru

Fortis Hospital, Bannerghatta Road, is a 264-bed hospital, well equipped with state-of-the-art infrastructure, some of the city's best doctors and well trained paramedical and support staff. The hospital follows robust processes and evidence-based approach to ensure world-class care for all its patients. Backed by over 150 senior doctors and 800 para-medical staff, the facility offers super-speciality tertiary care services for about 40 specialities including Cardiac Sciences, Neurology & Neurosurgery, Gastroenterology & Gastrointestinal Surgery, Oncology, Urology, Orthopaedics, Gynaecology, Organ Transplant, Preventive Care, Robotic Surgery, Emergency Care, Medical, Hemato Oncology & BMT, Radiation Oncology, Surgical Oncology, 24/7 Emergency and Critical Care to name a few.

The hospital has been accredited four times by NABH and five times by JCI. It is also the only Indian Hospital to feature among the world's top five destinations for medical tourism by MTQUA (Medical Travel Quality Alliance).

Fortis Hospital, Cunningham Road is a 119-bed facility, famed as one of the pioneers in the field of Cardiac Sciences in the city. It offers some of the most modern and latest technologies in diagnostics along with a multitude of advanced life-saving procedures and treatments. The facility is well equipped to provide quality care and treatment in the specialities of Neurology & Neurosurgery, Urology, Orthopaedics, Minimal Access & General Surgery, Gastroenterology, Pulmonology and 24/7 Emergency and Critical Care.

Being accredited by NABH & NABL, the hospital adheres to the best practices in quality and patient care.

Fortis Hospital, Nagarbhavi, has been serving Nagarbhavi and the adjoining areas for over a decade and a half. The hospital is well recognised as a comprehensive healthcare and critical care destination. The hospital has earned the trust of its patients as it offers an exceptional combination of top medical talent, uncompromised nursing care and advanced technology. The 53-bed facility offers a comprehensive range of medical and surgical services in specialties such as Internal Medicine, General Surgery, Orthopaedics, Neurosurgery, Urology, Gynaecology, Paediatrics, ENT, Nephrology, Plastic Surgery and Oncology. These services are supported by strong clinical team in Adult ICU, NICU and Critical Care departments, which operates 24/7. The unit also has a four-bed dialysis unit.

The hospital is accredited by NABH and NABL, and adheres to the best practices in quality and patient care.

Fortis Hospital, Rajajinagar, Bengaluru began operations in 2007 as a specialised Intensive Care Unit (ICU). Today, it is a 48-bed multi-speciality hospital that has become the go-to destination for healthcare services for the residents of the adjoining areas. The state-of-the-art facility is an ideal combination of highly skilled doctors, well trained staff, the finest infrastructure and modern technology, which has enabled it to offer world-class care to its patients.

Known for its strict adherence to healthcare standards and safe operating procedures, the facility

Fortis Hospital Richmond Road, located at the heart of Bengaluru, is a multi-speciality 80-bed facility located in the heart of the city. Over the years, the hospital has carved a niche for itself as the best healthcare services provider for women's health. It has now expanded its offerings and clinical services to include medical specialities such as Internal Medicine, General Surgery, Obstetrics and Infertility, Paediatrics ICU and Neonatal ICU, Orthopaedics, Urology, Oncology and Cardiology among others. Besides Emergency Services that run round-the-clock, the hospital also has an Outpatient Facility.

Know Our Hospitals

MAHARASHTRA

Fortis Hospital, Kalyan, Mumbai

Fortis Hospital, Mulund, Mumbai

Hiranandani Hospital,
Vashi, Mumbai

SL Raheja Hospital, (A Fortis Associate)
Mahim, Mumbai

Fortis Hospital, Kalyan is one of the best multi-speciality tertiary care hospitals in Kalyan. The hospital has a state-of-the-art facility, with 50 beds. The hospital has a team of highly experienced and qualified medical professionals assisted with the latest medical technology to provide the best healthcare and medical facilities for patients in the vicinity. Fortis Hospital, Kalyan, is the first hospital in Thane district to be awarded accreditation by the National Accreditation Board for Hospitals & Healthcare Providers (NABH) in 2013 and is the only hospital in Kalyan region to receive NABH accreditation for four times.

Fortis Hospital, Mulund is a six-time JCI accredited, 291-bed multi-specialty tertiary care hospital with some of the best doctors in the city. The facility is Maharashtra's largest centre for multi-organ transplant. It is also the first hospital in Western India to have conducted over 100 heart transplants in under four years. Amongst its multiple firsts, Fortis Hospital, Mulund, also boasts of having central Mumbai's first advanced surgical robot and first-of-its-kind Bone Marrow Transplant Unit in Central Mumbai. Specialists at the hospital provide comprehensive care for Cardiology and Cardiac Surgery, Urology, Nephrology, Neurosciences, Orthopaedics, Oncology, Oncosurgery, Digestive Care, Critical Care, Maternity Care among others super specialties. The hospital also has an advanced cath lab.

S. L. Raheja Hospital (A Fortis Associate) is a super multi-speciality hospital in Mumbai, located in Mahim.

Since its inception in 1981, it is now one of the top multi-speciality health care centres in the city and renowned for its world-class treatment and facilities in various medical fields including Diabetes, Diabetic Foot Surgery, Oncology, Orthopaedics & Spine Surgery, Cardiology, Neurology, Gastroenterology and Minimal Access Surgery, Nephrology and Urology through its centres of excellence.

S. L. Raheja is 170-bed tertiary care hospital providing international standard healthcare services in Mumbai. The hospital has a renowned team of doctors. It has one of the most comprehensive ICU and Emergency care services adhering to international standards and providing round-the-clock services, which ensures prompt emergency response and efficient critical care for patients. It is one of the few hospitals in the city to have specialised Hyper Bariatric Oxygen Therapy (HBOT) for the treatment of diabetic patients.

Hiranandani Hospital, Vashi is a 138-bed advanced tertiary care, multi-speciality hospital with a team of eminent medical experts, nurses, technicians and management professionals. The hospital is equipped with a super ICU to provide emergency medical care to critically ill patients. The critical care facility is supported by state-of-the-art diagnostic facilities that enable accurate and efficient monitoring. Hiranandani Hospital is the first hospital in Navi Mumbai to be accredited by the National Accreditation Board of Hospitals (NABH).

Know Our Hospitals

PUNJAB

Fortis Escorts Hospital, Amritsar

Fortis Hospital, Ludhiana

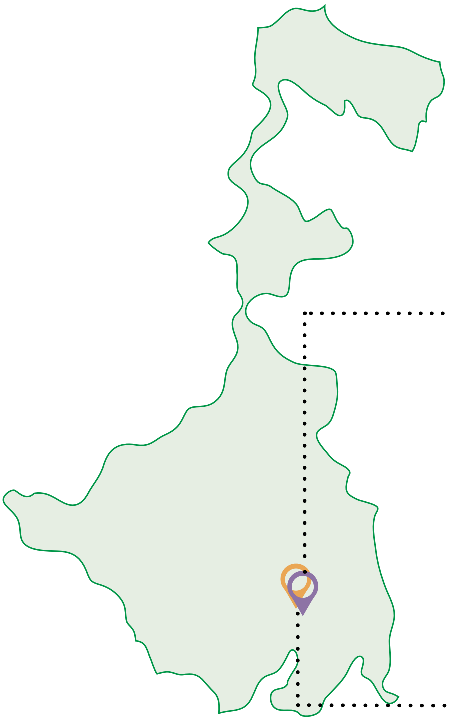
Fortis Hospital, Mohali

Fortis Hospital, Mohali is a state-of-the-art tertiary care facility with 349 beds and 42 specialties. Located close to the Chandigarh International Airport, it is regarded as the region's leading multi-speciality tertiary care hospital. It has been ranked as the No.1 private multi-speciality hospital in the region and has one of the most advanced Cardiac Care Centres that has been operational for more than two decades. Fortis Hospital, Mohali, has been accredited by the Joint Commission International (JCI) since 2007 and is also the proud recipient of accreditation from the National Accreditation Board of Hospitals (NABH), India. These accreditations are testimony to the highest and strictest patient safety standards followed by the hospital.

Fortis Escorts Hospital, Amritsar is one of the most well-recognised multi-super speciality hospitals catering to the healthcare needs of people residing in Amritsar and its surrounding areas including Himachal Pradesh and Jammu & Kashmir. The hospital commenced operation as a Cardiac Hospital in 2003. Currently, this 173-bed facility houses over 30 medical specialties, including Cardiac Sciences, Orthopaedic & Joint Replacement, Neurosurgery, Urology, Gastro Sciences, Oncology and Critical Care, to name a few. With a special focus on the management of critically ill patients, the hospital boasts of having 1/3rd of its beds dedicated to critical care and is well-equipped with the latest technology and infrastructure for Neurology, Nephrology and dialysis.

Fortis Hospital Ludhiana is one of the most prominent tertiary care hospitals in the region catering to the healthcare needs of people residing in the city and its adjoining districts. This 155-bed multi-speciality hospital has a team of highly reputed doctors and is well equipped with state-of-the-art technology and world-class infrastructure. Touching the lives of over a lakh people every year, the hospital is known for its expertise In Cardiology, Cardiac Surgery, Orthopaedics & Robotic Joint Replacement, Oncology, Urology, Neurology, Neurosurgery, Gynaecology, Paediatrics & Neonatology, Gastro sciences, General and Oncosurgery, Nephrology & Kidney Transplant, Critical Care and Pulmonology.

WEST BENGAL



Fortis Hospital, Anandapur, Kolkata

Fortis Hospital and Kidney Institute, Rash Behari, Kolkata

Fortis Hospital, Anandapur Kolkata, is a 238-bed, world-class tertiary care facility. The hospital has a glorious legacy of over two decades. Fortis Hospital, Anandapur, has a team of renowned clinicians and well-trained nurses, and offers superlative care in all the major specialities including Cardiology, Cardiac Surgery, Orthopaedics, Medical & Surgical Oncology, Haematology, Nephrology & Urology, Neurology & Neurosurgery, Gynaecology, Paediatrics and Pulmonology, to name a few. The hospital receives patients from places as far as the suburban districts of West Bengal to the neighbouring countries such as Nepal, Bhutan, Bangladesh and Myanmar.

Fortis Hospital and Kidney Institute is a 60 bedded, one-of-its-kind medical facility for Renal Care in Eastern India. Over the years, it has become a pioneer in introducing the most advanced technologies and equipment to deliver unparalleled treatments for all kinds of Urology and Nephrology diseases not only for patients from Kolkata, but also for the entire eastern region. The Institute introduced Lithotripsy, Laparoscopic Donor Nephrectomy, URS-Lithoclast and PCNL for the first time in Kolkata as well as in the Eastern region.

The first penile implant in Eastern India was carried out at FHKI. The hospital has performed the highest number of Holmium Laser prostate surgery, a minimally invasive treatment for enlarged prostate. Kidney Transplants started in 2002 and till date, the unit has carried out over 570 successful Kidney Transplants. The hospital continues its leadership in treatment, research and training in Urology and Nephrology in this part of the country.

Know Our Hospitals

RAJASTHAN

Fortis Escorts Hospital, Jaipur

CHHATTISGARH

Fortis OP Jindal Hospital and Research Centre, Raigarh

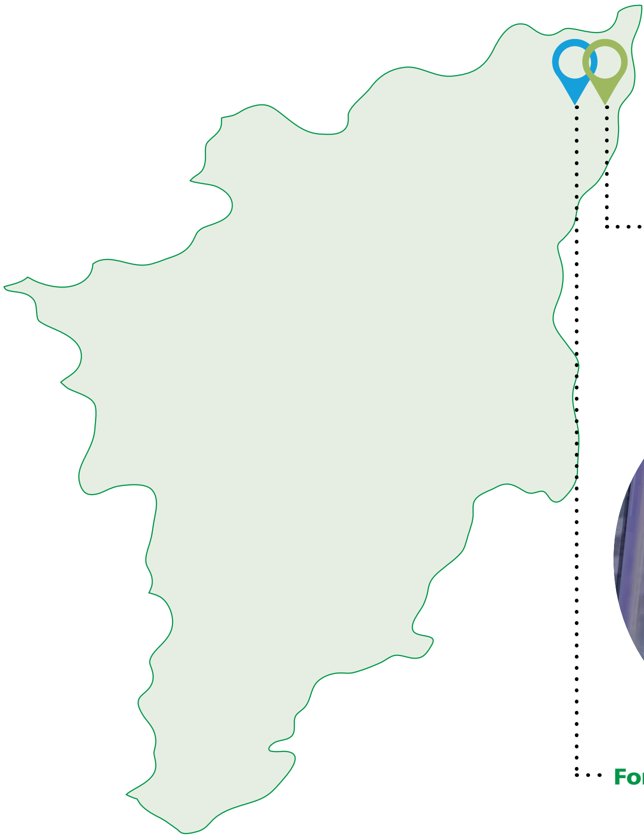
Fortis Escorts Hospital, Jaipur is a 275-bed NABH accredited multi-super speciality hospital in Rajasthan. This hospital has established itself as one of the best tertiary care centres in the region.

Fortis Jaipur is a pioneer in high-end procedures such as kidney transplants, total knee and hip replacement aided by robotic computer navigation, adult and paediatric cardiac surgery, and the treatment of congenital heart defects. The hospital houses Rajasthan's first next-generation cath lab for cardiac procedures. Fortis Jaipur also offers gastrointestinal and bariatric surgery, complex neuro intervention procedures through computer navigation, brain and spine surgery aided by neuro microscope, surgical and medical management of brain stroke, comprehensive and advanced laser surgery, single incision laparoscopic Surgery, along with trauma and critical care.

Fortis O.P Jindal Hospital, Raigarh is a 75-bed state- of-the-art tertiary care facility providing a depth of expertise in the complete spectrum of advanced medical and surgical interventions with a comprehensive mix of inpatients and outpatients services. The hospital provides competitive, accessible and affordable world class healthcare services. Located at the heart of Raigarh, the hospital is well connected to all means of transport. An array of super specialties and allied specialties are fully operational and available round the clock.

TAMIL NADU

Fortis Malar Hospital, Adyar, Chennai



Fortis Hospital, Vadapalani, Chennai

Fortis Malar Hospital, Adyar, Chennai, was established in 1992 and became household name for tertiary care services in the city over the years. Fortis Malar Hospital has more than 145 consultants, 141 beds, five operation theatres and 400 employees to manage over 11,000 in-patients.

Fortis Hospital, Vadapalani, Chennai, is a 98-bed quaternary care flagship hospital, located in the centre of Chennai's dense residential and commercial hub with excellent connectivity to the international airport, railway station, inter-state bus terminal and metro network. Fortis Hospital, Vadapalani, is a recognised centre for excellent clinical services and distinctive patient care. The hospital has a strong team of consultants and six operation theatres. The hospital has catered to over 43,000 families in its first year of operations.

Our Journey

IHH infuses approx. ₹ **4000** crores in Nov 2018 through preferential allotment and becomes controlling shareholder with **31.17%** equity stake along with majority Board Control

Funds infusion significantly re-capitalises FHL's weak balance sheet, lowers borrowing costs and improves credit ratings. Stronger liquidity enables investments for business operations continuity and capex for growth

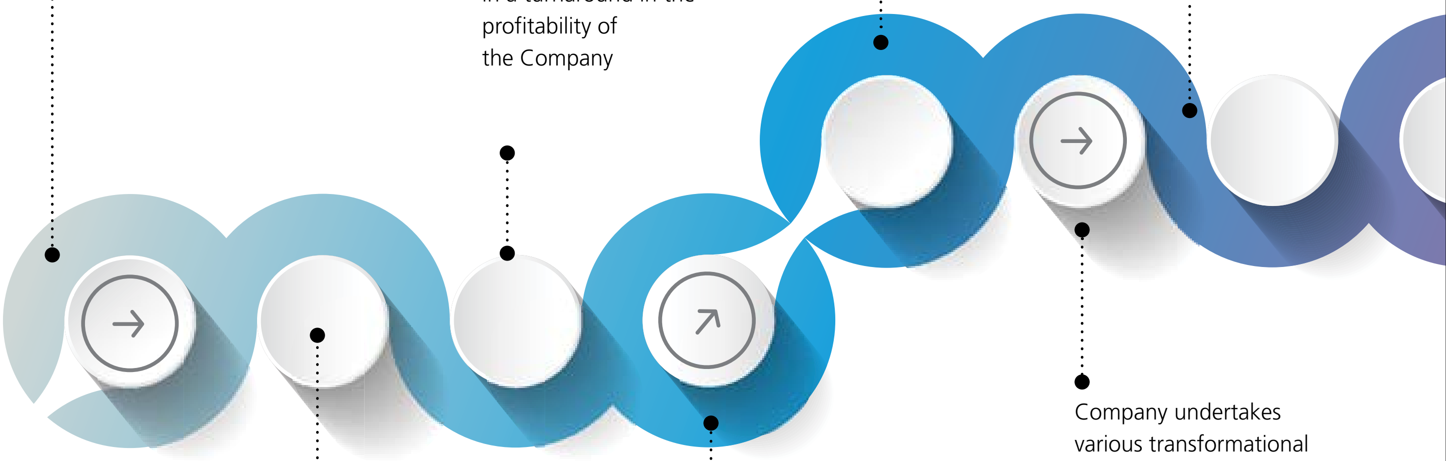
Funds infused by IHH is primarily utilised for the acquisition of RHT Health Trust portfolio of assets. This enables the Company to consolidate assets of **₹4,666** crores and save on annualised clinical establishment fees of **₹270** crores resulting in a turnaround in the profitability of the Company

IHH and FHL collaborate in driving **higher synergies** in areas of medical operations, procurement, supply chain and Information Technology with mutual exchange of best practices

FHL announces Q4 and FY 2018-19 results showcasing **significant positive impact** due to the acquisition of RHT's portfolio of assets

Company undertakes various transformational initiatives, including a comprehensive portfolio review, cost efficiency initiatives and incorporating an institutionalised governance framework with robust systems and processes

Re-constituted Board inducts a **new management team** with the appointment of the MD & CEO and CFO in March and April 2019, respectively



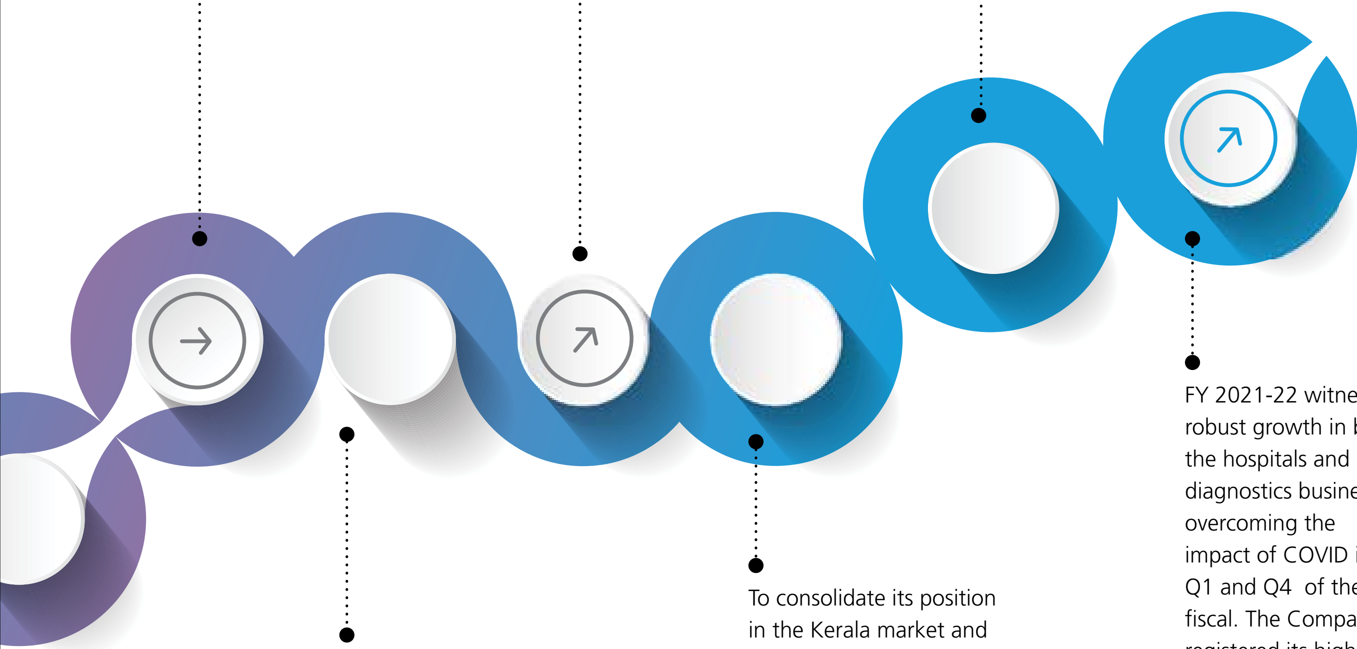
IHH is recognised as **new promoter** of FHL in June 2019

Company's business momentum further accelerates. FY 2019-20 results witnesses uptick in operational performance. A **consistent growth trajectory** allows the Company to accelerate its expansion and growth levers and begin a new journey

FHL commissions a **250-bedded** multispecialty facility at Vadapalani, Chennai in October 2020. This is the Company's second facility in Chennai comprising state-of-the-art medical infrastructure and offering high-end quaternary care services

To consolidate its position in the Kerala market and build a strong platform for expansion in other markets in South India, SRL Ltd. acquires the balance **50%** equity stake in its existing 50:50 DDRC SRL JV in Kerala. DDRC-SRL is the **largest organised player** with a total of 206 labs and 4 CCs in Kerala

FY 2020-21 witnesses the Company's performance being impacted due to the COVID-19 pandemic. With a well-capitalised balance sheet, cost efficiency initiatives and a robust diagnostics business performance, the Company is able to **successfully navigate** the challenging environment thereby ensuring sustainability and continuity of operations and expansion plans



FY 2021-22 witnessed robust growth in both the hospitals and diagnostics business, overcoming the impact of COVID in Q1 and Q4 of the fiscal. The Company registered its highest ever EBITDA of ₹1000+ crores in FY 2021-22. With the pandemic abating, the Company speedily moved to augment its efforts on key growth levers of the business viz. clinical talent hiring, expanding medical programmes and initiating brownfield bed expansion plans

FINANCIAL HIGHLIGHTS

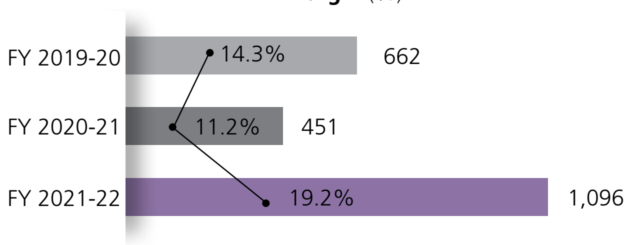
Performance Snapshot

FY 2019-20 - FY 2021-22

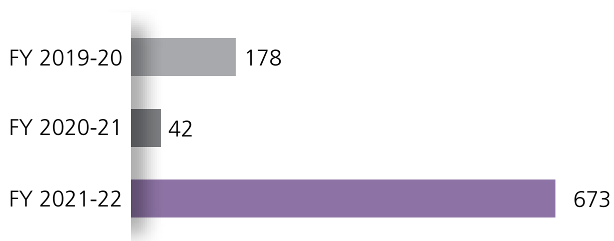
Consolidated Financials

Operating Income
(₹crores)

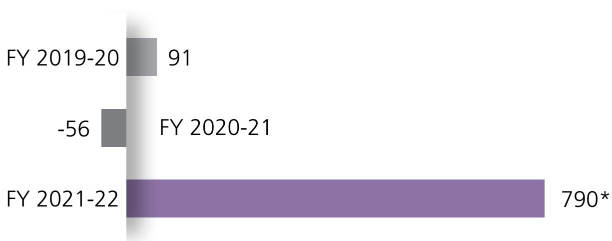
EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization)
Margin (%)



PBT (Profit Before Tax)
(Before Exceptional Items)
(₹Crores)



PAT (Profit After Tax)
(₹Crores)



*Includes exceptional gain of ₹ 315 crores for the year

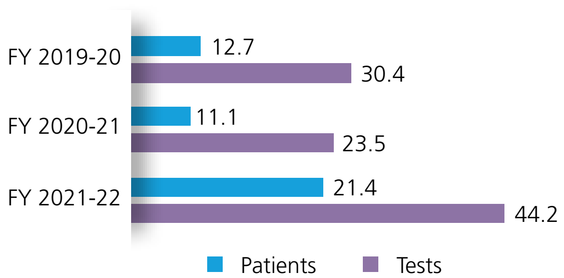
Hospital Business

Hospital Business Occupancy

ARPOB (Average Revenue Per Occupied Bed)
(₹Crores)

Diagnostic Business

No. of Patients (Million)
No. of Tests (Million)



Average Realisation Per Test
(₹)

FINANCIAL HIGHLIGHTS

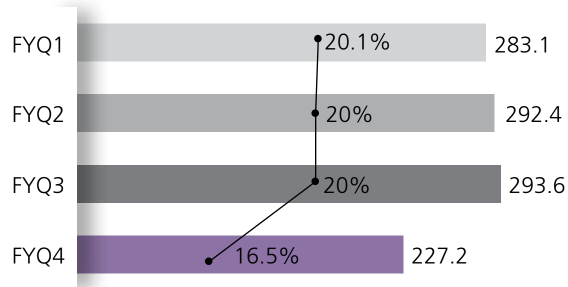
Performance Snapshot

Q1- Q4 (FY 2021-22)

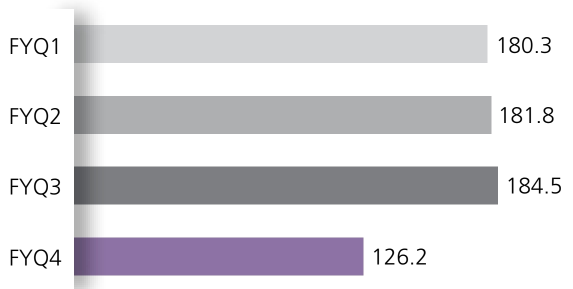
Consolidated Financials

Total Revenue
(₹Crores)

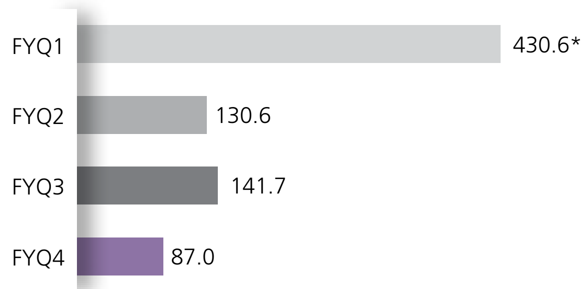
EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) (₹Crores)
Margin (%)



PBT (Profit Before Tax)
(Before Exceptional Items)
(₹Crores)



PAT (Profit After Tax)
(₹Crores)



*Includes exceptional gain of ₹ 315 crores for the year

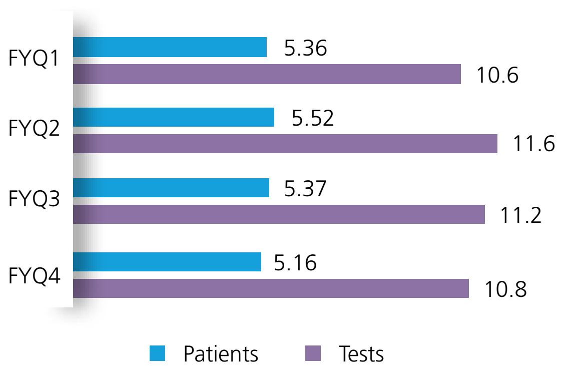
Hospital Business

Hospital Business Occupancy

ARPOB (Average Revenue Per Occupied Bed) (₹Crores)

Diagnostic Business

No. of Patients (Million)
No. of Tests (Million)



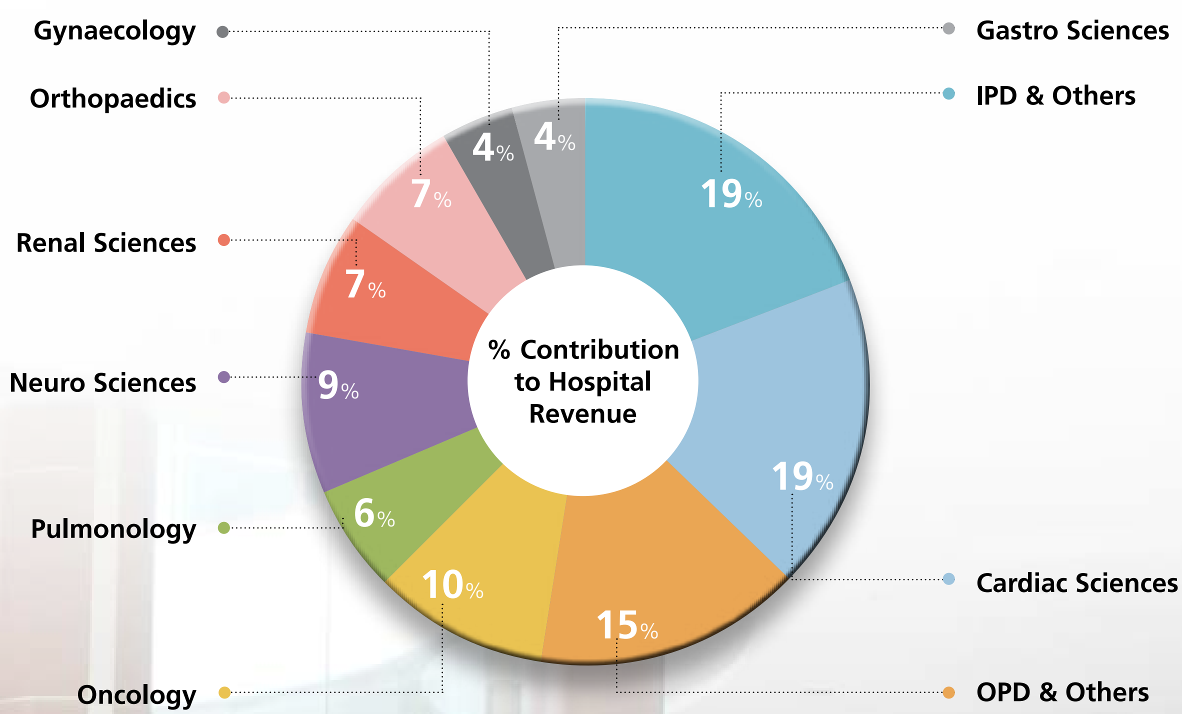
Average Realisation Per Test (₹)

CLINICAL FOCUS

New Clinical Additions

- State-of-the-art **Bone Marrow Transplant unit** was inaugurated at **Fortis Hospital, Mulund.**
- **Fortis Cancer Institute** was inaugurated at **Fortis Cunningham Road, Bengaluru.**
- **Institute of Advanced Paediatrics** was inaugurated at **Fortis Memorial Research Institute, Gurugram.**
- A **dedicated programme for de-addiction** was launched at **Fortis BG Road, Bengaluru.**
- A **dedicated Mother and Child care wing** was inaugrated at **Fortis Shalimar Bagh, New Delhi.**
- A fully equipped 4-bedded **Bone Marrow Transplant unit** was inaugurated at **Fortis Hospital, Noida.**

Speciality Mix



Operational Review

FY 2021-22 witnessed the continued impact of COVID on our business with the country experiencing the second and third waves. The organisation responded by being agile and re-orienting itself to ensure we provide dedicated services to both COVID patients as well as to patients across other specialties. We continued to expand our medical programmes, clinical talent and our bed infrastructure to maintain a steady growth trajectory. At the same time, we retained our rigour on cost efficiencies to ensure an improved financial performance.

BUSINESS REVIEW SUMMARY

Fortis Healthcare Limited

COVID-19 Management

With the second wave of COVID resulting in acute shortage of beds across the country, approximately 48% of our operational beds catered to COVID patients (specially ICU beds). In order to tackle the severe shortage of medical oxygen across the nation, we ensured adequate Oxygen availability at all units through effective coordination with suppliers and government officials as well as formulated guidelines for its rational use. Also during the year, we installed Medical Oxygen Generation plants in eight major units across our network.

We remained committed to the world's largest COVID vaccination drive in our country by administering more than 7.1 lakhs vaccine doses in FY 2021-22.

Strengthening Clinical Programme

We continued to strengthen our focus specialties – Cardiac Sciences, Oncology, Neuro Sciences, Gastroenterology and Orthopedics – with the addition of several eminent clinicians across some of our large units. These were further strengthened with the addition of high-end medical infrastructure and equipment including Cath Labs, Neuro-Surgical Microscopes, Neuro-Navigation Systems and Endoscopy Systems.

Brownfield Expansion

The two COVID waves in FY 2021-22 resulted in delay in project execution as well as impacted ramp up of the non-COVID business. Accordingly, our bed capacity expansion plans were adversely impacted. However, we were able to operationalise 127 new beds across units including Vadapalani, Shalimar Bagh, Jaipur, Ludhiana and Amritsar.

Employee Engagement

With strong focus on enriching our employee experience, we undertook an Employee Engagement Survey in 2021. The initiative had a 91% participation rate and demonstrated a highly encouraging 88% engagement level with our employees.

Procurement Excellence Initiative

Throughout the year, we focused on implementing a comprehensive cost optimisation programme that aimed to rationalise drugs and consumables cost and bring in capex procurement efficiencies.

In-housing of OP Pharmacy

We continued our journey towards in-housing of key medical services including OP Pharmacy. At 18 units, OP Pharmacies are now being managed in-house that has positively impacted our performance graph.

For further reference please refer to the ' Company Section' of the Management Discussion and Analysis

~2,250 Beds
Reserved for COVID-19 patients at peak of second wave

>53,000*
COVID patients were admitted

>7.1 Lakh
Vaccine doses administered

~1.1 Lakh
Tele/Video consults conducted in FY 2021-22

**Total COVID patients admitted till 31st Mar'22 since beginning*

BUSINESS REVIEW SUMMARY

SRL Limited

SRL, in sync with the Healthcare industry as a whole, has been nimble and fast moving, transforming itself to cater to the patients' needs for high-end diagnostics services with lowest turnaround times. With the help of new initiatives such as home collections and other digital initiatives, SRL serviced the increasing demand of diagnostics services from patients while conforming to the highest patient safety standards.

SRL's continued focus on innovation also reflected in its financial performance with FY 2021-22 emerging as the best financial year for SRL in terms of operating and financial performance. We conducted 5.6 million RT-PCR tests in FY 2021-22 which generated ₹326 crores of revenue. We have ramped up our testing capacity and opened more centres and drive-through sites to collect samples across the length and breadth of the country. We have 22 RT-PCR Labs and added 800 Customer Touch-points which is the highest addition in the history of SRL.

In an endeavour to go closer to customer and provide services at their doorstep we have increased our total number of touchpoints to more than 3,050. Our CTP /lab has been improved to 15.3 CTP/lab. This has also helped us in improving our B2C share which now stands at 55% from 48% in FY 2020-21.

Apart from the organic growth initiatives, SRL also completed the 100% acquisition of DDRC SRL Diagnostics Private Limited during the financial year FY 2020-21– FY 2021-22 in line with Company's objective to continue growing through both organic and inorganic opportunities.

Our main priority was to provide the highest quality of service and maintain the health and safety of our employees, took into consideration the various risks associated with the collection, alongwith accommodation, food facility, pick-and-drop facility, increased insurance cover to on-ground teams and their families. Almost 97% of our staff comes under vaccination compliance.

For further reference please refer to the ' Company Section' of the Management Discussion and Analysis

3,050+
Customer touchpoints

21 Million
Patients annually

1,700+
Health Camps

127
Continuing Medical Education

At Fortis, we remain committed towards enabling operations with technology, ensuring simplementation of state-of-the-art applications, thereby ensuring standardised reporting and organisational alignment to deliver best-in-class results for our internal and external stakeholders. We remain committed towards ensuring secured access and complying with data retention regulations.

KEY INITIATIVES OF 2021-22

Fortis Healthcare Limited

myFortis

A unified platform to enable and track patient lifecycle management was launched by integrating various Fortis departments, doctors, patients and partner ecosystems. The solution comes with Patient App and Portal, Doctor App and Portal, and Agent Portal. Some of the features include teleconsultation services, personalised and custom notification, payment facility, doctor search, campaign banners, doctor profile handling at unit level and much more.

New service offerings will be made available based on market feedback and patient-centric approach.

Oracle Fusion (ERP)

In keeping with the organisational vision of digitisation and adopting best-in-class tools to deliver management results, Fortis had embarked on a journey of migrating its ERP to SaaS (Oracle Fusion) model ensuring the software is always updated with latest product releases. Oracle Fusion was made live for finance and supply chain operations pan Fortis in December 2021. The project is underway to realise benefits in the area of budgeting and manpower planning during the year 2022-23. Considering this to be a huge transformation, the organisation word benefit in terms of standardisation and better controls in the coming years.

Business Intelligence

Initiative to have a standardised solution towards management insights and enabling operations to take real time decisions led to Fortis launching a 'Business intelligence' solution in the last fiscal. This was well utilized during the pandemic wherein minimum in-person interactions could take place, still the management team had real time insights on daily revenue, occupancy and consumption trends. These insights enabled the Operations team to plan the capacities better and take informed decisions in areas of growth and expansion.

Picture Archival Communication System (PACS)

As part of PACS upgradation, we have implemented the centralised PACS solution in 12 hospital units. It has enabled centralised reporting across hospitals and organised image storage.

Blood Bank Solution

As part of consolidation and standardisation drive, we implemented the Blood Bank Solution at an additional 12 hospital units in the financial year. The solution is also integrated with One Fortis HIS application for order and results.

KEY INITIATIVES OF 2021-22

SRL Limited

Brand Initiatives

Offering the best customer experience has been one of the differentiators for brand SRL and therefore we introduced a slew of new features to improve the web and app experience of our customers. In the second quarter, we launched the all new SRL website with features like easy sharing of our lab location map link, booking multiple tests at one go. We launched an upgraded app in n third quarter, which offered the convenience of tracking the phlebotomist (live tracking of sample collection technician) in order to provide a better experience to our customers on the app.

SRL, as a responsible corporate, conducted more than 1,750 health camps, in which approximately 0.8 lakh consumers/patients were screened for various lifestyle disorders.

SRL engaged with over 3,000 specialists and super-specialist doctors in 127 CMEs (Continuous Medical Education) and RTMs (Round Table Meets), 6,000 clinicians through 24 webinars and 650 clinicians through tie up with a partner.

One of our innovations of FY 2021-22 is our offering of SMART report for select tests and packages. The Smart+ health report, which explains health reports in a language that is easily understood and intercepted by the consumers, is one of the many initiatives towards a customer-centric approach.

SRL is one of the pioneers in the super specialty diagnostic segment. We leveraged digital platforms to engage with 6,900+ super specialised clinicians in FY 2021-22. Our accredited CME series on Neuro-immunology engaged 8,621 Neurologists, Neurophysiscians and NeuroSurgeons. We launched our series 'OncTalk' with Oncologists, Neuro Advisory Forum with Neurologists, and Nephro Expert Forums with Nephrologists.

Retail Network Expansion

With a pan India network, equitable geographic distribution of centres and a legacy of offering superior customer experience, SRL has established its presence across 600+ cities, 34 states and union territories. In the last one year, despite all the challenges posed by the pandemic, we have significantly expanded our footprint by adding 800 customer touchpoints and embedding 1,700+ direct clients in 570+ towns. Our network currently consists of 426+ labs, 3050+ customer touch points and 5,600+ direct clients

International Business

SRL's international division became operational in 2003. The international operations of the Company comprise state-of-the-art labs in Dubai, Kathmandu, and Biratnagar (Nepal). At the onset of FY 2020-21–2021-22, Covid -19 pandemic, lockdown and suspension of International flights restricted the international send out business. However, in second quarter of the financial year, we started with send out business and expanded the SRL network in Ethiopia, Kenya, Uganda, Maldives, Oman, Mauritius and Uzbekistan. We also won transplant immunology tender from Ministry of Health Oman through our local partner in Oman.

SRL's international network consists of more than 120 collection centres and 800 direct clients spread across the SAARC region, Sub-Saharan Africa, Southeast Asia, Gulf and the Middle East.

Information Technology

The National Health Authority awarded SRL Diagnostics with 'ABDM Integration Completion Certificate' along with 'ABDM Integrated Logo' for successful integration of SRL CLIMS with ABDM. Our Company is the first lab chain to have integrated our CLIMS application with ABDM. This is a step towards achieving common goal of providing effective healthcare to citizens by enabling innovation and digitally transforming our country's healthcare eco-system. The Ayushman Bharat Digital Mission aims to develop the integrated digital health infrastructure of the country.

SRL implemented WhatsApp chat-bot features for patients to book a test for home visit or Lab visit, retrieving lab report, locate nearest lab or customer touch-points as well as any other normal queries related to our service. SRL has also implemented QR codes on lab report for ensuring the authenticity of patient reports and enabling the customers to validate the same through our web portal.

Research and Development

The Company in FY 2021-22 maintained its industry-leading position by continuing to bring to market advanced solutions in diagnostic testing, laboratory efficiency and clinical decision support with strong focus on Genomics. Our newly introduced tests, Preimplantation Genetic Screening (PGS) on Next Generation Sequencing (NGS) platform, identifies genetic or chromosomal defects in embryos prior to using them in in-vitro fertilisation (IVF); Preimplantation Genetic Diagnosis (PGD) on NGS which is an IVF procedure designed to examine the embryos for chromosomal abnormalities; Myeloid Panel on Next Generation Sequencing (NGS) provide predictive, prognostic, and diagnostic information for patients with a variety of myeloid malignancies; and TERT Mutation Analysis on Pyrosequencing which provides risk stratification and prognostic significance in multiple tumour types including brain gliomas, thyroid and bladder cancer, and melanoma. Continuing with our transformative efforts in the field of Genomics, a number of state-of-the-art technologies were implemented including Next Gen Sequencer Ion Genestudio S5 Plus, Next Gen Sequencer Yourgene QS250 and Gel Documentation System Bio-print CX4 Edge.

In FY 2021-22 we collaborated with our partners to launch 76 tests under Molecular Oncology and Genomics sections. We are also in the process of introducing new tests under the category of the nutrigenomics/ personal Genomics.

Quality and Compliance

In FY 2021-22, the quality & compliance team worked towards continuation of all current accreditation status – NABL ISO 15189: 2012 (46 Labs), CAP - College of American pathologists (2 Labs National- SRL Limited Goregaon and International- SRL Limited Dubai), and NABH (1 Radiology centre) as per their cycle of the assessment. QA team played a critical role in fast tracking and adding 22 RT PCR Labs and 2 CB NAAT Labs across India and in follow-up and maintenance of accreditation cycle for laboratories, SCFs, Radiology Centre, and Certification of support function, such as ISO 27001 for IT (Gurgaon and Goregaon), ISO 9001 for R&D. Two of your Company's national labs are affiliated to Revised National Tuberculosis Control programme (RNTCP).

To strengthen the on-bench quality practices in our labs, a module of ISO 15189:2012 Quality Management System training certification course was designed and executed for nominated pan-India lab heads, doctors, MRQAs and technical staff in Q1 and Q2 FY 2020-21–FY 2021-22 and 302 delegates were certified.

The quality team introduced a coveted quarterly certified appreciation award of 'Best EQAS Performance Award' in November 2021. We have also expanded the sigma metrics practice for selected tests in Clinical Biochemistry to four new location labs (Lucknow, Chandigarh, Bangalore and Kolkata) beyond the Global Reference Labs at Gurgaon and Goregaon which were done last year.

Clinical Highlights

July 2021

- A 27-year-old female patient from Kabul, suffering from the short bowel syndrome, successfully underwent a high-risk bowel transplant at Fortis BG Road, Bengaluru.
- Doctors at Fortis Malar Hospital, Chennai, performed a complex laparoscopic surgery to remove a 93-year-old female patient's pus filled, gangrenous gallbladder.

August 2021

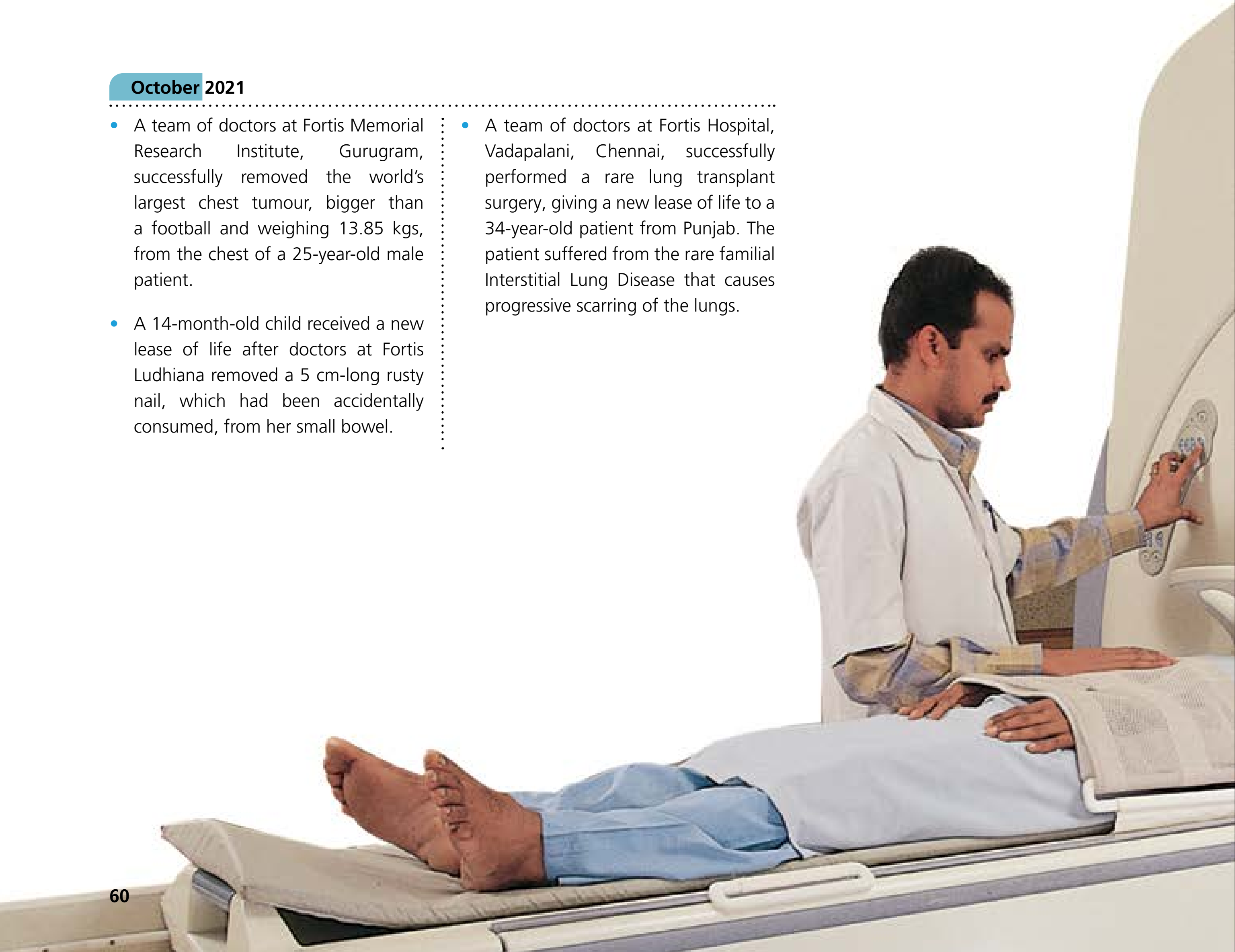
- Doctors at SL Raheja Hospital, Mahim – A Fortis Associate, removed a coconut-sized augmented stone weighing 1 kg from the urinary bladder of a 17-year-old patient from Kolkata. The patient had been born with an exposed urinary bladder and suffered from the rare Exstrophy Epispadias Complex.

September 2021

- Doctors at Fortis Escorts, Okhla Road, repaired a rare blood vessel rupture caused by metallic stent in a 35-year-old male patient. The stent had been placed in the patient's inferior vena cava vessel two years ago to treat his liver disease. In an extremely rare event, the stent had migrated to the right atrium of the heart and caused a rupture.

October 2021

- A team of doctors at Fortis Memorial Research Institute, Gurugram, successfully removed the world's largest chest tumour, bigger than a football and weighing 13.85 kgs, from the chest of a 25-year-old male patient.
- A 14-month-old child received a new lease of life after doctors at Fortis Ludhiana removed a 5 cm-long rusty nail, which had been accidentally consumed, from her small bowel.
- A team of doctors at Fortis Hospital, Vadapalani, Chennai, successfully performed a rare lung transplant surgery, giving a new lease of life to a 34-year-old patient from Punjab. The patient suffered from the rare familial Interstitial Lung Disease that causes progressive scarring of the lungs.



December 2021

- A two-year-old child suffering from Acute Disseminated Encephalomyelitis (ADEM), a rare autoimmune brain disease triggered by the Influenza B virus, was cured after month-long treatment at Fortis Anandapur, Kolkata.

January 2022

- A 104-year-old female patient, who had a hip fracture after a fall, underwent a successful hip replacement surgery at Fortis Noida. The patient commenced walking with supports on the very next day of the surgery.

Awards and Accolades

June 2021

Fortis Memorial, Gurugram, was the only Indian hospital to feature on Newsweek's top 25 **'World's Best Smart Hospitals 2021'** list.

August 2021

Fortis Escorts, New Delhi, received the **AHPI Award 2021** for Excellence in Healthcare.

January 2022

Fortis Hospital, Mohali, won the **National Award for Excellence in Energy Management 2021** instituted by CII for the record seventh time. The hospital also bagged the **State Energy Conservation Award.**

October 2021

Fortis hospitals won **eight National and Regional level awards** at the Economic Times Healthcare Awards 2021.

December 2021

SRL Diagnostics won the **'Driving Healthcare Innovation'** award at the CII Logistics Summit 2021.

HUMAN RESOURCES - FORTIS HEALTHCARE LIMITED

Inspiring Trust Through People Power

Employee Engagement Survey was conducted to know more about the employees view on work environment and engagement levels. The survey received 91% participation and indicated 88% engagement level, which way above the benchmarks for India (78%), World (72%) and World Healthcare (76%).

Fortis Premier League – an inter-hospital programme to recognise and reward excellence in our key operational areas in the domain of Clinical Excellence, Nursing Excellence, Patient Experience and Innovation Champion Award was launched.

Focussing on employee health and wellness, we extended our care pack for employees by offering subsidised insurance premium which had skyrocketed due to COVID. Isolation leaves were made available for COVID-impacted employees. Support to Fortis COVID Warriors through daily online sessions conducted on well-being, self-care and resilience by the Mental Health Department

Launched the Second Phase of Succession Planning Process for 40 key nominated leaders.

Frontline Leadership Development Programme to enhance capabilities and competencies to develop and lead high performance work teams were conducted for over 400-unit leaders across the network.

Learning and Development

4,85,008
Training manhours

14,258
Total participation count (unique)

26,800
Total programme conducted

HUMAN RESOURCES - SRL LIMITED

Learning and Development

39,220
Training manhours

19,179
Total participation count (Unique)

278
Total programme conducted

SOCIAL INITIATIVES

Fortis Healthcare Limited and SRL Limited

Community Engagement

We are dedicated to improving the lives of our patients and the communities in which we operate. We conduct community education and engagement programe throughout the year to promote health awareness and improve the quality of life for those who need it most.

Social initiatives

As a Group, a total of ₹13.03 crores was contributed towards social initiatives:

- Contributed ₹5.27 crores to ICMR (The Indian Council of Medical Research) fund for research and development projects in the field of science, technology, engineering and medicine.
- Contributed ₹7.76 crores to 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES Fund) to provide immediate relief to families of those affected by natural calamities and to the victims of the major accidents and riots. Assistance from PM CARES Fund is also rendered, to partially defray the expenses for medical treatment like heart surgeries, kidney transplantation, cancer treatment and acid attack among others.

01

₹**5.27** Crores Contributed towards

ICMR (The Indian Council of Medical Research)

Standing - left to right:

Mr. Sameer Anjaria
Chief Operating Officer (SRL)

Professor Balram Bhargava
Director General,
Indian Council of Medical Research

Shri Rajeev Roy
Sr. Financial Advisor,
Indian Council of Medical Research

Mr. Manu Kapila
Head - Corporate Affairs and CSR (FHL)

02

₹**7.76** Crores Contributed towards

PM Cares Fund

Directors' Report

Dear Members,

Your Directors have pleasure in presenting herewith the Twenty Sixth Annual Report of your Company along with the Audited Standalone and Consolidated Financial Statements and the Auditors' Report thereon for the Year ended March 31, 2022.

FINANCIAL RESULTS

The highlights of Consolidated Financial Results of your Company and its Subsidiaries are as follows:

(₹ in lacs)

Particulars	Consolidated	
	Year ended March 31, 2022	Year ended March 31, 2021
1. Revenue from operations	571,761	403,012
2. Other income	2,734	4,656
3. Total income (1+2)	**574,495**	**407,668**
4. Expenses		
(a) Purchases of medical consumable and drugs	140,337	97,448
(b) Changes in inventories of medical consumable and drugs	(4,614)	142
(c) Employee benefits expense	97,294	84,901
(d) Finance costs	14,685	16,588
(e) Professional charges to doctors	110,130	80,897
(f) Depreciation and amortisation expense	30,084	29,060
(g) Other expenses	121,718	99,180
Total expenses	**509,634**	**408,216**
5. Net profit / (loss) from continuing operations before share in profit / (loss) of associates and joint ventures, exceptional items and tax (3-4)	**64,861**	**(548)**
6. Add: Share in profit of associate companies and joint ventures	2,415	4,756
7. Net profit / (loss) before exceptional items and tax (5+6)	**67,276**	**4,208**
8. Exceptional gain (refer note 4)	31,503	121
9. Profit / (loss) before tax from continuing operations (7+8)	**98,779**	**4,329**
10. Tax expense / (credit)	19,784	9,946
11. Net profit / (loss) for the period from continuing operations (9-10)	**78,995**	**(5,617)**
12. Profit / (loss) before tax from discontinued operations	-	-
13. Tax expense of discontinued operations	-	-
14. Net profit / (loss) for the period from discontinued operations (12-13)	**-**	**-**
15. Net profit / (loss) for the period (11+14)	**78,995**	**(5,617)**
16. Profit / (loss) from continuing operations attributable to:		
Owners of the Company	55,512	(10,976)
Non-Controlling Interest	**23,483**	**5,359**
17. Profit / (loss) from discontinuing operations attributable to:		
Owners of the Company	-	-
Non-Controlling Interest	-	-
18. Other Comprehensive Income (including OCI relating to associates and joint venture) (after tax)	(4,650)	1,034
19. Other comprehensive Income/(Loss) attributable to:		
Owners of the Company	(4,640)	1,002
Non-Controlling interest	(10)	32
20. Total comprehensive Income/(Loss) (15+18)	74,345	(4,583)
21. Total comprehensive Income/(Loss) attributable to:		
Owners of the Company	50,872	(9,974)
Non-Controlling interest	23,473	5,391

Directors' Report (Contd..)

The highlights of financial results of your Company as a Standalone entity are as follows:

(₹ in lacs)

Particulars		Standalone	
		Year ended March 31, 2022	Year ended March 31, 2021
Continuing Operations			
1	Operating Income	86,261	63,287
2	Other Income	13,410	19,198
3	**Total Income (1+2)**	**99,671**	**82,485**
4	Total Expenditure (Excluding finance cost, depreciation & tax expenses)	74,721	60,495
5	**Operating Profit (EBITDA) (3-4)**	**24,950**	**21,990**
6	Finance Charges, Depreciation & Amortization	24,221	25,223
7	**Profit before exceptional items and tax (5-6)**	**729**	**(3,233)**
8	Exceptional items	(1628)	5,646
9	**Profit before tax (7+8)**	**(899)**	**2,413**
10	Tax Expenses	426	1,993
11	**Net Profit for the year (9-10)**	(1325)	**420**
12	Share in profits of associate companies	-	-
13	**Profit for the year from continuing operations (11+12)**	**(1325)**	**420**
14	**Discontinuing Operations**		
	Profit/ (Loss) before tax from discontinuing operations	-	-
	Tax expense of discontinuing operations	-	-
	Profit/ (Loss) after tax and before minority interest from discontinuing operations	-	-
	Share in profits/ (losses) of associate companies	-	-
	Profit for the year from discontinuing operations	-	-
15	**Profit for the year (13+14)**	**(1325)**	**420**
	Other comprehensive income	28	86
	Total comprehensive income (15+16)	**(1297)**	**506**

STATE OF COMPANY'S AFFAIRS, OPERATING RESULTS AND PROFITS

Fiscal 2021-22 started amidst second wave of Covid pandemic, which was significantly more severe than the first wave seen in FY 2020-21. The country witnessed its daily highest case load at approx.4.14 lakh - the highest number recorded in a single day during the second wave. India's health infrastructure struggled with oxygen supply, shortage of manpower, drugs and hospital beds. The second wave driven by the Delta variant resulted in lockdowns across most states where we have a presence severely impacting the patient flow in our hospitals. However, the organization displayed agility and re-oriented itself to deal with the pandemic and made all efforts to provide the best possible care to our patients.

The Company's performance in both of its hospital and diagnostics businesses improved, despite Covid-19 waves impacting normal business operations in Q1FY22 & Q4FY22. The hospital business witnessed a fast rise in Covid occupancy between the period April to mid-May with a decline in the Non-Covid occupancy. However, unlike the first wave of the pandemic in the last fiscal where Non Covid occupancy recovery was slow, mid-May onwards Non Covid occupancy witnessed a relatively faster rebound allowing the business to show a steady performance in the quarter. Subsequently, Q2FY22 and Q3FY22 witnessed steady occupancy which declined in Q4FY22 due to infectious Omicron variant of Covid19 hitting the country again, thus impacting the overall occupancy of the hospital business in the last quarter.

Diagnostic business witnessed a strong and exceptional Q1FY22 primarily due to significant contribution from Covid revenues offsetting the impact on Non-Covid revenues during the quarter. The business was also strengthened as a result of the acquisition of balance 50% JV stake in DDRC SRL Diagnostics Private Limited, Kerala during April 2021.

Directors' Report (Contd..)

For FY 2021-2022, the Company reported a Consolidated revenue from Operations of INR 5,718 Crores compared to INR 4,030 Crores reported for FY 2020-21. Revenue from Hospital business stood at INR 4,264 Crores compared to INR 3,124 Crores reported during the corresponding year. SRL Limited, the diagnostic business of the company, reported gross revenues of INR 1,605 Crores compared to INR 1,035 Crores in the previous financial year. The significant increase in diagnostic business revenue was as a result of the acquisition of 50% balance stake in DDRC SRL JV as well as increase in Covid revenues. Considering elimination of inter-company revenue (within the group), net revenue of SRL Ltd was at INR 1,454 Crores compared to INR 906 Crores in FY 2020-21.

The Consolidated EBITDA of the Company stood at INR 1,096 Crores compared to INR 451 Crores for the previous year. EBITDA margin of the Company stood at 19.2% in FY 2021-22 versus 11.2% reported in FY 2020-21. Hospital business EBITDA for FY 2021-22 was at INR 672 Crores compared to INR 263 Crores reported for FY 2020-21. EBITDA margin of the hospital business stood at 15.8% in FY 2021-22 versus 8.4% in FY 2020-21.

The diagnostic business of the Company reported EBITDA of INR 425 Crores compared to INR 200 Crores reported in the previous year. EBITDA margin of the diagnostic business stood at 26.5% (basis gross revenue) for the year FY 2021-22 compared to 19.3% in FY 2020-21.

Profit after tax for FY 2021- 22 stood at INR 790 Crores versus a loss of INR 56 Crores in the previous financial year. PAT of INR 790 Crores includes an exceptional gain of INR 315 Crs primarily on remeasurement of the previously held equity interest of SRL in the SRL-DDRC JV at its fair value post acquisition of the balance 50% stake in the said JV in April 2021.

The Company maintained a comfortable liquidity position with net debt of INR 549 Crores as on March 31, 2022 versus INR 849 Crores as of March 31, 2021 (net debt to equity of 0.08x vs 0.13x, respectively). Gross debt of the Company stood at INR 966 Crores as on March 31, 2022 versus INR 1,271 Crores as of March 31, 2021.

All decisions at your Company are taken keeping in mind the patient at the center. Fortis' primary objective is to become the most trusted healthcare provider in India. Accordingly, your Company makes efforts to consistently improve the quality of all its services. Your Company has put together ultra-modern healthcare facilities equipped with best-in-class diagnostic and therapeutic technology and a competent team comprising of some of the finest clinical and paramedical talent available in the country. All the Fortis facilities, whether owned or operated by your Company follow globally accepted medical protocols and procedures and are focused on delivering the best possible clinical outcomes. Your Company's healthcare facilities provide high standards of secondary, tertiary and quaternary healthcare services in the specialties of Cardiac Sciences, Orthopaedics, Neurosciences, Oncology Sciences, Renal Sciences, Gastro Sciences and Mother and Child care.

Post the 2nd COVID wave decline in Q1FY22, the Company reinstated its focus on the strategic priorities that it had outlined for FY22. Your company started strengthening the prime medical programs in key facilities across India with addition of several eminent clinicians in Cardiac Sciences, Oncology, Neuro-Sciences, Gastroenterology and Orthopedics. The Company invested heavily in high-end medical infrastructure and equipment including Cath Labs, Neuro-Surgical Microscopes, Neuro-Navigation Systems, Endoscopy Systems, and Medical Oxygen Generation plants.

Your company continued to work on cluster synergies and focused its efforts towards developing synergies in Sales and Marketing, Supply Chain and Human Resources. Also, several eminent clinicians were engaged with multiple units in a cluster, providing synergy to medical programs. The focus on cost transformation continued through our efforts on implementing a comprehensive program that aims to rationalize drugs and consumables cost and bring in capex efficiencies. Additionally, your Company endeavors to commission over 1,500 new beds over the next 3 to 5 years in existing facilities to leverage economies of scale – majority of bed additions are planned in Noida, BG Road, Anandapur, Mulund, Shalimar Bagh, FMRI, Mohali and Arcot Road.

The healthcare vertical of the Company primarily comprise day care specialty, diagnostics and tertiary and quaternary care. As of March 31, 2022, the Company had a network of 26 healthcare facilities in India with approximately 4,300 operational beds including beds under the O&M model.

In addition, its Indian diagnostics business has a presence in over 600 cities and towns, with an established strength of over 426 laboratories, 20+ radiology / imaging centers; 46+ Accreditations (NABL/NABH/CAP) and a footprint spanning 3050+ customer touch points.

There has been no change in the nature of business of the Company during the year under review. The Company continues its endeavor to provide quality healthcare services with an emphasis on high degree of clinical outcomes and an unparalleled patient experience.

Directors' Report (Contd..)

(further information on Company performance is detailed in the Company section of the "Management Discussion and Analysis" in the Annual Report).

SIGNIFICANT MATTERS DURING THE YEAR UNDER REVIEW

The Company undertook a comprehensive strategic review and prioritised key areas to drive revenues and operational performance. These include aspects related to evaluating the current portfolio of the Company's facilities and planned bed expansion, initiating cost optimisation measures across the network, investing in technology and medical equipment and further strengthening its clinical excellence program. Further details of this are mentioned in the Business Strategy section of the Management Discussion and Analysis Report ('MDA').

Further, the Board has from time to time during the year under review updated its stakeholders about the key developments that took place by disseminating necessary information to the stock exchanges and through various means of communications to the investors. Some of key activities are mentioned below:

- Open Offer- The Board had at its meeting held on July 13, 2018, accepted the binding bid made by IHH Healthcare Berhad (IHH). Pursuant thereto your Company entered into subscription Agreement dated July 13, 2018 for issuance of 235,294,117 Shares at a price of ₹ 170 per share for an aggregate consideration upto ₹ 4,000 Crores (Rupees Four Thousand Crores only) to Northern TK Venture Pte Limited ("NTK"), an indirect wholly owned subsidiary of IHH. Consequently, after obtaining regulatory and statutory approvals such as from Securities and Exchange Board of India, Competition Commission of India and in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, IHH made the Mandatory Open Offer for acquisition of upto 197,025,660 Equity Shares representing additional 26% of the expanded voting share capital of your Company ("Fortis Open Offer") and another Mandatory Open Offer for acquisition of up to 4,894,308 fully paid up equity shares of face value of ₹ 10 each, representing 26% of the fully diluted voting equity share capital of Fortis Malar Hospitals Limited ("Fortis Malar Open Offer").

  After the Preferential Allotment on November 13, 2018, public announcement was made on December 7, 2018 regarding Fortis Open Offer and Fortis Malar Open Offer, thereafter the Hon'ble Supreme Court of India had on December 14, 2018 passed an order ("Order") directing "status quo with regard to sale of the controlling stake in Fortis Healthcare to Malaysian IHH Healthcare Berhad be maintained". In light of the Order, Fortis Open Offer and Fortis Malar Open Offer were put on hold until further order(s) / clarification(s) / direction(s) issued by the Hon'ble Supreme Court of India. Application was filed by your Company for modification of the Order and for proceeding with Fortis Open Offer and Fortis Malar Open Offer. Vide its judgment dated November 15, 2019 ("Judgment"), the Hon'ble Supreme Court issued suo-moto contempt notice to, among others, your Company, and directed its Registry to register a fresh contempt petition in regard to alleged violation of the Order ("Contempt Petition"). In this respect, the Hon'ble Supreme Court sought an enquiry into:

  (i) Whether the subscription by NTK for the Shares of your Company was undertaken after the Order, and accordingly if such subscription was in violation of the Order; and

  (ii) The consummation of acquisition of healthcare assets from RHT Health Trust by your Company.

  The Company has filed a reply to the show cause notice issued in the suo-moto contempt, praying inter alia, that the suo-moto contempt proceedings be dropped and Order be modified / vacated such that Fortis Open Offer and Fortis Malar Open Offer may proceed. Since the issuance of the Judgement, several other parties have filed applications before the Hon'ble Supreme Court, for seeking various remedies including (i) Daiichi Sankyo Co. Ltd has sought permission to be impleaded in the Suo- Moto Contempt; (ii) Securities and Exchange Board of India has sought resumption of the Fortis Open Offer citing larger public interest at stake; (iii) NTK has filed applications to intervene in the Supreme Court Proceedings, to be heard and for vacation of the Order that continues to stay the Fortis Open Offer and Fortis Malar Open Offer. On August 14, 2020 an application has been submitted before the Hon'ble Supreme Court of India seeking permission for change of name, brand and logo of your Company and its subsidiaries. On May 12, 2021, the hearing in Supreme Court have been concluded and the judgement/order has been reserved.

- Other Matters: The Company's Board of Directors initiated additional procedures/ enquiries of certain entities in the Group that were impacted in respect of the matters investigated by an appointed external legal firm. Pending completion of the additional procedure / enquiries ("Additional Procedures / Enquiries") and since

Directors' Report (Contd..)

the earlier investigation was subject to the limitations on the information available to the other external legal firm (being subject to their qualifications and disclaimers as described in their investigation report, as disclosed in the audited financial statements for the years ended March 31, 2018, March 31, 2019 and March 31, 2020) certain audit qualifications were made in respect of FHL's financial statements for those financial years, as the Statutory Auditors were unable to comment on the nature of those matters, the provisions established thereof, or any further potential impact on the financial statements. In order to resolve the same, the Board mandated the management to undertake review of certain areas in relation to historical transactions for the period April 1, 2014 to September 30, 2018 involving additional verification by engaging independent experts with specialised forensic skills to assist with the Additional Procedures/Enquiries and conduct data gathering exercise in connection therewith. The independent experts submitted their report which was discussed and considered by the Board in its meeting held on September 16, 2020.

The Board noted that the Additional Procedures / Enquiries, prima facie, revealed further instances of payments made to the erstwhile promoters or to their directly or indirectly related parties including erstwhile promoter group entities which were potentially improper. All of the amounts identified in the Additional Procedures / Enquiries had been previously provided for or expensed in the financial statements of FHL or its subsidiaries with full disclosures. There are no further improper transactions identified by the Additional Procedures / Enquiries or / by the management which had not been expensed or provided. In connection with the potentially improper transactions, your Company has undertaken a detailed review of each case to assess the Company's legal rights and has initiated appropriate legal action. Complaint has been filed with the Economic Offences Wing ("EOW") in November 2020 against erstwhile promoters / erstwhile promoters group company in respect of certain transactions which is being investigated. First Information Report (FIR) was registered on July 3, 2021 against Erstwhile Promoters and EOW is investigating the matter.

DIVIDEND AND TRANSFER TO RESERVES

The Board of Directors of your Company has not recommended any dividend for FY 2021-22. Accordingly, there has been no transfer to general reserves.

Post closure of financial year, the Company has revised its Dividend Distribution Policy effective May 25, 2022 wherein the Board has approved that subject to the consideration of the parameters as detailed out in the policy, the dividend pay-out ratio is expected to be around 20% of Consolidated Group's profit after tax and minority interests (before exceptional items) at the Company level.

Refer the Company's policy on Dividend Distribution available on the website of the Company at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Dividend+Distribution+Policy+Final(New).pdf

MATERIAL CHANGES

There are no material changes and commitments, affecting the financial position of your Company which have occurred between the end of the Financial Year 2021-22 and the date of this report.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Statutory Auditors in their report to the Board of Directors on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act") have given the opinion that the Company and such companies incorporated in India which are its subsidiary companies and joint venture companies (jointly controlled company), have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and the financial statements of the Company and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to consolidated financial statements and the financial statements of the Company, criteria established considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. The Auditor's opinion on adequacy and operating effectiveness of internal control is self-explanatory.

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

During the year under review there has been no change in the subsidiaries / joint venture and associate Companies, except otherwise provided hereinbelow:

Directors' Report (Contd..)

- Sunrise Medicare Private Limited was struck-off from Ministry of Corporate Affairs on August 17, 2021.
- SRL Limited, subsidiary company, has acquired balance 50% stake in joint venture DDRC SRL Diagnostics Private Limited ('DDRC SRL') in terms of Share Purchase Agreement dated March 24, 2021 and thereby DDRC SRL became a step-down subsidiary of the Company effective April 5, 2021.

Further note that your Board of Directors have adopted a policy for determining "material subsidiary" pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Policy+On+Material+Subsidiary_Final-+August+2021(New).pdf

In terms of the said policy, as on April 1, 2022, Fortis Hospitals Limited (FHsL), International Hospital Limited (IHL), Fortis Hospotel Limited (FHTL) and SRL Limited are considered as Material Subsidiary(ies). Necessary compliances w.r.t. material subsidiaries have been duly carried out. The copies of the Secretarial Audit Reports of the material subsidiaries issued by the Company Secretary in Practice forms part of this report.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The consolidated financial statements of your Company and its subsidiaries, prepared in accordance with applicable accounting standards, issued by the Institute of Chartered Accountants of India, forms part of the Annual Report. In terms of the Section 136 of the Companies Act, 2013, financial statements of the subsidiary companies are not required to be sent to the members of the Company. Your Company will provide a copy of separate annual accounts in respect of each of its subsidiary to any shareholder of the Company who asks for it and said annual accounts will be available for inspection and are also available on the website of the Company. Performance and financial position of each of Subsidiaries, Associates and Joint Ventures included in the Consolidated Financial Statements of your Company is enclosed herewith as **"Annexure - I"** in the prescribed format (Form AOC-1).

The contribution of the subsidiary/associates/joint venture companies to the overall performance of your Company is outlined in Note No. 26 of the Consolidated Financial Statements for the year ended March 31, 2022.

LOANS/ADVANCES/INVESTMENTS/GUARANTEES

Particulars of Loans / Advances / Investments /guarantees given and outstanding during the Financial Year 2021-22 forms part of the Notes to the Financial Statements.

PUBLIC DEPOSITS

During the financial year under review, your Company has not invited or accepted any deposits from the public, pursuant to the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and therefore, no amount of principal or interest was outstanding in respect of deposits from the Public as of the date of Balance Sheet.

UTILISATION OF FUNDS

The details of utilization of funds raised through preferential allotment are mentioned in Notes to Financial Statements. During the year under review, no preferential allotment was made by the Company.

AUDITORS

M/s B S R & Co. LLP, (Registration No. 101248W/W- 100022), Chartered Accountants, were appointed as Statutory Auditors of your Company for a period of five years i.e. up to the conclusion of the Annual General Meeting to be held in the year 2024.

The statutory auditors have, in their report to the Board of Directors on the consolidated financial statements of the Company made the following comments which are self-explanatory and are categorised as "Emphasis of Matter", hence no comments in this regard have been offered by your Board of Directors:

a) Note 27 and 28 of the consolidated financial statements which deals with various matters including the ongoing investigation by Serious Fraud Investigation Office ("SFIO on Fortis Healthcare Limited and its subsidiaries regarding alleged improper transactions and non-compliances with laws and regulations including Companies Act, 2013 (including matters relating to remuneration paid to managerial personnel). These transactions and non-compliances relate to or originated prior to take over of control by reconstituted board of directors of Fortis in the year ended 31 March 2018. As mentioned in the note, the Group has been submitting information required by SFIO and is also cooperating in the regulatory investigations.

   As explained in the said note, the Group had recorded significant adjustments/ provisions in its books of account during the year ended 31 March 2018. The Company has launched legal proceedings and has also filed a complaint with the Economic Offences Wing ('EOW') against erstwhile promoters and their related entities based on

Directors' Report (Contd..)

the findings of the investigation conducted by the Group. Further, based on management's detailed analysis and consultation with external legal counsel, a further provision has been made and recognised in the previous year for any contingency that may arise from the aforesaid issues. As per the management, any further additional impact, to the extent it can be reliably estimated as at present, is not expected to be material.

b) Note 29 of the consolidated financial statements relating to the order dated 15 November 2019 of the Hon'ble Supreme Court, where it is stated that the Hon'ble Supreme Court has issued suo- moto contempt notice to, among others, the Company and directed its Registry to register a fresh contempt petition in regard to alleged violation of its order dated 14 December 2018. In this respect, the Hon'ble Supreme Court has sought an enquiry, into (i) whether the subscription by Northern TK Venture Pte Ltd., Singapore, a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, to the shares of the Company was undertaken after the status quo order was issued by the Hon'ble Court on December 14, 2018 and accordingly, if such subscription was in violation of this status quo order; and (ii) the consummation of the acquisition of healthcare assets from RHT Health Trust by the Company. As also explained in the said note, the management believes that it has a strong case on merits and as per the current position of the case, the liability, if any, arising out of this contingency cannot be determined at this stage. Accordingly, at present, no adjustment is required in the consolidated financial statements.

Further, as per the requirement of Companies Auditor Report Order (CARO), Rules, 2016, there was no fraud other than as disclosed pertaining to earlier years reported by the above stated auditors during the year under review.

- **Cost Auditor**

  Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the cost audit records maintained by your Company in respect of its hospital activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Jitender, Navneet & Co., Cost Accountants to audit the cost accounts of your Company for the Financial Year 2021-22 at a remuneration of ₹ 3.5 lacs (plus out of pocket expenses and taxes). As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Jitender, Navneet & Co., Cost Auditors is included in the Notice convening the ensuing Annual General Meeting. Further, in terms of the Companies (Accounts) Rules, 2014, it is confirmed that maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is applicable on your Company and accordingly such accounts and records are properly made and maintained.

- **Secretarial Auditor**

  Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sanjay Grover & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Company has complied with the provisions of Secretarial Standards, to the extent feasible. The Secretarial Audit Report is enclosed herewith as **"Annexure - II"**.

- **Internal Auditors**

  Upon the recommendation of the Audit Committee, the Board of Directors has appointed Mr. Rajiv Puri, Head Risk and Internal Audit as the Chief Internal Auditor of your Company and authorized him to engage independent firm(s), if needed, for conducting the internal audit for the Financial Year 2021-22 to enable him to extend adequate coverage of internal audit checks. Accordingly, Deloitte was engaged to carry out certain aspects of Internal Audit for your Company/its subsidiaries to augment the in-house team of internal audit team led by the Chief Internal Auditor.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During FY 2017-18 the Company received a communication from the Securities and Exchange Board of India (SEBI), confirming that an investigation has been instituted by SEBI in the matter of the Company. In the aforesaid letter, SEBI required the Company under section 11C (3) of the SEBI Act, 1992 to furnish certain information and documents relating to the short-term investments of Rupees 473 Crores reported in the media. SEBI had appointed forensic auditors to conduct a forensic audit, of collating information from the Company and certain of its subsidiaries. The Company / its subsidiaries furnished requisite information and documents requested by SEBI.

In furtherance of the above, subsequently on October 17, 2018 SEBI passed an ex-parte Interim Order ("Order") whereby it observed

Directors' Report (Contd..)

that certain transactions were structured by some identified entities over a certain duration, and undertaken through the Company, which were prima facie fictitious and fraudulent in nature and which resulted in inter alia diversion of funds from the Company for the ultimate benefit of erstwhile promoters (and certain entities controlled by them) and misrepresentation in financial statements of the Company. Further, it issued certain interim directions that inter alia directed the Company to take all necessary steps to recover Rupees 40,300 lacs along with due interest from erstwhile promoters and various other entities, as mentioned in the Order. More importantly, the said entities had also been directed to jointly and severally repay Rupees 40,300 lacs along with due interest to Company within three months of the order. Incidentally, the order also included FHsL as one of the entities directed to repay the due sums. Pursuant to this, FHsL's beneficial owner account had been suspended for debits by the National Securities Depository Limited and Central Depository Services (India) Limited. Further, SEBI had also directed the said entities that pending completion of investigation and till further order, they shall not dispose of or alienate any of their assets or divert any funds, except for the purposes for meeting expenses of day-to-day business operations, without the prior permission of SEBI. Erstwhile-promoters were also directed not to associate themselves with the affairs of the Company in any manner whatsoever, till further directions. Parties named in the Order had been granted opportunity for filing their respective replies/objections within 21 days.

The Company and its wholly owned subsidiary i.e. Fortis Hospitals Limited (FHsL) had then filed applications for modification of the order, for deletion of name of FHsL from the list of entities against whom the directions were issued. Pursuant to this SEBI, vide order dated December 21, 2018, modified its previous order dated October 17, 2018 deleting FHsL from the list of entities against whom the Order was directed. Pursuant to this, the suspension order by National Securities Depository Limited for debits in beneficial owner account of FHsL was accordingly removed. Vide Order dated March 19, 2019, ("Confirmatary Order") SEBI confirmed the directions issued vide ad interim ex-parte order dated October 17, 2018 read with order dated December 21, 2018, till further orders. SEBI also directed the Company and FHsL to take all necessary steps to recover Rupees 40,300 lacs along with due interest from erstwhile-promoters and various other entities, as mentioned in the Order.

Company and FHsL had filed necessary applications in this regard including an application with the Recovery Officer, SEBI, under Section 28A of the Securities and Exchange Board of India Act 1992, for the recovery of the amounts owed by the erstwhile-promoters and varisous other entities to the Company and FHsL. SEBI vide its letter dated June 14, 2019 has stated that provisions of Section 28A of SEBI Act, 1992 cannot be invoked at this stage hence, Company and FHsL may take necessary steps to comply with SEBI's direction. Accordingly, FHsL has filed a civil suit for recovery of Rupees 52,019 lacs before Hon'ble Delhi High Court against the parties, named in the orders passed by SEBI.

The Investigation Report of the external legal firm was submitted by the Company to the SEBI and SFIO on June 12, 2018. Further, the Company has submitted a copy of the complaint filed with the EOW and a copy of the report of the additional procedures/ enquiries done by the independent expert to SEBI and SFIO on November 10, 2020.

By an order dated November 12, 2020, SEBI revoked its Interim orders read with Confirmatory Order qua Best Healthcare Pvt. Ltd., Fern Healthcare Pvt. Ltd. and Modland Wears Pvt. Ltd. and directed that the ongoing proceedings against them be substituted with adjudication proceedings. The order expressly clarified that the Company and FHsL were at liberty to pursue remedies under law, as deemed appropriate by them, against the abovementioned entities in respect of their role in the diversion of funds. A Show-Cause Notice (SCN- 1) was issued by SEBI to various entities including the Company and FHsL on November 20, 2020. In the SCN- 1, it was inter-alia alleged that the consolidated financials of the Company at the relevant period were untrue and misleading for the shareholders of the Company and the Company had circumvented certain provisions of the SEBI Act, Securities Contracts (Regulation) Act, 1956, and certain SEBI regulations. In response, a joint representation/reply was filed by the Company and FHsL on December 28, 2020 praying for quashing of the SCN- 1 by inter alia reiterating that the Company and FHsL, were in fact victims of the schemes of the Erstwhile Promoters (Malvinder Mohan Singh and Shivinder Mohan Singh) and justice, equity and fairness demands that the victim ought not be punished for the offences of the wrongdoers. All acts impugned in the SCN- 1 relate to the period when the Erstwhile Promoters controlled the affairs of Company and FHsL and the erstwhile Promoters are no longer involved in the affairs of the Company and FHsL. The Erstwhile Promoters were responsible for financial misrepresentation and not the Company and FHsL. Post resignation of the Erstwhile Promoters in February 2018, the Board of Directors of the Company, solely comprising independent Directors looked after its welfare until a new promoter, invested and took control of the Company, till such time as the new promoters of the Company (i.e. NTK Venture Pte. Ltd.) assumed control of the Company pursuant to a preferential allotment which was approved by the Competition Commission of India and SEBI which approved the open offer which was triggered by such preferential allotment. Any adverse orders against the Company and FHsL would harm their existing shareholders, employees and creditors. The Company and FHsL have taken substantial legal actions against the Erstwhile Promoters and significant steps to recover the diverted amounts. Oral submissions in response to the SCN- 1 were made in a

Directors' Report (Contd..)

personal hearing before the SEBI Whole Time Member on January 20, 2021 and written submissions were filed. SEBI has passed an order dated 19.04.2022 w.r.t SCN -1 and directed the Company & FHsL to pursue the measures taken to recover the amount of INR 397.12 Crores (approx.) along with the interest from Erstwhile Promoters; & Audit Committee to regularly monitor the progress of such measures and report the same to board of directors at regular intervals. SEBI has imposed a penalty of Rs. 50 lakh and Rs. 1 Crore on FHsL and the Company respectively. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated 19.04.2022.

On April 09, 2021, SEBI issued another Show cause notice to various noticees including Escorts Heart Institute and Research Centre Limited ("EHIRCL"). In the said show cause notice, with respect to EHIRCL, it has been alleged that INR 567 crore was lent by the Company to EHIRCL in 2011, which was subsequently transferred by EHIRCL to Lowe Infra and Wellness Private Limited ("Lowe") in multiple transactions for the purchase of a land parcel. This land parcel, which was allegedly indirectly to be acquired by the Company through its subsidiary EHIRCL and another entity Lowe, was then transferred to RHC Holdings Private Limited ("RHC Holdings"). It has been stated in the said Show cause notice that a structured rotation of funds was carried out to portray that the loan extended by the Company for the purchase of land had been paid back with interest in the year 2011. It is alleged that the Company was actually paid back by RHC Holding over a period of four years ending on July 31, 2015. In this respect, the Company and FHsL funds were allegedly routed through various layers in order to camouflage the transactions, and to circumvent legal provisions with respect to related party transactions.

In the Show cause Notice dated April 9, 2021 EHIRCL has been clubbed along with the other noticees, and has been painted with the same brush as the other noticees in alleging that certain noticees, including EHIRCL, were part of a fraudulent and deceptive device wherein they acted in fraudulent manner which led to the misuse and/or diversion of funds from a listed company i.e. FHL, amounting to approximately Rupees 397.12 crore for the ultimate benefit of RHC Holdings and the erstwhile promoters. Thereby, it is alleged, that EHIRCL has aided and abetted the routing of funds from the Company, ultimately to RHC Holdings, for the benefit of the promoter entities.

Further, after adjudicating the Show Cause Notice dated April 9, 2021, SEBI has passed an order dated 18.5.2022 wherein it has held EHIRCL is responsible for fraudulent scheme perpetrated at the behest of the then management of FHL/FHsL for the benefit of their then promoters and therefore has violated the relevant provisions of SEBI (PFUTP) Regulations. SEBI has acknowledged the fact that EHIRCL working under a completely new management presently and the said revamped management has already taken steps against the erstwhile promoters for the fraud perpetrated under their watch, shall serve as a mitigating factor while computing the penalty under section 15HA of the SEBI Act. Having said this, SEBI vide order dated 18.5.2022 has imposed a penalty of INR 1 crore on EHIRCL for violation of certain provisions of SEBI laws. The reasoning that has been adopted for imposition of penalty on EHIRCL appears to be exactly on the same lines as the reasoning in the case of FHL and FHsL.

SEBI vide order dated May 18, 2022, passed in the Show Cause Notice dated April 9, 2021, has imposed a penalty of INR 1 (one) Crore on EHIRCL after finding that there has been violation of certain provisions of SEBI laws. While imposing the said penalty, SEBI has acknowledged that EHIRCL working under a completely new management presently and the said revamped management have already initiated civil and criminal actions against the erstwhile promoters for the fraud perpetrated under their watch. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated 18.5.2022.

CAPITAL STRUCTURE/STOCK OPTION

The Company currently manages its stock options through "Employee Stock Option Plan 2007" and "Employee Stock Option Plan 2011" ("Schemes") as approved by the shareholders. The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Schemes of the Company. Each option when exercised would be converted into one fully paid up equity share of ₹ 10 each of the Company. During the year under review, no option was granted by the Company. Disclosure pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the year ended March 31, 2022 is available at the website of the Company at https://www.fortishealthcare.com/investors - Annual Report / ESOP Disclosure 2021-22.

During the year under review, "no stock options were granted or exercised under the terms of the "Employee Stock Option Plan 2007 and "Employee Stock Option Scheme 2011".

The certificate from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI Regulations would be placed at the ensuing Annual General Meeting for inspection by members.

The Company has not made any provision of money for purchase of, or subscription for, its own shares or of its holding Company.

Directors' Report (Contd..)

Details pertaining to shares in suspense account are specified in the report of Corporate Governance forming part of the Board Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at https://www.fortishealthcare.com/investors.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, regarding Conservation of Energy and Technology Absorption, is given in **"Annexure – III"**, forming part of the Board's Report. Further, details pertaining to Foreign Exchange Earnings and Outgo is as given below:

TOTAL FOREIGN EXCHANGE EARNED AND USED (BASED ON STANDALONE FINANCIAL STATEMENTS)

(₹ in crore)

Particulars	Amount
Foreign Exchange earned in terms of Actual Inflows	2.10
Foreign Exchange outgo in terms of Actual Outflows	1.06

Note: Earning and expenditure in foreign currency is on accrual basis.

CORPORATE SOCIAL RESPONSIBILITY - OUR JOURNEY THROUGH THE PAST YEAR

The Board of Director has approved the CSR policy for the Company. The said policy approaches this area under the philosophy that the company efforts should strive towards building and sustaining a healthier humanity. The policy elucidates the concept of growing our business in a socially and environmentally responsible manner through an active role in empowering communities and driving social development and positive change.

With the above in mind the policy seeks as an objective to bring focus, leveraging its inherent skills, experience and knowledge.

The policy holds itself out as a forward-looking aspirational charter which recommends liberal interpretation, promotes activity under the spirit of partnership and recommends that initiatives be targeted to the needs of the disadvantaged, vulnerable and marginalized sections of society. While the underlying guidance is to bring alignment of varied activities under the focus umbrella, it recognizes the need to record presence and contribution in such weak links in society where its mere presence and support could drive significant social benefit. In keeping with such themes, program/s such as supporting charitable healthcare infrastructure, disaster relief, preventive healthcare awareness through different channels of communication, remain well within the range of the policy objectives.

This year Company contributed its CSR Fund to PM Cares Fund – which is a dedicated fund with the primary objective of dealing with any kind of emergency or distress situation, like posed by the COVID-19 pandemic, and to provide relief to the affected. In addition to this Fortis continued supporting the activities and initiates of ICMR. The second donation was made to ICMR fund to support research and development projects in the field of science, technology, engineering and medicine.

The policy seeks to define the specific roles and responsibilities associated with administration, program design and execution. It further clarifies the governance, monitoring, reporting and disclosure requirements.

As an enterprise in the critical domain of healthcare, the Company has participated and implemented various socially responsive programs since its inception. While some or many of these programs may not meet the strict interpretation of the new CSR rules, thereby impacting the assessment and eligibility of the 2% spent, these programs remain significant Fortis contributions to society and the Board, the Policy and Senior Management remain committed to continuing with them in the wider interests.

The policy as approved by the Board is available on the Company's web site at https://s3.apsoutheast-1.amazonaws.com/s3.fortishealthcare.comCorporate+Social+Responsibility+Policy+2022.pdf

Particulars pursuant to Clause O of Sub-Section 3 of Section 134 of The Companies Act, 2013 read with Rule 9 of Companies (Corporate Social Responsibility) Rules, 2014 is given in **"Annexure IV"**.

Directors' Report (Contd..)

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company as on date of this report comprises eleven directors, of which one (1) is a Managing Director and CEO (Executive Director), four (4) are Independent Directors and rest of the six (6) directors are Non-Executive & Non-Independent Directors. Pursuant to Sections 152 of the Companies Act, 2013, Dr. Farid Bin Mohamed Sani and Mr. Dilip Kadambi are liable to retire by rotation and being eligible offers themselves for re-appointment at the forthcoming Annual General Meeting of your Company.

During the year under review, Dr. Ashutosh Raghuvanshi was re-appointed as Chief Executive Officer & Managing Director ('CEO & MD') of the Company with effect from March 19, 2022 for a period of three years. Further, Mr. Shirish Moreshwar Apte has resigned from directorship of the Company w.e.f. July 15, 2021.

Further, it is proposed to re-appoint Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty as Independent Directors of the Company for a second term of five years effective from April 27, 2023.

Brief resume of the directors being re-appointed at the forthcoming Annual General Meeting is separately disclosed in the Notice of the ensuing Annual General Meeting.

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2021-22, Six (6) meetings were held by the Board of Directors. The details of board/committee meetings and the attendance of Directors are provided in the Corporate Governance Report.

Details of Key Managerial Personnel are as under:

Name	Designation
Dr. Ashutosh Raghuvanshi	Managing Director and Chief Executive Officer
Mr. Vivek Kumar Goyal	Chief Financial Officer
Mr. Sumit Goel*	Company Secretary
Mr. Murlee Manohar Jain**	Company Secretary

**Resigned with effect from April 4, 2022.*

*** Appointed with effect from April 5, 2022.*

Disclosures regarding the following are mentioned in report on Corporate Governance forming part of this report.

1. Composition of Committee(s) of the Board of Director and other details;
2. Details of establishment of Vigil Mechanism;
3. Details of remuneration paid to all the Directors including Stock options; and
4. Commission received by Independent Director; if any.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and the respective committees are required to carry out performance evaluation of the Board as a body, the Directors individually, Chairman as well as that of its Committees.

The Board of Directors of your Company, in order to give objectivity to the evaluation process identified an independent third party for conducting board evaluation exercise for this financial year.

Directors' Report (Contd..)

The following process of evaluation was approved by the Nomination and Remuneration Committee and the Board of Directors:

S. No.	Process	Remarks	Criteria for Evaluation (including Independent Directors)
1.	Kick Off Board Evaluation Program	The Chairperson kick starts the process. Appointed and designated independent external agency as Process Coordinator	–
2.	Evaluation forms and One to One discussion	Process Coordinator interacted with the Board members to assess performance, invite direct feedback and seek inputs to identify opportunities for improvement. Process Coordinator circulated the feedback questionnaire to the board members and invited feedback from individuals, after collecting the key findings, one to one discussions were conducted to seek further clarity.	This includes Board focus (Strategic inputs), Board Meeting Management, KPI's, suggestions to improve Board performance Board Effectiveness Management Engagement, governance, risk management and addressing of follow up requests.
3.	Evaluation by the Board and of Independent Directors	A compilation of the individual self-assessments and one to one discussions were placed at the meetings of the Independent Director's (ID's) and the Board of Directors (BoD) for them to review collectively.	This includes demonstration of integrity, commitment, attendance at the meetings, contribution and participation, professionalism, contribution while developing Annual Operating Plans, demonstration of roles and responsibilities, review of high risk issues & grievance redressed mechanism, succession planning, working of Board Committees etc.
4.	Final recording and reporting	Based on the findings of the assessment, the process coordinator circulates reports to the Board members for further discussion and action planning. Based on the above, a final report on Board Evaluation 2021-22 was presented at a meeting of the Board of Directors.	The report includes key highlights, a presentation of an analysis of each response, actionable insights and comments.

MANAGERIAL REMUNERATION

Disclosures pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

(a) Comparison and ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2021-22 *

	Name of the Director	Remuneration of Director (₹ in Crore)	Median Remuneration of Employees (₹ in Crore)	Median Remuneration of Employees	Ratio
1.	Dr. Ashutosh Raghuvanshi*	Managing Directors & CEO	7.09		363:1
2.	Mr. Ravi Rajagopal#	Chairman (Independent Director)	1.07		55:1
3.	Dr. Chi Keon Kelvin Loh	Non- Executive Director	0.08		4:1
4.	Mr. Dilip Kadambi	Non- Executive Director	0.14	0.019	7:1

Directors' Report (Contd..)

Name of the Director	Remuneration of Director (₹ in Crore)	Median Remuneration of Employees (₹ in Crore)	Median Remuneration of Employees	Ratio
5. Dr. Farid Bin Mohamed Sani	Non- Executive Director	0.05		3:1
6. Mr. Heng Joo Joe Sim	Non- Executive Director	0.09		5:1
7. Mr. Indrajit Banerjee#	Independent Director	0.93		48:1
8. Mr. Joerg Ayrle	Non- Executive Director	0.11		6:1
9. Ms. Shailaja Chandra#	Independent Director	0.93		48:1
10. Ms. Suvalaxmi Chakraborty#	Independent Director	0.90		46:1
11. Mr. Takeshi Saito	Non- Executive Director	0.06		3:1

** Annual Salary paid including the perquisites (if any) which is considered for taxation, however, does not include the reimbursements paid against the expense bills submitted.*

 # The Non-Executive/Independent Directors are paid sitting fees & commission on the basis of their attendance at the Board/Committee Meetings. Any variation highlighted above in remuneration of these Directors is on account of number of meetings held or attended during the year.

(b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year under review:

Employee Name	Designation	% of increment
Dr. Ashutosh Raghuvanshi	Managing Director and Chief Executive Officer	20%*
Mr. Vivek Kumar Goyal	Chief Financial Officer	5%
Mr. Sumit Goel	Company Secretary	19%

**Dr. Raghuvanshi's remuneration is revised wef 19-March-2022.*

(c) The percentage increase in the median remuneration of employees in the financial year- 5.53%

*Increases in annual CTC of the employees between the current and last financial year are considered

(d) The number of permanent employees on the rolls of the Company is 2861 as on March 31, 2022.

(e) Average percentile increase 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 any exceptional circumstances for increase in the managerial remuneration **

Particulars	For the Financial Year 2021-22
(A) Average percentile increases already made in the salaries of employees other than the managerial personnel	10.25%
(B) Percentile increase in the managerial remuneration	15%
Comparison of (A) and (B)	+4.75%
Justification	10.25% is the company average salary increment excluding KMPs. The increment rates varies based on the Job grades and performance rates of the employees
Any exceptional circumstances for increase in the managerial remuneration	–

*** Salary increases % (percentage) considered in comparison between salary as on 31/3/2021 and 31/3/2022 of the active employees as on 31/3/2022*

Directors' Report (Contd..)

(f) During the financial year 2021-22, ₹ 2,79,22,973 variable pay was paid to Dr. Ashutosh Raghuvanshi, MD and CEO, ₹ 95,81,875.00 to Mr. Vivek Kumar Goyal, Chief Financial Officer, and ₹ 8,45,758.00 to Mr. Sumit Goel, Company Secretary of the Company for year 2021-22. ***

****Variable pay includes Annual Variable Payments, Exgratia, and Leave balance encashments.*

(g) Remuneration paid to Directors and KMPs is as per the Remuneration Policy of the Company.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director etc. Details of Remuneration Policy and changes, if any, are stated in the Corporate Governance Report.

Your Company has from time to time familiarized the Board of Directors with the Company's operations, their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc. The same is governed by a template viz Board of Directors Governance Standard and it is available on the website of the Company at https://www.fortishealthcare.com/investors - Corporate Governance/ Policies/Codes/ Board Governance Document.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members.

RELATED PARTY TRANSACTIONS

Disclosures as required under Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are given in **"Annexure - V"** in Form AOC- 2 as specified under the Companies Act, 2013.

The Related Party Transactions are placed before the Audit Committee for approval as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for their review on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Policy+on+Related+Party+Transactions.pdf

None of the current Directors has any pecuniary relationship or transaction vis-à-vis your Company, except to the extent of sitting fees and remuneration/commission approved by the Board of Directors and/or shareholders of your Company and as disclosed in this Annual Report.

RISK MANAGEMENT POLICY

Your Company has designed a risk management policy and framework for risk identification, assessment, mitigation plan development and monitoring of action to mitigate the risks. The key objective of the Enterprise Risk Management Policy ("ERM Policy") policy is to provide a formalized framework to enable judicious allocation of resources on the critical areas which can adversely impact your Company's ability to achieve its objectives. The policy is applicable to the Company and its subsidiaries. This framework enables the management to develop and sustain a risk-conscious culture, wherein, there is a high degree of organization-wide awareness and understanding of external and internal risks associated with the business. The policy defines an architecture and oversight structure to assist effective implementation. By clearly defining terms and outlining roles and responsibilities, ERM promotes risk ownership, accountability, self-assessment and continuous improvement to minimize adverse impact on achievement of business objectives and enhance your Company's competitive advantage. The details thereof are covered under the Management and Discussion Analysis Report which forms part of the Annual Report.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT

Your Company has adopted a Policy for Prevention, Prohibition and Redressal of Sexual Harassment. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the Financial Year 2021-22, your Company has received 3 complaints on sexual harassment and all 3 complaints have been resolved with appropriate action taken and no complaint was pending as on March 31, 2022. The same may also be read in terms of Companies (Accounts) Rules, 2014.

Directors' Report (Contd..)

DISCLOSURE REQUIREMENTS

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report with Auditors' certificate thereon and Management Discussion and Analysis Report are attached, which form part of this report.

CODE OF CONDUCT

Declaration by Dr. Ashutosh Raghuvanshi, Managing Director and Chief Executive Officer confirming compliance with the 'Fortis Code of Conduct' is enclosed with Corporate Governance Report.

CERTIFICATE BY STATUTORY AUDITORS FOR DOWNSTREAM INVESTMENT

A certificate from the Statutory Auditors of your Company stating that your Company has duly complied with the requirements of downstream investment made by your Company to second level entities in accordance with Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 would be available at the Annual General Meeting for inspection by members.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures therefrom, if any;

(b) The selection and application of accounting policies were assessed for their consistent application and judgements and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of the affairs of your Company at the end of the financial year and of the profit of your Company for the Financial Year ended March 31, 2022;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

(d) the Statements have been prepared on a going concern basis for the reasons stated in Note 34 in the Notes to the Consolidated Financial Statements and Note 30 in the notes to the Standalone Financial Statements;

(e) Proper internal financial controls have been laid down and that such internal financial controls are adequate and are operating effectively; and

(f) There are proper systems in place to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all doctors, nurses, technicians and staff members who have been battling COVID-19. Their heroic performance under enormous stress is what really makes us a world-class healthcare provider. Your Directors offer their deepest condolences to the bereaved families of Fortisians who lost their loved ones and pray for the early recovery of those who have been infected. Ensuring the health and well-being of our employees, especially the frontline healthcare workers, is paramount and the steps taken towards ensuring their protection during the COVID pandemic is praiseworthy. At the same time, the Fortis team is playing a significant role in the ongoing nation-wide vaccination drive in tandem with the Government directives, reaffirming our pivotal role as a trustworthy healthcare provider.

Your Directors are glad to place on record that Fortis has posted a strong financial performance in spite of the pandemic. This is truly amazing and the Board is proud of each one of you for this achievement. It speaks volumes about your dedication and commitment. Your Board is confident that the team will do much better, as the situation improves. Your Directors are very appreciative of the fantastic work being done and have high hopes that you will continue to deliver wonderful outcomes.

Your Directors also place on record their gratitude to the Central Government, State Governments and all other Government agencies for the assistance, co-operation and encouragement they have extended to the Company. Your Directors also greatly appreciate the commitment and dedication of all the employees at all levels, that has contributed to the growth and success of the Company. Your Directors also thank all the strategic partners, business associates, Banks, financial institutions and our shareholders for their assistance, co-operation and encouragement to the Company during the year.

By **Order of the Board of Directors**
For **Fortis Healthcare Limited**

Sd/-	Sd/-
Ashutosh Raghuvanshi	**Indrajit Banerjee**
Managing Director & CEO	Independent Director
DIN: 02775637	DIN: 01365405
Date: May 25, 2022	Date: May 25, 2022
Place: Gurugram	Place: Gurugram

Annexure- I to Director's Report- Form AOC-1

Statement pursuant to first proviso to Sub-Section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 related to subsidiaries

(₹ in lacs)

S. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding *
1	Escorts Heart Institute and Research Centre Limited	31-Mar-22	INR 1.00	256.29	58,308.98	87,093.71	28,528.44	65,643.05	34,632.98	742.74	94.84	647.90	-	100.00%
2	Fortis Healthstaff Limited	31-Mar-22	INR 1.00	502.00	(1,871.95)	22.28	1,392.22	-	1.48	(172.04)	-	(172.04)	-	100.00%
3	Fortis Asia Healthcare Pte. Ltd	31-Mar-22	USD 75.90	16,219.40	(1,27,684.63)	5,203.81	1,16,669.04	5,197.85	153.13	(1,593.80)	-	(1,593.80)	-	100.00%
4	Fortis Healthcare International Pte. Limited	31-Mar-22	SGD 56.06	95,168.12	(87,799.71)	8,025.11	656.71	6,509.84	22.40	2,168.00	(0.42)	2,168.42	-	100.00%
5	Mena Healthcare Investment Company Limited	31-Mar-22	AED 20.67	19.82	(999.43)	37.92	1,017.54	37.92	-		-	-	-	82.54%
6	Medical Management Company Limited	31-Mar-22	AED 20.67	32.55	823.11	987.34	131.68	-	-	-	-	-	-	82.54%
7	SRL Diagnostics FZ-LLC	31-Mar-22	AED 20.67	282.00	(1,024.27)	3,348.15	4,090.42	-	4,224.03	554.88	-	554.88	-	57.11%
8	Hiranandani Healthcare Private Ltd	31-Mar-22	INR 1.00	561.33	4,734.71	10,059.52	4,763.48	-	12,274.85	801.29	-	801.29	-	100.00%
9	Fortis La Femme Limited	31-Mar-22	INR 1.00	7.00	(99.40)	3.15	95.55	-	-	(7.47)	-	(7.47)	-	100.00%
10	Fortis CSR Foundation	31-Mar-22	INR 1.00	5.00	25.10	30.76	0.66	-	1.51	0.90	-	0.90	-	100.00%
11	SRL Limited	31-Mar-22	INR 1.00	7,842.55	1,25,158.70	1,55,199.51	22,198.25	75,218.46	1,02,414.30	21,192.25	5,435.60	15,756.65	-	57.11%
12	SRL Diagnostics Private Limited	31-Mar-22	INR 1.00	395.82	10,710.35	24,739.72	13,633.54	950.88	29,840.25	5,993.76	1,272.68	4,721.08	-	57.11%
13	SRL Reach Limited	31-Mar-22	INR 1.00	800.00	(867.54)	789.44	856.98	-	858.00	1.55	-	1.55	-	57.11%
14	Fortis Healthcare International Limited	31-Mar-22	USD 75.90	227.30	1,641.38	2,538.53	669.84	2,266.45	1.85	(54.79)	-	(54.79)	-	100.00%
15	Fortis Global Healthcare (Mauritius) Limited	31-Mar-22	USD 75.90	373.53	(36,845.25)	47.01	36,518.73	-	2.84	(1,448.23)	6.96	(1,455.19)	-	100.00%
16	Fortis Hospitals Limited	31-Mar-22	INR 1.00	7,998.76	(72,038.18)	3,26,546.15	3,90,585.57	34,319.08	2,77,863.83	(12,784.67)	-	(12,784.67)	-	100.00%
17	Fortis Cancer Care Limited	31-Mar-22	INR 1.00	15.00	(4,019.57)	4.74	4,009.31	-	-	(289.27)	-	(289.27)	-	100.00%

Annexure- I to Director's Report- Form AOC-1 (Contd..)

(₹ in lacs)

S. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.		Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding *
18	Fortis Malar Hospitals Limited	31-Mar-22	INR	1.00	1,875.70	5,921.30	15,867.07	8,070.07	5.00	9,351.14	(830.55)	-	(830.55)	-	62.71%
19	Malar Star Medicare Limited	31-Mar-22	INR	1.00	5.00	216.15	231.90	10.74	-	14.01	4.37	1.21	3.16	-	62.71%
20	Fortis Health Management (East) Limited	31-Mar-22	INR	1.00	7.00	(1,295.39)	37.65	1,326.05	-	20.89	(71.43)	-	(71.43)	-	100.00%
21	Birdie and Birdie Realtors Private Limited	31-Mar-22	INR	1.00	71.00	(14,015.03)	135.15	14,079.17	-	8.53	553.57	-	553.57	-	100.00%
22	Stellant Capital Advisory Services Private Limited	31-Mar-22	INR	1.00	1,750.00	2,884.06	4,765.49	131.43	1,288.51	273.68	(0.28)	93.27	(93.56)	-	100.00%
23	Fortis Hospotel Limited	31-Mar-22	INR	1.00	56,117.02	1,71,498.59	2,35,096.08	7,480.47	95,340.90	38,636.24	29,146.85	7,420.78	21,726.07	-	100.00%
24	RHT Health Trust Manager Pte Ltd	31-Mar-22	SGD	56.06	609.45	9,744.25	10,670.05	316.35	9,689.74	54.14	(413.36)	(9.38)	(403.97)	-	100.00%
25	Fortis Emergency Services Limited	31-Mar-22	INR	1.00	5.00	(7,817.00)	908.64	8,720.64	-	137.58	(626.85)	-	(626.85)	-	100.00%
26	DDRC SRL Diagnostics Private Limited	31-Mar-22	INR	1.00	50.00	14,606.25	20,087.22	5,430.97	-	31,531.48	9,971.45	2,597.91	7,373.54	-	57.11%
27	Escorts Heart and Super Speciality Hospital Limited	31-Mar-22	INR	1.00	3,392.52	11,172.22	80,188.09	65,623.35	17,775.00	13,124.12	2,594.34	641.12	1,953.22	-	100.00%
28	International Hospital Limited	31-Mar-22	INR	1.00	33,963.13	71,217.96	2,88,893.50	1,83,712.41	91,032.43	43,008.70	14,552.71	3,394.87	11,157.84	-	100.00%
29	Hospitalia Eastern Private Limited	31-Mar-22	INR	1.00	5.10	(13,988.53)	12,628.22	26,611.65	-	-	(1,693.54)	-	(1,693.54)	-	100.00%
30	Fortis Health Management Limited	31-Mar-22	INR	1.00	250.00	(65,828.99)	63,253.62	1,28,832.61	52,050.01	5,749.73	(7,015.95)	-	(7,015.95)	-	100.00%

** The percentage of shareholding is considered on fully diliuted basis and also includes indirect shareholding.*

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations-Nil

2. Names of subsidiaries which have been liquidated or sold during the year-Refer the section "details of subsidiary, Joint Venture/Associate Companies under Board Report.

Annexure- I to Director's Report- Form AOC-1 (Contd..)

Statement pursuant to first proviso to Sub-Section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 related to Joint Venture/Associate Companies

(₹ in lacs)

Sl. No	Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding % *				i. Considered in Consolidation	i. Not Considered in Consolidation
1	RHT Health Trust	31-Mar-22	2,257.48	2,447.85	27.82%	Associate	Not Applicable	2,447.85	(92.18)	-
2	Lanka Hospitals Corporation PLC	31-Dec-21	641.21	7,593.10	28.60%	Associate	Not Applicable	7,593.10	2,416.64	-
3	Fortis Cauvery	31-Mar-22	NA, a partnership firm		51.00%	Joint Venture	Not Applicable	27.44	-	-
4	SRL Diagnostics (NEPAL) Private Limited	31-Mar-22	2.40	319.04	50.00%	Joint Venture	Not Applicable	319.04	30.66	-

** The percentage of shareholding also includes indirect shareholding.*

Notes: The following information shall be furnished at the end of the statement:

1. Names of Joint Venture/Associate Companies which are yet to commence operations-Nil
2. Names of Joint Venture/Associate Companies which have been liquidated or sold during the year-Refer the section "details of subsidiary, Joint Venture/Associate Companies under Board Report .

For and on behalf of the Board of Directors **FORTIS HEALTHCARE LIMITED**

ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

INDRAJIT BANERJEE
Independent Director
DIN: 01365405

MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Annexure to Director's Report- Form AOC-2

PARTICULARS OF CONTRACT / ARRANGEMENT MADE WITH RELATED PARTIES

(pursuant to Clause (h) of Sub Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/ arrangement entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transaction not at arm's length basis

There were no contracts or arrangement or transactions entered into during the year ended March 31, 2022, which are not at arms' length basis.

Details of material contracts or arrangements or transaction at arm's length basis

The details of material contracts or arrangements or transactions (as per the Company's Policy on 'Materiality on Related Party Transactions') entered into during the year ended March 31, 2022, which are on arm's length basis:-

(₹ in lacs)

Name of Related Party	Nature of Relationship	Nature of Contract / arrangement / transaction	Duration of the Contract / arrangement / transaction	Salient terms of the Contract / arrangement / transaction including the value, if any	Date of approval by the Board, if any	Amount paid in advance
Fortis Hospitals limited	Subsidiary Company	Corporate guarantee	-	Corporate guarantee given to Banks/ Financial Institution for loan availed by Subsidiary Company - Closing Balance Rs 508.47 crore	Approved by Board of Directors on March 02, 2020	NA
Fortis Hospitals limited (FHsL)	Subsidiary Company	Corporate guarantee	10 Years	Corporate guarantee given to Fortis Hospotel Limited for loan availed by Fortis Hospitals Limited - Closing balance Rs 486.24 crore	Approved by Board of Directors on August 4, 2016	NA

Annexure- II to Director's Report

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Fortis Healthcare Limited
(CIN: L85110PB1996PLC045933)
Fortis Hospital Sector-62,
Phase-VIII, Mohali, Punjab-160062

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Fortis Healthcare Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

We report that:-

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We 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. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

f) 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.

g) The auditor adhered to best professional standards and practices as could be possible while carrying out audit. The Company made due efforts to make available the relevant records and documents which were verified through online means to conduct and complete the audit.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

Annexure- II to Director's Report (Contd..)

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {Not applicable during the audit period};

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 {Not applicable during the audit period};

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 {Not applicable during the audit period};

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 {Not applicable during the audit period};

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable during the audit period}; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which the Company is generally complied with.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above.

(vi) The Company is primarily engaged in the healthcare delivery services and networks of multi-specialty hospitals and diagnostic centers in India and overseas through its subsidiaries, joint ventures and associate companies. Following are some of the laws specifically applicable to the Company:-

- The Clinical Establishment (Registration and Regulation) Act, 2010 and Rules made thereunder;
- The Drugs Control Act, 1950 and Rules made thereunder; and
- The Transplantation of Human Organs Act, 1994 and bye laws made thereunder.

On the basis of management representation and our check on test basis, we are on the view that the Company has adequate system to ensure compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors including woman director. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with majority consent and, no dissenting views were required to be captured and recorded as part of the minutes.

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 to ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period:

- the Members of the Company, passed following special resolutions through postal ballot (result was declared on September 23, 2021):

  i. to consider further investment by way of subscription by the Company in Redeemable Preference Shares (RPS) of Fortis La Femme Limited, a wholly owned subsidiary Company.

  ii. to consider further investment by way of subscription in Redeemable Preference Shares ("RPS") by Wholly Owned Subsidiary Companies of the Company viz Escorts Heart Institute and Research Centre Limited ('EHIRCL') and Fortis Hospitals Limited ('FHsL') in step down subsidiaries viz Fortis Cancer Care Limited ('FCCL'), Fortis Health Management (East) Limited ('FHMEL'), Fortis Emergency Services Limited ('FESL'),

Annexure- II to Director's Report (Contd..)

Fortis Healthstaff Limited ('Healthstaff') and Birdie & Birdie Realtors Private Limited.

- the Members of the Company, passed a special resolution seeking approval for entering into Memorandum of Understanding/agreement to sell/ Sale Deed/ Deed of Conveyance/ Escrow Agreement and related documents for sale of immovable property by Birdie and Birdie Realtors Private Limited, a step-down subsidiary company through postal ballot (result was declared on December 22, 2021);
- the Members of the Company, passed a special resolution seeking approval for entering into a Material Contract by Fortis Malar Hospitals Limited, a step-down subsidiary of the Company through postal ballot (result was declared on February 17, 2022);
- Postal Ballot notice dated February 27, 2022 was circulated to the members of the Company seeking their approval by way of Special Resolution for amalgamation of wholly owned subsidiaries of the Company i.e, Fortis Emergency Services Limited, Fortis Cancer Care Limited, Fortis Health Management (East) Limited and Birdie & Birdie Realtors Private Limited (Transferor Companies) with Fortis Hospitals Limited (Transferee Company) and which was passed by the members (result was declared on April 08, 2022);

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Vijay K. Singhal
Partner
CP No.: 10385, M. No.: A21089
UDIN: A021089D000382901

Date: May 25, 2022
Place: New Delhi

Secretarial Audit Report of Material Subsidiaries

Form No. MR-3

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]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

To,
The Members,
Fortis Hospitals Limited
Escorts Heart Institute & Research Centre
Okhla Road, New Delhi-110025

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Fortis Hospitals Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Fortis Hospitals Limited** for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

1. Secretarial Standards 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, Secretarial Standards etc. mentioned above.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent reasonably 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.

All decisions are carried through requisite majority and recorded as part of the minutes.

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.

We further report that during the audit period the company has

(i) Regularised Mr. Anil Vinayak as Director on the Board of the Company;

(ii) Regularised Ms. Richa Singh Debgupta as Director on the Board of the Company

(iii) Amended existing Inter Corporate Loan agreement between the Company and Fortis C-DOC Healthcare Limited, Subsidiary Company to enable conversion of outstanding inter corporate loan into Optionally Convertible Redeemable Preference shares (OCRPS).

for **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000380332

Place: Delhi
Date: 24.05.2022

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

Secretarial Audit Report of Material Subsidiaries (Contd..)

Annexure-A

To,
The Members,
Fortis Hospitals Limited
Escorts Heart Institute & Research Centre
Okhla Road, New Delhi-110025

The 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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 **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000380332

Place: Delhi
Date: 24.05.2022

Secretarial Audit Report of Material Subsidiaries (Contd..)

Form No. MR-3

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]

SECRETARIAL AUDIT REPORT

To,
The Members,
SRL LIMITED
FORTIS HOSPITAL SECTOR 62, PHASE-VIII,
MOHALI - 160062

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SRL LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has, during the audit period covering April, 01 2021 to 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SRL LIMITED** for the period covering April, 01 2021 to 31st March 2022 according to the provisions of:

(iii) The Companies Act, 2013 (the Act) and the rules made thereunder.

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in respect to issue and allotment of shares;

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

2. Secretarial Standards issued by the Institute of Company Secretaries of India

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent reasonably 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.

All decisions were carried through majority and recorded as part of the minutes.

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.

We further report that during the audit period the company has:

(iv) Appointed Mr. Dilip Kadambi as Director of the Company

(v) Appointed Mr. Mousum Pal Choudhury as an Alternate Director to Mr. Praneet Singh. However on arrival of Mr. Praneet Singh in India, the office of Mr. Mousum was vacated.

for **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000347761

Place: Delhi
Date: 20.05.2022

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

Secretarial Audit Report of Material Subsidiaries (Contd..)

Annexure-A

To,
The Members,
SRL LIMITED
FORTIS HOSPITAL SECTOR 62, PHASE-VIII,
MOHALI - 160062

The 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

5. 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 **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000347761

Place: Delhi
Date: 20.05.2022

Secretarial Audit Report of Material Subsidiaries (Contd..)

Form No. MR-3

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]

SECRETARIAL AUDIT REPORT

To,
The Members,
INTERNATIONAL HOSPITAL LIMITED
FORTIS MEMORIAL RESEARCH INSTITUTE,
SECTOR - 44 GURGAON -122002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INTERNATIONAL HOSPITAL LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has, during the audit period covering April, 01 2021 to 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **INTERNATIONAL HOSPITAL LIMITED** for the period covering April, 01 2021 to 31st March 2022 according to the provisions of:

(vi) The Companies Act, 2013 (the Act) and the rules made thereunder.

(vii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(viii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

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

3. Secretarial Standards issued by the Institute of Company Secretaries of India

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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 Meetings, agenda and detailed notes on agenda were sent reasonably 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.

All decisions are carried through majority and recorded as part of the minutes.

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.

We further report that during the audit period the company has:

(vi) Regularise Mr. Anil Vinayak as a Director of the Company.

(vii) Regularise Ms. Shailaja Chandra as Director of the Company.

(viii) Re-appointment of DR. Manish Mattoo as Whole-Time Director of the Company.

for **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000367814

Place: Delhi
Date: 24.05.2022

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

Secretarial Audit Report of Material Subsidiaries (Contd..)

Annexure-A

To,
The Members,
INTERNATIONAL HOSPITAL LIMITED
FORTIS MEMORIAL RESEARCH INSTITUTE,
SECTOR - 44 GURGAON -122002

The 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

5. 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 **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000367814

Place: Delhi
Date: 24.05.2022

Secretarial Audit Report of Material Subsidiaries (Contd..)

Form No. MR-3

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]

SECRETARIAL AUDIT REPORT

To,
The Members,
FORTIS HOSPOTEL LIMITED
FORTIS MEMORIAL RESEARCH INSTITUTE,
SECTOR - 44 GURGAON -122002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FORTIS HOSPOTEL LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has, during the audit period covering April, 01 2021 to 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **FORTIS HOSPOTEL LIMITED** for the period covering April, 01 2021 to 31st March 2022 according to the provisions of:

(ix) The Companies Act, 2013 (the Act) and the rules made thereunder.

(x) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(xi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

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

4. Secretarial Standards issued by the Institute of Company Secretaries of India

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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 Meetings, agenda and detailed notes on agenda were sent reasonably 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.

All decisions are carried through majority and recorded as part of the minutes.

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 **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D000367726

Place: Delhi
Date: 23.05.2022

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

Secretarial Audit Report of Material Subsidiaries (Contd..)

Annexure-A

To,
The Members,
FORTIS HOSPOTEL LIMITED
FORTIS MEMORIAL RESEARCH INSTITUTE,
SECTOR - 44 GURGAON -122002

The 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

5. 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 **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991D00036772

Place: Delhi
Date: 23.05.2022

Annexure- III to Director's Report

A. Conservation of Energy

a) Energy conservation measures taken:

- Fortis thrives to continuously monitor and improve energy scores across hospitals by switching to LED light fixtures, installing VFDs, BMS, low flow plumbing & sanitary fixtures. The chart below captures the reduction in energy consumption achieved by various Fortis Hospitals across India.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:

- It is proposed to reduce "Heat Island Effects" by designing efficient Landscape around Hospitals and install the equipment that are most energy efficient e.g. Chillers, Heat Pumps and Solar Hot water.
- Solar Power Generation Capacity is being enhanced.
- LED Lights are being installed in New Projects to reduce Electrical Power consumption.
- Energy Efficient Chillers, DG sets, Pumps have been selected for New Projects.
- Building Management System (BMS) has been installed for efficient HVAC operations.
- Variable Frequency Drives have been installed to conserve energy across Hospitals.
- As part of design standard, for all new upcoming projects, Fortis is providing hot water generation system with solar panels and heat pumps as secondary source
- Fortis continues to explore avenues to employ renewable source of energy like Solar power & wind power.

c) Impact of measures at (a) & (b):

For the year 2021-22, various energy saving initiatives specific to energy consumption was initiated by the Company despite second wave of Covid hitting the Country, which required greater efforts as a healthcare provider towards patient care. The details of consumption of energy is as under:

Sr.	Hospital	Units consumed (kWH) in Lacs		
		Year 19-20 (A)	Year 20-21 (B)	Year 21-22 (C)
1	Noida	51.85	49.46	53.06
2	Mulund	62.15	59.09	60.11
3	Mohali	55.91	51.04	59.10
4	BG Road	71.18	69.07	73.18
5	Vasant Kunj	35.25	30.01	31.02
6	Nagarbhavi	6.70	5.22	5.81
7	CG Road	19.27	16.04	15.60
8	Jaipur	50.26	41.09	51.27
9	Anandpur	56.37	53.09	55.57
10	Kalyan	8.85	8.75	9.60
11	Okhla Road	91.55	81.39	85.68
12	Rajaji Nagar	4.11	3.24	3.48
13	Vashi	29.97	26.78	28.87
14	Adyar	30.62	26.14	29.72
15	Amritsar	37.68	34.76	37.31
16	Gurgaon	100.72	87.07	95.76
17	Ludhiana	32.36	29.91	35.72
18	Shalimar Bagh	51.85	49.62	52.31

B. Technology Absorption

1. **Research & Development (R & D):**

    - Project Team is working on various models of Hospital Design to reduce Hospital Acquired Infection by segregation of staff and services movement.

2. **Technology Absorption, Adaptation & Innovation:**

    a) **Efforts made towards technology absorption, adaptation & innovation at FMRI:**

    - Variable Frequency Drives (VFDs) have been used in Chillers and critical AHUs.
    - Rain Water Harvesting Pits have been provided to conserve rain water and improve the water table.
    - Recirculation of treated water to reduce water consumption.

    b) **Efforts made towards technology absorption, adaptation & innovation at other units:**

    - The Company has decided to register all new projects for Green Building accreditations.

    c) **Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.**

    - As a result of installing PTS, usages of man movement and lifts have been reduced.
    - The above steps are helping us across to conserve energy.

3. **Expenditure incurred on Research and Development:** No expenditure was incurred on Research and Development by the Company during the period under review.

By **Order of the Board of Directors**
For **Fortis Healthcare Limited**

	Sd/-	Sd/-
	Ashutosh Raghuvanshi	**Indrajit Banerjee**
Date: May 25, 2022	Managing Director & CEO	Independent Director
Place: Gurugram	DIN: 02775637	DIN: 01365405

Annexure- IV to Director's Report

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

Under the guiding principles detailed in the Code of Conduct including amongst others:

- Conducting our operation in an honest and fair manner with integrity and openness.
- Respecting the human rights, dignity and legitimate interest of all individuals directly or indirectly associated with us.
- Providing a safe, healthy work and business environment directly or indirectly associated with us.
- Ensuring conduct which sustains and enhances the global reputation and image of the organization.

The Board of Directors has approved the CSR policy for the Company. The said policy approaches this area under the philosophy that the company efforts should strive towards building and sustaining a healthier humanity. The policy elucidates the concept of growing our business in a socially and environmentally responsible manner through an active role in empowering communities and driving social development and positive change.

With the above in mind the policy seeks as an objective to bring focus, leveraging its inherent skills, experience and knowledge.

The policy holds itself out as a forward-looking aspirational charter which recommends liberal interpretation, promotes activity under the spirit of partnership and recommends that initiatives be targeted to the needs of the disadvantaged, vulnerable and marginalized sections of society. While the underlying guidance is to bring alignment of varied activities under the focus umbrella, it recognizes the need to record presence and contribution in such weak links in society where its mere presence and support could drive significant social benefit. In keeping with such themes, program/s such as supporting charitable healthcare infrastructure, disaster relief, preventive healthcare awareness through different channels of communication, remain well within the range of the policy objectives.

This year Fortis decided to support the PM Cares Fund – which is a a dedicated fund with the primary objective of dealing with any kind of emergency or distress situation, like posed by the COVID-19 pandemic, and to provide relief to the affected. In addition to this Fortis continued supporting the activities and initiates of ICMR. The second donation was made to ICMR fund to support research and development projects in the field of science, technology, engineering and medicine.

The policy seeks to define the specific roles and responsibilities associated with administration, program design and execution. It further clarifies the governance, monitoring, reporting and disclosure requirements.

As an enterprise in the critical domain of healthcare, the Company has participated and implemented various socially responsive programs since its inception. While some or many of these programs may not meet the strict interpretation of the new CSR rules, thereby impacting the assessment and eligibility of the 2% spent, these programs remain significant Fortis contributions to society and the Board, the Policy and Senior Management remain committed to continuing with them in the wider interests.

The policy as approved by the Board is available on the Company's website at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Corporate+Social+Responsibility+Policy+2022.pdf

2. Composition of the CSR Committee

The Board has approved the constitution of a standalone CSR Committee with a delegated mandate. The current composition and mandate of the committee are available and updated on the Company's website at https://d3frl090092vlr.cloudfront.net/Corporate%20Social%20Responsibility%20Committee%20Mandate.pdf

Annexure- IV to Director's Report (Contd..)

The composition of the CSR committee as on March 31, 2022 is as follows:

S. No.	Name of 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
(i)	Mr. Indrajit Banerjee	Independent Director	1	1
(ii)	Mr. Ravi Rajagopal	Independent Director	1	1
(iii)	Ms. Shailaja Chandra*	Independent Director	1	1
(iv)	Ms. Suvalaxmi Chakraborty*	Independent Director	1	1
(v)	Dr. Ashutosh Raghuvanshi#	Managing Director & CEO	NA	NA
(vi)	Dr. Kelvin Loh*	Non-Executive Director	1	1

* *Ceased to be member of CSR Committee w.e.f. July 27, 2021 .*

\# *Appointed With effect from July 27, 2021*

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.fortishealthcare.com/investors/ Policies & Codes/ Corporate Social Responsibility Policy.

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)

– Not Applicable

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) for last three FY:

Year	Amount in lacs (₹)
2018-19	10,787.78
2019-20	65,625.43
2020-21	3,553.70
Total Profit	**79,966.91**
Average Net Profit	**26,655.64**

7. (a) Two percent of average net profit of the company as per section 135(5)- ₹ 533.11 Lacs

   (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).

   ₹ 533.11 Lacs

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 5,33,11,271/-	–	–	–	–	–

Annexure- IV to Director's Report (Contd..)

(b) Details of CSR spend during the Financial Year (Total Amount Spent, Details of amount committed, manner in which the amounts were spent during the Financial Year including details of implementing agency/ vehicle):

Table I: CSR spend measured under Section 135 of Companies Act, 2013 (FY 2021-22)

Manner in which the amount spent by the Company and its subsidiaries during the Financial Year is detailed below:

Fortis Healthcare Limited

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Fortis Healthcare Limited	Pan India	–	–	89.69	Designated Special Purpose Vehicle
2	COVID-19	viii	Fortis Healthcare Limited	Pan India	–	–	37.53	Direct to Prime Minister's National Relief Fund
3	Central Armed Police Forces(CAPF) and Central Para Military Forces(CPMF) veterans, and their dependents including widows	vi	Fortis Healthcare Limited	Pan India	–	–	509.42	Direct Contribution to Bharat Ke Veer fund to support Central Armed Police Forces (CAPF) & Central Para Military Forces (CPMF)
4	COVID-19	viii	Fortis Healthcare Limited	Pan India	533.11	533.11	533.11	Direct Payment to PM CARES Fund (Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund)
	TOTAL				**533.11**	**533.11**	**1169.75**	

- **Escorts Heart Institute and Research Centre limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Escorts Heart Institute and Research Centre Limited	Pan India	–		277.68	Designated Special Purpose Vehicle
2	COVID-19	viii	Escorts Heart Institute and Research Centre Limited	Pan India	–		22.94	Prime Minister's National Relief Fund through SPV ie Fortis CSR Foundation
3	Research & Development of Project	ix(b)	Escorts Heart Institute and Research Centre Limited	Pan India	–	–	267.39	Direct Payment to ICMR (The Indian Council of Medical Research)
	TOTAL				**–**	**–**	**568.01**	

Annexure- IV to Director's Report (Contd..)

- **Hiranandani Healthcare Private Limited:**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Hiranandani Healthcare Private Limited	Pan India	–	–	11.17	Designated Special Purpose Vehicle
2	COVID-19	viii	Hiranandani Healthcare Private Limited	Pan India	–	–	3.25	Direct to Prime Minister's National Relief Fund
	TOTAL				**–**	**–**	**14.42**	

- **Fortis Malar Hospitals limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Fortis Malar Hospitals Limited	Pan India	–	–	111.96	Designated Special Purpose Vehicle
2	COVID-19	viii	Fortis Malar Hospitals Limited	Pan India	–	–	9.50	Direct to Prime Minister's National Relief Fund
	TOTAL				**–**	**–**	**121.46**	

- **Fortis Hospotel Limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Fortis Hospotel Limited	Pan India	–	–	96.95	Designated Special Purpose Vehicle
2	SEWA-Disaster Relief Program	viii	Fortis Hospotel Limited	Pan India	–	–	100.00	Chief Minister's Relief Fund-Assam through SPV ie Fortis CSR Foundation

Annexure- IV to Director's Report (Contd..)

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
3	COVID-19	viii	Fortis Hospotel Limited	Pan India	–	–	496.13	Direct to Prime Minister's National Relief Fund
4	Bharat Ke Veer	vi	Fortis Hospotel Limited	Pan India	–	–	353.18	Direct Contribution to Bharat Ke Veer fund to support Central Armed Police Forces (CAPF) & Central Para Military Forces (CPMF)
5	Research & Development of Project	ix(b)	Fortis Hospotel Limited	Pan India	362.04	362.04	362.04	Direct Payment to ICMR (The Indian Council of Medical Research)
	TOTAL				**362.04**	**362.04**	**1,408.29**	

- **Escorts Heart and Super Speciality Hospital Limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Savera	i, ii	Escorts Heart and Super Speciality Hospital Limited	Pan India	–	–	2.00	Designated Special Purpose Vehicle
	TOTAL				**–**	**–**	**2.00**	

- **SRL Limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Chhaya	i, ii	SRL Limited	Pan India	–	–	852.93	Designated Special Purpose Vehicle
2	COVID-19	viii	SRL Limited	Pan India	–	–	20.18	Prime Minister's National Relief Fund through SPV ie Fortis CSR Foundation

Annexure- IV to Director's Report (Contd..)

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
3	Research & Development of Project	ix	SRL Limited	Pan India			221.00	Direct Payment to ICMR (The Indian Council of Medical Research)
4	COVID-19	viii	SRL Limited	Pan India	243.04	243.04	243.04	Direct Payment to PM CARES Fund (Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund)
	TOTAL				**243.04**	**243.04**	**1,337.15**	

- **SRL Diagnostics Pvt. Limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Chhaya	i, ii	SRL Diagnostics Pvt Ltd	Pan India	–	–	124.71	Designated Special Purpose Vehicle
2	Research & Development of Project	Ix (b)	SRL Diagnostics Pvt Ltd	Pan India			74.45	Direct Payment to ICMR (The Indian Council of Medical Research)
3	Research & Development of Project	Ix (b)	SRL Diagnostics Pvt Ltd	Pan India	68.61	68.61	68.61	Direct Payment to ICMR (The Indian Council of Medical Research)
	TOTAL				**68.61**	**68.61**	**267.77**	

- **DDRC SRL Diagnostics Pvt. Limited**

(₹ in lacs)

1	2	3	4	5	6	7	8	9
S. No	CSR Project or activity identified	Sector in which the Project is covered (Schedule VII of the Companies Act, 2013)	Contributing Entity	Projects or program Local Area or other Specify the State and District where projects and programs were undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the Projects or Programs Sub Heads 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative Expenditure upto the Reporting Period	Amount Spent: Direct or through implementing agency
1	Research & Development of Project	ix (b)	DDRC SRL Diagnostics Pvt Ltd	Pan India	96.94	96.94	96.94	Direct Payment to ICMR (The Indian Council of Medical Research)
	TOTAL				**96.94**	**96.94**	**96.94**	

Annexure- IV to Director's Report (Contd..)

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NA

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

(g) Excess amount for set off, if any

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135 (5)	5,33,11,271
(ii)	Total amount spent for the Financial Year	5,33,11,271
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

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: NIL

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

By Order of the Board of Directors
For **FORTIS HEALTHCARE LIMITED**

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & CEO and Chairperson of Corporate Social Responsibility Committee

Place : Gurugram
Date : May 23, 2022

Report on Corporate Governance

1. INTRODUCTION

Corporate governance essentially is the system of structures, rights, duties and obligations by which companies are directed and controlled. This governance structure specifies the distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, management, shareholders, creditors, auditors, regulators and other stakeholders) and specifies the rules and procedures for making decisions in corporate affairs. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. This is reflected in the Company's philosophy on Corporate Governance. The Report has been prepared in accordance with the requirements laid down under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and with a view to meticulously attain the highest standards of governance.

2. COMPANY'S PHIOLOSPHY ON CORPORATE GOVERNANCE

Our corporate governance is a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate Governance ensures fairness, transparency and integrity of the management. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. As a part of growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of Company's stakeholders. The Board considers itself as a trustee of Company's shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. The Company not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfilment of stated goals and objectives.

3. BOARD OF DIRECTORS - COMPOSITION OF THE BOARD

The Board of Directors ("the Board") is at the core of the Company's Corporate Governance practices and oversees how management serves and protects the long-term interests of its stakeholders. It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is committed to the goal of sustainably elevating the Company's value creation.

Our policy towards the composition of Board is to have an appropriate mix of Executive, Non-Executive, Women and Independent Directors, representing a judicious mix of professionalism, diversity and wide spectrum subject to specific competence in areas critical to the organization, knowledge and experience.

This helps to drive value-based guidance whilst maintaining the independence of the Board and to separate its function of Governance and Management.

As on March 31, 2022, the Board consisted of 11 (Eleven) Members, of which 1 (One) was an Executive Director (Managing Director & CEO) and rest all being Non-Executive Directors. Out of the 10 (Ten) Non-executive Directors, 4 (Four) were Independent Directors including 2 (Two) Woman Independent Directors. The Non-Executive Directors bring an external and wider perspective in Board's deliberation and decisions.

The size and composition of the Board conforms to the requirements of Regulation 17(1) of Listing Regulations and the Companies Act, 2013. Other details relating to the Directors as on March 31, 2022 are as follows:

Report on Corporate Governance (Contd..)

S. No	Name of the Director	Position held in the Company	Directorship in other Companies@	Membership of the Committee in Companies #	Chairmanship of the Committee in Companies #
1	Mr. Ravi Rajagopal	Non-Executive Chairman and Independent Director	3	2	0
2	[1]Dr. Ashutosh Raghuvanshi	Managing Director & CEO	4	3	0
3	Dr. Chi Keon Kelvin Loh	Non-Executive Director	2	0	0
4	Mr. Dilip Kadambi	Non-Executive Director	2	1	0
5	Dr. Farid Bin Mohamed Sani	Non-Executive Director	1	0	0
6	Mr. Heng Joo Joe Sim	Non-Executive Director	2	0	0
7	Mr. Indrajit Banerjee	Independent Director	3	3	1
8	[2]Mr. Joerg Ayrle	Non-Executive Director	1	1	0
9	Ms. Shailaja Chandra	Independent Director	4	3	1
10	Ms. Suvalaxmi Chakraborty	Independent Director	5	3	1
11	[2]Mr. Takeshi Saito	Non-Executive Director	1	0	0

@ *Excluding Foreign Companies, Limited Liability Partnerships and Companies formed under Section 8 of Companies Act, 2013.*

\# *Represents membership/chairmanship of Audit Committee & Stakeholders' Relationship Committee of Indian Public Limited Companies (i.e. other than Foreign Companies, Private Limited Companies, Companies formed under Section 8 of the Companies Act, 2013)*

[1] *Re-appointed as MD & CEO for a period of 3 Years with effect from March 19, 2022*

[2] *Regularise as Director of the Company in the Annual General Meeting held on July 30, 2021*

None of the Directors on Board of the Company is a member in more than 10 (Ten) Committees and / or act as a Chairman/ Chairperson of more than 5 (Five) Committees across all the Companies in which he/she is a Director. Further, no independent director serves in more than seven listed companies and none of the person who is serving as whole time director in the Company is serving as an independent director in more than 3 (Three) listed companies.

None of the Directors, as on date, are related to one another.

Further, the Board has identified the following core skills/expertise/competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

Core skills/Expertise	Mr. Ravi Rajagopal	Dr. Ashutosh Raghuvanshi	Dr. Chi Keon Kelvin Loh	Mr. Dilip Kadambi	Dr. Farid Bin Mohamed Sani	Mr. Heng Joo Joe Sim	Mr. Indrajit Banerjee	Mr. Joerg Ayrle	Ms. Shailaja Chandra	Ms. Suvalaxmi Chakraborty	Mr. Takeshi Saito
People of proven business capability, people of integrity and reputation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience in handling senior level responsibility (especially in large complex organizations) either business or otherwise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ensure members are from diverse background that bring different perspective and experiences	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Exposure and understanding of corporate governance, systems and control	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Altleast some members to have capability and experience in healthcare industry	-	✓	✓	✓	-	✓	-	-	✓	-	-
Background in finance, risk management and control	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓

Report on Corporate Governance (Contd..)

Disclosure regarding appointment or re-appointment of Directors

Every appointment made to the Board is recommended by the Nomination and Remuneration Committee after considering various factors such as qualifications, positive attributes, area of expertise and other criteria as laid down in the "Board of Directors-Governance Standards". The same is further taken for shareholders' approval, as and when required, under the provisions of applicable laws.

During the Financial Year 2021-22, the Board of Directors had on the recommendation of the Nomination and Remuneration Committee approved regularization of appointment of Mr. Takeshi Saito and Mr. Joerg Ayrle on the Board of the Company and also approved re-appointment of Dr. Ashutosh Raghuvanshi, as Managing Director (designated as 'Managing Director & CEO') of the Company wef March 19, 2022 for a period of three years.

Mr. Shirish Moreshwar Apte, Non Executive Director of the Company resigned from the Directorship of the Company w.e.f. July 15, 2021.

The details of changes in the Board of Directors are forming part of this report.

Mr. Dilip Kadambi and Dr. Farid Bin Mohamed Sani are liable to retire by rotation at the forthcoming Annual General Meeting of the Company.

Further, it is proposed to re-appoint Mr. Ravi Rajagopal, Mr. Indrajit Banerjee and Ms. Suvalaxmi Chakraborty as Independent Directors of the Company for a second term of five years effective from April 27, 2023 at the the ensuing Annual General Meeting.

Profile of the directors seeking appointment/re-appointment are provided in the Notice convening the ensuing Annual General Meeting.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, all the Independent Directors hold office for a tenure of five consecutive years and are not liable to retire by rotation. In the opinion of the Board of Directors, the independent directors fulfil the conditions specified in the relevant listing regulations and are independent of the management.

Board Functioning and Procedure

The Board of Directors is an apex body constituted by the members for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic directions of the Company, Management's policies and their effectiveness and ensures that the long-term interests of the Shareholders are being served.

The probable dates of the Board Meetings for the forthcoming year are decided in advance and published as part of the Annual Report. The Board meets at least once in a quarter to review the performance of the Company and approves, inter alia, the financial results. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation. The Board oversees the process of disclosures and communication.

Independent Directors are regularly updated on performance of the Company, business strategies and new initiatives being taken/proposed to be taken by the Company. The agenda for each Board / Committee Meeting along with background papers are circulated in advance to the Board Members to facilitate meaningful discussion at the meetings.

The Directors are provided free access to offices and employees of the Company. With the permission of the Chair, Company's executives are invited to meetings of the Board/Committees at which their presence and expertise helps the Members to develop a full understanding of matters being deliberated.

The agenda and notes on agenda are circulated to Directors in advance and in the agreed format. All material information is incorporated in the agenda so as to give sufficient time to the Directors to go through the presentations/documents and take a well-informed decision. In case of exigencies/sensitive matters, the details are directly placed at the meeting, with the permission of the Chair.

The provisions and procedures relating to performance evaluation of the Directors including independent Directors and Familiarization Program forms part of Board Report. Further, in compliance with Listing Regulations, the Company has made familiarization programs to familiarize

Report on Corporate Governance (Contd..)

Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of such familiarization programme is available at www.fortishealthcare.com

The details of Board Evaluation including criteria for evaluation of Independent Directors forms part of Board's Report.

The Company effectively uses facility of audio-visual means to enable the participation of Directors who cannot attend the Board or Committee meeting(s) in person.

During the year under review, Six (6) Board Meetings were held on (i) May 29, 2021 (ii) August 13, 2021 (iii) November 12, 2021 (iv) January 7, 2022 (v) February 11, 2022 and (vi) March 31, 2022. The gap between two meetings did not exceed one hundred and twenty days.

The following table gives the attendance record of the directors at the above said Board meetings and at the last Annual General Meeting, which was held on July 30, 2021.

S. No	Name of the Director	No. of Board Meetings attended	Attendance at last AGM
1	Mr. Ravi Rajagopal	6	Yes
2	Dr. Ashutosh Raghuvanshi	6	Yes
3	Dr. Chi Keon Kelvin Loh	6	Yes
4	Mr. Dilip Kadambi	6	Yes
5	Dr. Farid Bin Mohamed Sani	6	Yes
6	Mr. Heng Joo Joe Sim	6	Yes
7	Mr. Indrajit Banerjee	6	Yes
8	Mr. Joerg Ayrle	6	Yes
9	[1]Mr. Shirish Moreshwar Apte	1	NA
10	Ms. Shailaja Chandra	6	Yes
11	Ms. Suvalaxmi Chakraborty	6	Yes
12	Mr. Takeshi Saito	6	Yes

[1] *Resigned with effect from July 15, 2021.*

Save as elsewhere provided in this report, the information/ documents as required under Listing Regulations, to the extent applicable, are placed before the Board.

Statutory Compliances

The Board periodically reviews the mechanism put in place by the management to ensure the compliances with Laws and Regulations as may be applicable to the Company as well as the steps taken by the Company to rectify the instances of non- compliances, if any.

Code of Conduct

The Board has prescribed a Code of Conduct ("the Code") for all employees of the Company including Senior Management and Board Members, which covers the ethics, transparency, behavioral conduct, a gender friendly workplace, legal compliance and protection of the Company's property and information. Further, in terms of Schedule IV of Companies Act, 2013, the Company has adopted an additional code of conduct for the Independent Directors. Both the codes are hosted on the website of the Company. In terms of Listing Regulations, the Senior Management and Board Members have confirmed the compliance with the Codes for the Financial Year 2021-22. A declaration to this effect signed by the Managing Director & CEO of the Company, forms part of this Report.

4. COMMITTEES OF THE BOARD

In terms of Listing Regulations and the Companies Act, 2013, the Board has constituted 5 (Five) Committees viz. Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

Keeping in view the requirements of the Companies Act, 2013 as well as Listing Regulations, the Board decides the terms of reference of these Committees and the assignment of members to various Committees. The recommendations, if any, of these Committees are submitted to the Board for its approval.

A. Audit Committee

- **Composition**

  As on March 31, 2022, Audit Committee comprised of the following members, namely:

  (i) Ms. Suvalaxmi Chakraborty, Chairperson;

  (ii) Mr. Indrajit Banerjee;

  (iii) Mr. Ravi Rajagopal;

  (iv) Mr. Dilip Kadambi;

  (v) Ms. Shailaja Chandra; and .

  (vi) Mr. Joerg Ayrle

  All members of the Committee are financially literate and have requisite accounting and financial management expertise. Company Secretary, acts as the Secretary of the Audit Committee.

Report on Corporate Governance (Contd..)

The salient roles and responsibilities associated with the Audit Committee include, but are not limited to the following:

- To review, with the management, the financial statements and auditor's report thereon before submission to the board for approval,
- To review management discussion and analysis of financial condition and results of operations,
- To review the financial statements, in particular, the investments made by the unlisted subsidiary company(ies),
- To review and approve all related party transactions as reported by the Management or any subsequent modification thereof,
- To review, with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter,
- To scrutinize the inter corporate loans and investments,
- To review valuation of undertakings or assets of the company, wherever it is necessary and appointment of valuer(s),
- To recommend appointment, remuneration and terms of appointment of auditors of the company after taking into consideration the qualifications and experience of the individual or the firm proposed to be considered for appointment as auditor,
- To review and oversee the Whistle Blower mechanism, and
- To approve appointment of CFO.

The detailed and exhaustive Mandate of the Audit Committee reflecting the terms of reference and responsibilities for the Committee is available on the website of the Company for reference at https://d3frl090092vlr.cloudfront.net/0.50340400_1507181603_Audit-&-Risk-Management-Committee-Mandate.pdf

The Company has laid down sufficient safeguards to ensure risk assessment and risk management and the details in respect thereof forms part of Management Discussion and Analysis Report.

- **Meetings of Audit Committee during the year**

During the year, Eight (8) Meetings of the Audit Committee were held during the year under review on (i) May 27, 2021 (ii) August 05, 2021 (iii) August 12, 2021 (iv) November 01, 2021 (v) November 11, 2021 (vi) February 6, 2022 (vii) February 10, 2022 and (viii) March 01, 2022.

The Attendance of members of Audit Committee at the said meetings was as follows:

Sr. No.	Name of the Member	No. of meetings attended
1	Ms. Suvalaxmi Chakraborty, Chairperson	8
2	Mr. Indrajit Banerjee	8
3	Mr. Ravi Rajagopal	8
4	Mr. Dilip Kadambi	8
5	Ms. Shailaja Chandra	8
6	[1]Mr. Joerg Ayrle	5

[1]Appointed as member w.e.f. August 13, 2021.

Executive Directors, if any, Chief Executive Officer, Chief Financial Officer, Head- Risk and Internal Audit and representatives of Statutory Auditors and Internal Auditors are generally invited to the meetings of the Audit Committee.

B. Risk Management Committee

- **Composition**

As on March 31, 2022, Risk Management Committee comprised of the following members, namely:

(i) Mr. Heng Joo Joe Sim, Chairperson;

(ii) Dr. Ashutosh Raghuvanshi;

(iii) Ms. Shailaja Chandra;

(iv) Mr. Anil Vinayak; and

(v) Dr. Bishnu Panigrahi.

Company Secretary, acts as the Secretary of the Risk Management Committee.

Report on Corporate Governance (Contd..)

The salient roles and responsibilities associated with the Committee include, but are not limited to the following:

- To review and amend risk management policy and procedures;
- To monitor the Company's risk profile including but not limited to strategic, financial, operational, people, medical, information technology (including cyber security), regulatory, safety, i.e. on-going and potential exposure to various risks both medical and non-medical;
- To take periodic review from Management Risk Committee on the key risk assessed and their mitigation plans. Further, to call upon the members of the Management Risk Committee of the Company for specific updates;
- To obtain reasonable assurance from the Management that all known and emerging risks have been identified;
- To review the measures/ action plan taken by the management to mitigate the key/material/ existing and emerging risks, deliberate upon the specific actions proposed for risk mitigation and provide inputs where considered necessary;
- To review and assess the effectiveness of the Company's risk assessment process and recommend improvement wherever appropriate;
- To communicate with Audit Committee at least once a year to exchange information and coordinate on issues related to risks and internal controls; and
- To carry out such other functions as may be delegated by the Board from time to time.

The detailed and exhaustive Mandate of the Risk Management Committee reflecting the terms of reference and responsibilities for the Committee is available on the website of the Company for reference at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Risk+Management+Committee+Mandate.pdf

- **Meetings of Risk Management Committee during the year**

During the year, Three (3) Meeting of the Risk Management Committee was held during the year under review on April 26, 2021, November 09, 2021 and March 01, 2022:

The Attendance of members of Risk Management Committee at the said meetings was as follows:

Sr. No.	Name of the Member	No. of meetings attended
1	Mr. Heng Joo Joe Sim, Chairperson	3
2	Dr. Ashutosh Raghuvanshi	3
3	Mr. Anil Vinayak	2
4	Dr. Bishnu Panigrahi	3
5	Ms. Shailaja Chandra	3

Chief Financial Officer and Head- Risk and Internal Audit are invited to the meetings of the Committee.

C. Stakeholders Relationship Committee

- **Composition**

In order to expedite the process of share transfers and other investors related matters, the Board of the Company has delegated the power of share transfer to the Committee. As on March 31, 2022, the Stakeholders Relationship Committee comprised of the following members, namely:

(i) Ms. Shailaja Chandra, Chairperson

(ii) Mr. Indrajit Banerjee, and

(iii) Dr. Ashutosh Raghuvanshi

Company Secretary, acts as the Secretary of the Stakeholders Relationship Committee and the Compliance Officer pursuant to Listing Regulations.

The salient roles and responsibilities associated with the Stakeholders Relationship Committee include, but are not limited to the following:

- To approve/refuse/reject registration of transfer/ transmission of Shares in a timely manner;
- To authorise printing of Share Certificates;
- To issue the Share Certificates under the seal of the Company, which shall be affixed in the presence of and signed by any two Directors (including Managing or Whole-time Director, if any), and Company Secretary / Authorised Signatory;
- To authorise affixation of the Common Seal of the Company on Share Certificates of the Company;
- To monitor redressal of stakeholder's complaints/ grievances including relating to non-receipt of allotment / refund, transfer of shares, non-receipt of balance sheet, non-receipt of declared

Report on Corporate Governance (Contd..)

dividends etc; and

- To authorize to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates.

The detailed and exhaustive Mandate of the Stakeholders Relationship Committee reflecting the salient terms of reference and responsibilities is available for reference on the website of the Company at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/NRC+Mandate-January+2021.pdf

- **Meetings of Stakeholders Relationship Committee during the year**

Four (4) meetings of Stakeholders Relationship Committee were held during the year ended March 31, 2022 on (i) May 29, 2021 (ii) August 12, 2021 (iii) November 11, 2021 and (iv) February 10, 2022.

The attendance of members of the Stakeholders Relationship Committee at the said meetings was as follows:

Sr. No.	Name of the Member	No. of meetings attended
1	[1]Ms. Suvalaxmi Chakraborty	1
2	[2]Ms. Shailaja Chandra	4
3	Mr. Indrajit Banerjee	4
4	[3]Mr. Ravi Rajagopal	1
5	[4]Dr. Ashutosh Raghuvanshi	3

[1] *Ceased to be member and Chairperson w.e.f. July 27, 2021.*

[2] *Appointed as Chairperson w.e.f. July 27, 2021.*

[3] *Ceased to be Members w.e.f. July 27, 2021.*

[4] *Appointed as member w.e.f. July 27, 2021.*

- **Details of Investors' Grievances received during the year 2021-22:**

Nature of Complaints	Pending as on April 1, 2021	Received during the year	Resolved/ attended during the year	Pending as on March 31, 2022	Complaints not solved to the satisfaction of shareholder
Non-receipt of Dividend warrants/non-receipt of Annual Reports/Non-receipt of Securities/Non-receipt of securities after transfer/clarification regarding shares/others etc.	0	19	19	0	0
Total	**0**	**19**	**19**	**0**	**0**

The Company gives utmost priority to the redressal of Investors' Grievances which is evident from the fact that all complaints received from the investors were resolved expeditiously, to the satisfaction of the investors. Mr. Murlee Manohar Jain is the Company Secretary and Compliance Officer.

D. Corporate Social Responsibility Committee

- **Composition**

As on March 31, 2022, Corporate Social Responsibility Committee comprised of the following members, namely:

(i) Mr. Indrajit Banerjee,

(ii) Dr. Ashutosh Raghuvanshi, and

(iii) Mr. Ravi Rajagopal.

At every meeting, the chairperson is elected with mutual consent of the members present.

Company Secretary acts as the Secretary of the Corporate Social Responsibility Committee.

The salient roles and responsibilities associated with the Corporate Social Responsibility Committee include, but are not limited to the following:

- Reviewing and making recommendations, as appropriate, with regard to the Company's Corporate Social Responsibility (CSR) policy(ies) indicating the activities to be undertaken by the Company;
- Reviewing the various proposals of CSR programmes / projects as submitted by CSR

Report on Corporate Governance (Contd..)

department of the Company and if thought fit, approval thereof, provided that the same is within the framework of CSR Policy;

- Identification and appointment of various eligible agencies / entities for execution of CSR programmes or projects of the Company;
- fix the schedule of implementation of CSR projects and programmes and supervise and review the same
- liaising with management on the Company's corporate social responsibility program, including significant sustainable development, community relations and procedures;
- satisfying itself that management of the Company monitors trends and emerging issues in the corporate social responsibility field and evaluates the impact on the Company;
- scheduling reports from CSR Departments and / or various eligible agencies or entities on the Company's corporate social responsibility performance to assess the effectiveness of the corporate social responsibility program;
- identifying the principal areas of risks and impacts relating to corporate social responsibility and ensuring that sufficient resources are allocated to address these liabilities;
- reviewing the Company's corporate social responsibility performance to assess the effectiveness of the Company's corporate social responsibility program and to determine whether the Company is taking all appropriate action in respect of those matters and has been duly diligent in carrying out its responsibilities and to make recommendations for improvement, where appropriate;
- Recommendation of the amount of expenditure to be incurred on the CSR activities as per the framework of CSR Policy; and
- Reviewing the annual budget for the Company's CSR activities to confirm that sufficient funding is provided for compliance with this mandate.

The detailed and exhaustive mandate of the Corporate Social Responsibility Committee reflecting the salient terms of reference and responsibilities for the Committee is available on the website of the Company for reference at https://d3frl090092vlr.cloudfront.net/Corporate%20Social%20Responsibility%20Committee%20Mandate.pdf

* Meetings of Corporate Social Responsibility Committee during the year

1 (One) Meeting of Corporate Social Responsibility Committee was held during the year ended March 31, 2022 on May 29, 2021.

The Attendance of members of the Corporate Social Responsibility Committee at the said meetings was as under:

Sr. No.	Name of the Member	No. of meetings attended
1	Mr. Indrajit Banerjee	1
2	Mr. Ravi Rajagopal	1
3	Ms. Suvalaxmi Chakraborty*	1
4	Mr. Kelvin Loh Chi-Keon*	1
5	Ms. Shailaja Chandra*	1
6.	Dr. Ashutosh Raghuvanshi$	NA

** Ceased to be member of Committee w.e.f. July 27, 2021.*

$ Appointed as member of Committee w.e.f. July 27, 2021.

E. Nomination and Remuneration Committee

• Composition

As on March 31, 2022, the Nomination and Remuneration Committee comprised of the following members:

(i) Mr. Indrajit Banerjee, Chairperson

(ii) Ms. Shailaja Chandra, and

(iii) Dr. Kelvin Loh Chi-Keon

The salient roles and responsibilities associated with the Nomination and Remuneration Committee include, but are not limited to, the following:

- Assist in identifying and finalizing suitable candidates as members of the Board and recommendation of compensations norms;
- Assist the Board in discharging its responsibilities relating to compensation of the Company's Directors, Key Managerial Personnel (KMPs) and other employees;

Report on Corporate Governance (Contd..)

- formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of the Board, its directors on the Board and its Committees;
- formulate criteria for the Company's nomination process for appointment of KMP's and Senior Management (SMs);
- recommend appointment and removal of Directors and KMP;
- recommend a policy on Board diversity;
- Devising of remuneration policy;
- Monitor and Evaluation of Board Evaluation Framework;
- Identification of the persons who may be appointed in senior management, evaluation of performances of Key Managerial Personnel, monitoring their compensation packages, employment arrangements and remuneration policy;
- Review and approve succession and emergency preparedness plan for the Key Managerial Personnel and all senior Management personnel;
- Review grant of stock options or pension rights to the employees under different ESOP Plans of the Company;

The detailed and exhaustive Mandate reflecting the salient terms of reference and responsibilities for the Nomination and Remuneration Committee is available on the website of the Company for reference at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/NRC+Mandate-January+2021.pdf

The Nomination and Remuneration Committee works with the Board on the succession planning and ensures contingency plans are in place to meet any exigencies. Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

- **Meetings of Nomination and Remuneration Committee during the year**

3 (Three) meetings of Nomination and Remuneration Committee were held during the year ended March 31, 2022. These were held on (i) May 13, 2021 (ii) May 26, 2021 (iii) July 23, 2021.

The attendance of members of Nomination and Remuneration Committee at these meetings was as follows:

Sr. No.	Name of the Member	No. of meetings attended
1	[1]Ms. Suvalaxmi Chakraborty	3
2	Mr. Indrajit Banerjee	3
3	[2]Mr. Shirish Moreshwar Apte	2
4	[3]Dr. Farid Bin Mohamed Sani	2
5	[4]Mr. Kelvin Loh Chi-Keon	1
6	[5]Ms. Shailaja Chandra	NA

[1] Ceased to be Member w.e.f. July 27, 2021

[2] Ceased to be Member w.e.f. July 15, 2021

[3] Ceased to be Member w.e.f. August 13, 2021

[4] Appointed as Member wef July 22, 2021

[5] Appointed as Member w.e.f. July 27, 2021

- **Remuneration policy & Criteria of making payments to Executive and Non-Executive Directors including Independent Directors**

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice.

The Directors' remuneration policy of your Company is in line with the provisions of the Companies Act, 2013. The remuneration paid/payable to the Executive Director(s) is, as recommended by the Nomination and Remuneration Committee, decided by the Board and approved by the Shareholders wherever required.

Presently, the Non-Executive Director(s) are being paid sitting fees for attending the Meetings of Board of Directors and various Committee(s) of Board viz. Audit Committee, Risk Management Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and separate meeting of Independent Directors.

Non-Executive Independent Directors may also be paid remuneration upto ₹ 70,00,000 per annum and upto ₹ 90,00,000 per annum to the Chairman if he is Independent or commission upto 1% of the Net Profits of the Company plus applicable taxes whichever is higher calculated in accordance with the provisions of Section 198 of Companies Act, 2013, as approved by

Report on Corporate Governance (Contd..)

the shareholders at Annual General Meeting held on July 30, 2021 (valid upto March 31, 2024). For the year under review, the following commission has been paid to Independent Directors :

S. No.	Name of the Independent Director	Amount in ₹
1.	Mr. Ravi Rajagopal	90,00,000
2.	Mr. Indrajit Banerjee	70,00,000
3.	Ms. Suvalaxmi Chakraborty	70,00,000
4.	Ms. Shailaja Chandra	70,00,000

The key components of the Company's Remuneration Policy for the Board Members are:

- Compensation will be based on credentials and the major driver of performance.
- Compensation will be competitive and benchmarked with industry practice.
- Compensation will be fully transparent and tax compliant.

The Governance Document for Board which inter alia includes the Remuneration Policy of the Company is made available on the website of the Company at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Board+of+Directors+Governance+Standards.pdf

- **Remuneration to Directors**

a) **Executive Director**

Dr. Ashutosh Raghuvanshi was re-appointed as Managing Director and Chief Executive Officer w.e.f. March 19, 2022 for a period of 3 years, and the same was approved at the Annual General Meeting (AGM) of the Company held on July 30, 2021. He has been paid Gross salary of ₹ 70,909,221/- during the financial year ended March 31,2022 as per terms of appointment.

The details of his remuneration for the year 2021-22:

Sl. No.	Particulars of Remuneration	(Amount in ₹)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66,852,190
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	40,57,031
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil
2	Stock Options (in Nos.)	Nil
3	Sweat Equity	Nil
4	Commission	Nil
5	Others	Nil
	Total	**70,909,221**

** Remuneration does not include Employer Contribution to Provident Fund as the same is not covered under Section 17(1) of the Income Tax Act, 1961.*

b) **Non-Executive Directors**

During the period under review sitting fees paid to Non-Executive Directors and their shareholding as on March 31, 2022 is as follows:

S. No.	Name of the Director	Gross Sitting Fees (₹)	Shareholding in the Company as on March 31, 2022 or as on the date of resignation, whichever is earlier
1.	Mr. Ravi Rajagopal	17,00,000	Nil
2.	[1]Mr. Shirish Moreshwar Apte	3,00,000	Nil
3.	Dr. Chi Keon Kelvin Loh	8,00,000	Nil
4.	Mr. Dilip Kadambi	14,00,000	Nil
5.	Dr. Farid Bin Mohamed Sani	5,00,000	Nil
6.	Mr. Heng Joo Joe Sim	9,00,000	Nil
7.	Mr. Indrajit Banerjee	23,00,000	Nil
8.	Mr. Joerg Ayrle	11,00,000	Nil
9.	Ms. Shailaja Chandra	23,00,000	Nil
10.	Ms. Suvalaxmi Chakraborty	20,00,000	Nil
11.	Mr. Takeshi Saito	6,00,000	Nil

[1] Resigned w.e.f. July 15, 2021

[2] Waived his sitting fees entitlement w.e.f. January 1, 2022

The Company has not granted any stock options to any of its Directors. Except as stated above and as disclosed elsewhere in this Annual Report including notes to Financial Statements, there was no other pecuniary relationship or transaction of the Non-Executive Director(s) vis-à-vis the Company, during the year under review. Further, none of the Non-Executive Directors are holding any convertible instrument of the Company.

F. **Independent Directors**

- **Meetings of Independent Director during the year**

One (1) Meeting of Independent Directors was held during the year on March 31, 2022. All the Independent Directors attended the same.

Report on Corporate Governance (Contd..)

The salient roles and responsibilities associated with the Independent Directors Meeting include, but are not limited to, the following:

(a) review the performance of non-independent directors and the board of directors as a whole;

(b) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

5. SUBSIDIARY COMPANIES

As on April 1, 2022, Fortis Hospitals Limited (FHsL), International Hospital Limited (IHL), Fortis Hospotel Limited (FHTL) and SRL Limited (SRL) are considered as Material Subsidiaries and accordingly necessary compliances w.r.t. material subsidiaries have been duly carried out.

The Audit Committee of the Company reviews the financial statements and investment made by the subsidiary company(ies). The minutes of the Board Meeting(s) of subsidiaries as well as the statement of significant transactions and arrangement entered into by the unlisted subsidiaries, if any, are placed before the Board of Directors of the Company from time to time.

The policy for determining 'material' subsidiaries is available at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Policy+On+Material+Subsidiary_Final-+August+2021(New).pdf

6. CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Managing Director & CEO and CFO certification as stipulated in Regulation 17(8) of Listing Regulations was placed before the Board along with financial statement(s) for the year ended March 31, 2022. The board reviewed and took note of the same. The said certificate forms part of the Annual Report.

7. GENERAL BODY MEETING(S)

The location and time of the General Meetings held during the preceding three years are as follows:

Financial Year	Date	Time (IST)	Venue	Special Resolution(s) passed
Annual General Meetings				
2020-21	30.07.2021	02.00 P.M.	Through Video Conferencing / Other Audio Visual Means	1. Re-appointment of Dr. Ashutosh Raghuvanshi (DIN:02775637), as Managing Director (designated as 'Managing Director & CEO') of the Company, with effect from March 19, 2022 for a period of three years, not liable to retire by rotation. 2. Payment of Remuneration/ Commission to Independent Directors of the Company with effect from April 1, 2021 for a period of 3 years.
2019-20	31.08.2020	02.00 P.M.	Through Video Conferencing / Other Audio Visual Means	Payment of Commission to all Independent Directors of the Company with effect from April 1, 2019 for a period of 3 years.
2018-19	26.09.2019	12:00 P.M.	National Institute of Pharmaceutical Education and Research Mohali, Sector 67, SAS Nagar, Mohali, Punjab-160062	Appointment & Remuneration of Managing Director.

Report on Corporate Governance (Contd..)

There is no immediate proposal for passing any resolution through Postal Ballot as on the date of this report, except as per the details available in public domain.

Details of resolution passed by way of Postal Ballot.

Pursuant to Regulation 44 of Listing Regulations and Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, the members of the Company have during the year under review, approved the following resolutions by way of postal ballot.

1. Postal ballot Notice dated August 19, 2021 (result declared on September 23, 2021):

(a) Approval for further investment by way of subscription by the Company in Redeemable Preference Shares ("RPS") of Fortis La Femme Limited, a wholly owned subsidiary Company (Special Resolution).

(b) Approval for further investment by way of subscription in Redeemable Preference Shares ("RPS") by Wholly Owned Subsidiary Companies of the Company viz Escorts Heart Institute and Research Centre Limited ('EHIRCL') and Fortis Hospitals Limited ('FHsL') in step down subsidiaries viz Fortis Cancer Care Limited ('FCCL'), Fortis Health Management (East) Limited ('FHMEL'), Fortis Emergency Services Limited ('FESL'), Fortis Healthstaff Limited ('Healthstaff') and Birdie & Birdie Realtors Private Limited ('BBRPL'), as detailed thereunder (Special Resolution).

For conducting the aforementioned postal ballot/electronic voting exercise, Mr. Ramit Rastogi of Ramit Rastogi & Associates, Practicing Company Secretaries (C.P. No. 18465), was appointed as the Scrutinizer.

Summary of the results of aforementioned Postal Ballot/electronic voting process announced by the Company Secretary of the Company on September 23, 2021:

Item	Net Valid Votes Polled (No. of Equity Shares)	Votes with assent for the Resolution (No. of Equity Shares and % of net valid votes	Votes with dissent for the Resolution (No. of Equity Shares and % of net valid votes)
Approval for further investment by way of subscription by the Company in Redeemable Preference Shares ("RPS") of Fortis La Femme Limited, a wholly owned subsidiary Company.	55,48,95,748	55,48,42,094 (99.9903%)	53,654 (0.0097%)
Approval for further investment by way of subscription in Redeemable Preference Shares ("RPS") by Wholly Owned Subsidiary Companies of the Company viz Escorts Heart Institute and Research Centre Limited ('EHIRCL') and Fortis Hospitals Limited ('FHsL') in step down subsidiaries viz Fortis Cancer Care Limited ('FCCL'), Fortis Health Management (East) Limited ('FHMEL'), Fortis Emergency Services Limited ('FESL'), Fortis Healthstaff Limited ('Healthstaff') and Birdie & Birdie Realtors Private Limited ('BBRPL').	55,48,95,662	55,48,41,966 (99.9903%)	53,696 (0.0097%)

2. Postal Ballot Notice dated November 15, 2021 (result declared on December 22, 2021):

a) Approval for entering into Memorandum of Understanding/agreement to sell/ Sale Deed/ Deed of Conveyance/ Escrow Agreement and related documents for sale of immovable property by Birdie and Birdie Realtors Private Limited, a step-down subsidiary company.

For conducting the aforementioned postal ballot/electronic voting exercise, Mr. Mukesh Agrawal of M/S Mukesh Agarwal & Co, Company Secretaries (C.P. No. 3851), was appointed as the Scrutinizer.

Report on Corporate Governance (Contd..)

Summary of the results of aforementioned Postal Ballot/electronic voting process announced by the Company Secretary of the Company on December 22, 2021:

Item	Net Valid Votes Polled (No. of Equity Shares)	Votes with assent for the Resolution (No. of Equity Shares and % of net valid votes)	Votes with dissent for the Resolution (No. of Equity Shares and % of net valid votes)
Approval for entering into Memorandum of Understanding/agreement to sell/ Sale Deed/ Deed of Conveyance/ Escrow Agreement and related documents for sale of immovable property by Birdie and Birdie Realtors Private Limited, a step-down subsidiary company.	56,31,68,416	50,10,78,836 (88.9750%)	6,20,89,580 (11.0250%)

3. Postal Ballot Notice dated January 07, 2022 (result declared on February 17, 2022):

a) Approval for entering into a Material Contract by Fortis Malar Hospitals Limited, a step-down subsidiary of the Company

For conducting the aforementioned postal ballot/electronic voting exercise, Mr. Mukesh Agrawal of Mukesh Agarwal & Co, Company Secretaries (C.P. No. 3851), was appointed as the Scrutinizer.

Summary of the results of Postal Ballot/electronic voting process announced by the Company Secretary of the Company on February 17, 2022:

Item	Net Valid Votes Polled (No. of Equity Shares)	Votes with assent for the Resolution (No. of Equity Shares and % of net valid votes)	Votes with dissent for the Resolution (No. of Equity Shares and % of net valid votes)
Approval for entering into a Material Contract by Fortis Malar Hospitals Limited, a step-down subsidiary of the Company	56,11,51,617	56,11,08,717 (99.9924%)	42,900 (0.0076%)

Procedure for Voting by Postal Ballot and E-voting

In compliance with Regulation 44 of Listing Regulations and Section 108, 110 and other applicable provisions of Companies Act, 2013 read with Rules made thereunder, the Company provides e-voting Facility to the Members. The Notice of Postal Ballot along with the Explanatory Statement pertaining to the draft Resolution(s) explaining in detail, the material facts along with Postal Ballot form are sent to all the members, whose name appear on the register of members as on the cut-off date, under secured mode through e-mail. The members were given option to vote either through the Postal Ballot Forms or through e-voting facility. The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013.

The members are required to carefully read the instructions printed in the Postal Ballot Form, fill up the Form, give their assent or dissent on the resolution(s) at the end of the Form and return the duly completed and signed postal ballot form via registered email id as to reach the scrutinizer before the close of working hours of the last date fixed for the purpose or post their assent or dissent through e-voting module. Postal Ballot Form received after this date, is strictly treated as if the Form has not been received from the member.

Voting rights are reckoned on the basis of number of shares and paid-up value of shares registered in the name of the shareholders on the specified date. A resolution is deemed to have been passed as special resolution if the votes cast in favor are at least three times than the votes cast against

Report on Corporate Governance (Contd..)

and in case of ordinary resolution, the resolution is deemed to have been passed, if the votes cast in favor are more than the votes cast against.

For the members who opted for e-voting facility, they casted their votes via E-voting portal of Depositories (NSDL or CDSL) or through KTPL e-voting system of KFIN Technologies Private Limited (KFIN) as detailed in Notice of Postal ballot.

The scrutinizer appointed for the purpose scrutinizes the postal ballots and e-votes received and submit his consolidated report to the Company. The results are also displayed on the website of the Company- https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Policy+on+Related+Party+Transactions.pdf and the last date for voting is deemed to be the date of passing the resolution(s).

Post closure of financial year, one Special Resolution was passed through postal ballot on April 08, 2022 for consideration of amalgamation of Fortis Emergency Services Limited, Fortis Cancer Care Limited, Fortis Health Management (East) Limited, and Birdie and Birdie Realtors Private Limited with Fortis Hospitals Limited and the result of the same were disclosed to stock exchange in accordance with applicable provision.

Summary of the results of Postal Ballot/electronic voting process announced by the Company Secretary of the Company on April 8, 2022:

Item	Net Valid Votes Polled (No. of Equity Shares)	Votes with assent for the Resolution (No. of Equity Shares and % of net valid votes)	Votes with dissent for the Resolution (No. of Equity Shares and % of net valid votes)
Approval for amalgamation of Fortis Emergency Services Limited, Fortis Cancer Care Limited, Fortis Health Management (East) Limited and Birdie & Birdie Realtors Private Limited with Fortis Hospitals Limited (collectively wholly-owned subsidiaries)	56,78,09,900	56,77,92,171 (99.9969%)	17,729 (0.0031%)

Further, resolution(s), if required, shall be passed by Postal Ballot during the year ending on March 31, 2022, as per the prescribed procedure under the Companies Act, 2013 and Listing Regulations.

8. DISCLOUSRES

- **Related Parties Transactions**

The details of transactions with related parties as prescribed in the Listing Regulations, are placed before the Audit Committee periodically. Further, the details of all material transactions if any, with related parties are also disclosed quarterly along with the compliance report on corporate governance.

In the cases of material transaction, the same are pursued under direct guidance of the Audit Committee with appropriate disclosures and safeguards being implemented to isolate the conflict. Where required, independent Advisory Committees are constituted and external expert opinion sought for Board consideration. Further, in accordance with the Listing Regulations, the Company has adopted a Policy on 'Materiality on Related Party Transactions' and the same is viewed at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Policy+on+Related+Party+Transactions.pdf

During the year under review, there have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, their relatives or subsidiaries which may have potential conflict with the interest of Company at large except for those disclosed in the Board's Report. Detailed information on materially significant related party transactions is enclosed to the Board's Report.

- **Accounting Treatment**

While in the preparation of financial statements, the treatment that has been prescribed in the Accounting Standards has been followed to represent the facts in the financial statement in a true and fair manner.

Report on Corporate Governance (Contd..)

- **Compliances by Company**

  The Company has complied with the requirements of the Stock Exchange(s), Securities and Exchange Board of India or other authorities on any matter related to Capital Market during the last 3 (three) years, except, as disclosed from time to time.

  There were no penalties levied by the Stock Exchanges during the FY 2021-22.

9. MANAGEMENT

During the period under review, no material, financial and commercial transaction has been entered by Senior Management Personnel, where they have any personal interest that may have potential conflict with the Company at large. The Company has obtained requisite declarations from all Senior Management Personnel in this regard and the same were duly placed before the Board of Directors on periodic basis.

10. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company strongly supports and strives to provide a structured platform via Whistle Blower Policy/Vigil Mechanism for reporting of instances of alleged wrongful conduct or gross waste or misappropriation of funds including instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. Through this Policy, the Company seeks to provide a procedure for all the employees, Directors and other stakeholders of the Company to report concerns about unethical and improper practice taking place in the Company and provide for adequate safeguards against victimization of Director(s) / employee(s) / Stakeholder(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee, in exceptional cases. It protects employees, officers and Directors who in, good faith, raise a concern about irregularities within the Company. It is hereby confirmed that no personnel have been denied access to the Audit Committee. The Company has adopted a Whistle Blower Policy in line with the requirements laid down under Companies Act, 2013 and Listing Regulations. The same is available at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/Whistle+Blower+Policy.pdf

Code of conduct for Prevention on Insider Trading

Code of Conduct for Prevention of Insider Trading of the Company, as approved by the Board of Directors, inter alia, lays down the procedure for dealing in securities of the Company by Directors, Designated Employees and other employees while in possession of unpublished price sensitive information in relation to the Company and its disclosure thereto The same is available at https://s3.ap-southeast-1.amazonaws.com/s3.fortishealthcare.com/FHL+Policy+on+Prohibition+of+Insider+Trading-+August+2021(New).pdf

11. MEANS OF COMMUNICATION

a) **Quarterly Results:** The Company's quarterly / half yearly / annual financial results are sent to the Stock Exchanges and generally published in Financial Express (English) and Rozana Spokesman (Punjabi).

b) **Website:** The financial results are posted on the Company's website viz. https://www.fortishealthcare.com/investors .

c) **Press Release, Presentations:** The Company also makes a presentation to the institutional investors and analysts after taking on record the financial results of the Company. The press releases/official news, detailed presentation made to media, analysts, institutional investors etc. are displayed on the Company's website viz.www.fortishealthcare.com. Official Media Releases are also sent to the stock exchanges before dissemination to the media.

d) **Intimation to the Stock Exchanges:** The Company intimates the Stock Exchanges on all price sensitive information or such other matters which in its opinion are material and of relevance to the Investors.

e) **NEAPS (NSE Electronic Application Processing System) and digital exchange, BSE Corporate Compliance and the Listing Centre:** NEAPS are web-based application and digital exchange designed by NSE for corporates. BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others in accordance with the Listing Regulations are filed electronically.

f) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Report on Corporate Governance (Contd..)

g) **Designated Exclusive email-id:** The Company has designated the following email-id for investor servicing: secretarial@fortishealthcare.com. Investors can also mail their queries to Registrar and Transfer Agent at einward.ris@kfintech.com.

12. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date of AGM

The Annual General Meeting of the Company for the FY 2021-22 is proposed to be held on Monday, August 1, 2022 at 14:00 Hours (IST) through Video Conferencing or other Audio-Visual means.

(i) **Financial Year of the company** is starting from April 1 and ending on March 31 of next year.

(ii) **Dividend payment date:** NA

(iii) **Financial calendar 2022-23 (tentative & subject to change)**

S. No.	Tentative Schedule	Tentative Date (On or Before)
1	Financial Reporting for the quarter ended June 30, 2022	August 14, 2022
2	Financial Reporting for the quarter ending September 30, 2022	November 14, 2022
3	Financial Reporting for the quarter ending December 31, 2022	February 14, 2023
4	Financial Reporting for the quarter ending March 31, 2023	May 30, 2023
5	Annual General meeting for the year ending March 31, 2023	On or before September 30, 2023

(iv) Listing on Stock Exchanges

As on date, the Company's Equity Shares are listed on the following Stock Exchanges:

- National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051
- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001

The Company has paid listing fees to above stock exchanges for the Financial Year 2021-22 and for 2022-23. There are no outstanding payments as on date.

(v) Stock code of Equity Shares

Trade symbol at National Stock Exchange of India Limited is FORTIS.

Scrip Code at BSE Limited is 532843

ISIN for equity is INE061F01013

(vi) Stock market Data

The Company's shares are among the actively traded shares on NSE & BSE. The Monthly high and low of share price of the Company during the Financial Year and comparisons with broad-based indices, viz BSE Sensex and NSE Nifty is as follows:

Month	Share Price (in ₹) at BSE		Share Price (in ₹) at NSE	
	High	Low	High	Low
Apr-21	219.3	200.5	219.4	200.4
May-21	236.2	215.3	236.2	215.3
Jun-21	243.5	226.8	243.4	226.9
Jul-21	254.8	233.8	254.9	233.8
Aug-21	294.5	232.6	294.5	232.7
Sep-21	287.2	259.9	287.3	260.1
Oct-21	280.3	244.7	280.2	244.3
Nov-21	288.5	242.3	288.6	242.4
Dec-21	297.3	268.2	297.3	268.1
Jan-22	309.4	262.7	309.5	262.6
Feb-22	277.7	232.1	277.7	233.3
Mar-22	290.4	246.8	290.4	246.7

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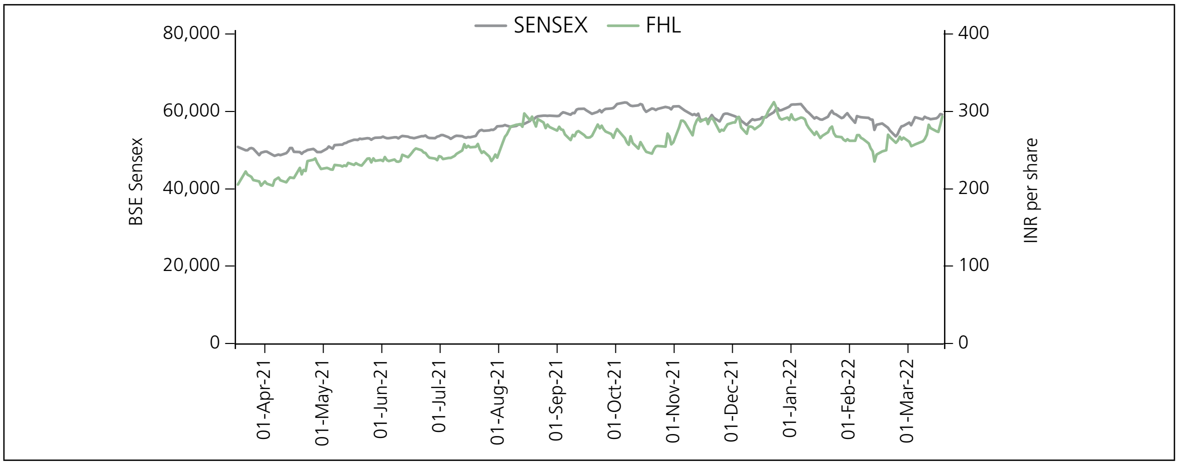
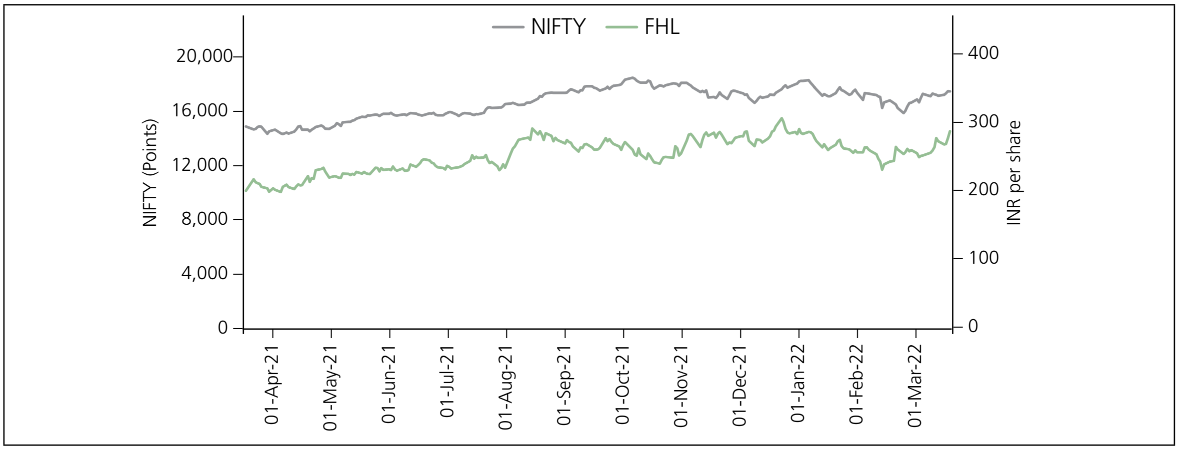
Based on closing data of BSE Sensex (Value) and FHL (INR Per Share)



Based on closing data of NSE Nifty (Value) and FHL (INR Per Share)



(vii) Registrar and Transfer Agent

M/s. KFIN Technologies Limited (previously known as KFIN Technologies Private Limited) is acting as Registrar and Transfer Agent (RTA) for handling the shares related matters both in physical as well as dematerialized mode. All work relating to equity shares are being handled by them. The Shareholders are therefore, advised to send all their correspondence directly to the RTA. The address for communication is:

M/s. KFIN Technologies Limited
Karvy Selenium, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad-500032
Phone No. - +91 40 6716 2222
Fax No. - +91 40 23420814
E-mail: einward.ris@kfintech.com

However, for the convenience of shareholders, correspondence relating to shares received by the Company is forwarded to the RTA for necessary action thereon.

(viii) Nomination Facility

The shareholders holding shares in physical form may, if they so want, send their nomination(s), as per Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, in form SH-13, which can be obtained from the Company's RTA. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility.

As on March 31, 2022, 754141526 Equity shares representing 99.89 % of the paid-up Equity Share Capital of the Company have been dematerialized.

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The shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest, as the Company's Shares are required to be compulsorily traded at Stock Exchanges in dematerialized form only.

(ix) Elimination of Duplicate Mailing

The shareholders who are holding Shares in more than one folio in identical name or in joint holders' name in similar order, may send the share certificate(s) along with request for consolidation of holding in one folio to avoid mailing of multiple Annual Reports.

(x) Share Transfer System

The Company's share transfer authority has been delegated to the officials of the Company. The delegated authority(ies) attend the share transfer formalities to expedite all matters relating to transfer, transmission, transposition, split and re-materialization of shares and take on record status of redressal of Investors' Grievance, etc., if any. Further in terms of Regulation 40 of Listing Regulations, the board of directors of a listed entity may delegate the power for certain activities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s). The Board Directors of the Company has authorized M/s. KFIN Technologies Limited (previously known as KFLN Technologies Private Limited), Registrar and Transfer Agent of the Company for approving certain activities on behalf of the Company upto a threshold limit. Further, any request beyond the specified limit is approved by the Stakeholders Relationship Committee and subsequently placed before the Board for its noting.

The share certificate received by the Company/ RTA for registration of transfers, are processed by RTA and transferred expeditiously and the endorsed Share Certificate(s) are returned to the shareholder(s) by registered post. A summary of approved transfers, transmissions, deletion requests, etc. are placed before the Board of Directors from time to time as per the Listing Regulations.

As per the requirements of Regulation 7 of Listing Regulations the Company has obtained the half yearly certificates from Compliance Officer and authorised representative of share transfer agent for due compliance of share transfer formalities.

(xi) Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit as stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018) (erstwhile Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996) was carried out by a Practicing Company Secretary for each of the quarter in the Financial Year 2021-22, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The Reconciliation of Share Capital Audit Reports (the Audit report) confirm that the total issued/subscribed paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with the depositories. Such Audit Report for each quarter of the Financial Year 2021-22, has been filed with Stock Exchanges within thirty days from the end of the respective quarter.

(xii) Details of Demat Suspense Account

The Company had opened a Demat Suspense Account- "Fortis Healthcare Limited IPO Suspense Account".

i. Aggregate Number of the Shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2021: 48 shareholders and 4677 shares.

ii. Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL

iii. Number of shareholders to whom shares were transferred from the suspense account during the year: NIL

iv. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. March 31, 2022: 48 shareholders and 4677 shares.

It is also confirmed that that the voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares.

(xiii) Share Dematerialization System and Liquidity

The requests for dematerialization of shares are processed by RTA expeditiously and the confirmation

Report on Corporate Governance (Contd..)

in respect of dematerialization is entered by RTA in the depository system of the respective depositories, by way of electronic entries for dematerialization of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System.

Further, w.e.f. April 1, 2019, as per the circular issued by SEBI, no transfer can be affected in physical form.

(xiv) Details on Outstanding Securities as on March 31, 2022 and details of commodity price risk, foreign exchange risk & hedging activity

As on March 31, 2022, the Company has not issued any GDRs, ADRs, Warrants or any other convertible instruments. No FCCBs stand outstanding in the Books of the Company as on date.

Details of commodity price risk, foreign exchange risk & hedging activity (commodity or otherwise), as applicable, during the financial year under review are provided in notes to accounts which forms part of the Annual Report. It is hereby confirmed that the Company is not involved in commodity and/or derivative market.

(xv) Distribution of Shareholding as on March 31, 2022

Number of equity share held	No. of Shareholders	% of Share Holders	% of Total Paid up share Capital
1 to 5,000	141823	90.40	1.62
5,001 to 10,000	7429	4.74	0.79
10,001 to 20,000	3433	2.19	0.69
20,001 to 30,000	1194	0.76	0.41
30,001 to 40,000	594	0.38	0.28
40,001 to 50,000	526	0.34	0.33
50,001 to 1,00,000	770	0.49	0.78
1,00,001 and above	1112	0.71	95.10
Total	**156881**	**100.00**	**100.00**

(xvi) Shareholding pattern as on March 31, 2022

S. No.	Description	No. of Shareholders	Number if shares held	% of shareholding
1	Alternative Investment Fund	6	1330892	0.18
2	Banks	2	9000015	1.19
3	Bodies Corporates	975	37700913	4.99
4	Clearing Members	129	504763	0.07
5	Employees	28	243196	0.03
6	Foreign Collaborators	1	670194	0.09
7	Foreign Nationals	1	3000	0.00
8	Foreign Portfolio - Corp	242	225094094	29.82
9	Foreign Promoters	1	235294117	31.17
10	H U F	3195	2761936	0.37
11	Mutual Funds	19	117266957	15.53
12	Nbfc	7	28677	0.00
13	Non Resident Indian Non Repatriable	900	656559	0.09
14	Non Resident Indians	1537	1445070	0.19
15	Qualified Institutional Buyer	6	20495556	2.71
16	Resident Individuals	149825	102410492	13.57
17	Trusts	7	51717	0.01
	Total:	**156881**	**754958148**	**100.00**

Report on Corporate Governance (Contd..)

(xvii) Lock-in of Equity Shares

As on March 31, 2022 no Equity shares of the Company are under lock in, however out of 23,52,94,117 Equity Shares of the Company, held by Northern TK Ventures Pte Ltd, Promoter, 15,09,90,390 Equity Shares were under lock-in upto January 4, 2022 in terms of the regulatory requirements and the same are unlocked during the year.

(xviii) Employee Stock Option

Detailed information relating on Employee Stock Option, has been mentioned in the Board's Report.

(xix)Hospitals/Unit(s)/Location(s)

Fortis Healthcare Limited alongwith its subsidiaries provide healthcare services in Delhi-NCR, Chennai, Bangalore, Punjab, Jaipur and other cities. The locations of the hospital units managed by your Company are as follows:

Fortis Hospital, Mohali
Sector-62, Phase-VIII, SAS Nagar, Mohali, Punjab-160062

Fortis Hospital
Arcot Road, Vadapalani, Chennai, 600026

Fortis Hospital
A Block, Shalimar Bagh, Near Kela Godown, New Delhi-110088

Fortis O P Jindal Hospital, Raigarh
Fortis O P Jindal Hospital, Patrapali, Near JSPL Plant, Kharsia Road, Raigarh - 492001, Chhattisgarh

S L Raheja Hospital, Mumbai
S L Raheja Hospital, Raheja Rugnalaya Marg, Mahim West, Mumbai, Maharashtra 400016

Fortis Hospital, Kangra
Fortis Hospital, Kangra-Dharamshala Road, Kangra, Himachal Pradesh 176001

(xx) Shareholders Communication –Address for correspondence

The Company understands the significance of two-way communication with the shareholders. The Company's website is constantly updated with the latest disclosures/information as the shareholders may require from time to time. In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, Annual Report, Quarterly/ Annual financial results along with the applicable policies of the Company. The Company's official press releases and presentations made to the institutional investors and analysts are also available on the Company's website (www.fortishealthcare.com).

For Share transfer/ dematerialization of shares/ payment of dividend and any other query relating to shares, the shareholders may contact at the below address:

M/s. KFIN Technologies Limited
(previously known as KFIN Technologies Private Limited)
Karvy Selenium, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad-500032
Phone No. - +91 40 6716 2222
Fax No. - +91 40 23420814
E-mail: einward.ris@kfintech.com

For Investor Assistance

The Company Secretary,
Fortis Healthcare Limited
Tower A, Unitech Business Park,
Block - F, South City 1, Sector - 41,
Gurgaon, Haryana - 122001
Phone No. - +91 124 4921021,
Fax number - +91 124 492 1041
Email: secretarial@fortishealthcare.com
Website: www.fortishealthcare.com

(xxi)Details of Credit Ratings

List of all credit ratings obtained by the entity and its subsidiaries along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad is as

Report on Corporate Governance (Contd..)

given below:

Entity	Credit Rating Agency	Type of Rating	Rating as on March 31,2021	Movement		Rating as on March 31,2022
				Jul-21	Feb-22	
Fortis Healthcare Limited	CRISIL	Long Term/Short Term-Fund Based Limits	CRISIL A	CRISIL A+	CRISIL AA-	CRISIL AA-
Fortis Healthcare Limited	CRISIL	Long Term/Short Term-Non Fund Based Limits	CRISIL A1	CRISIL A1	CRISIL A1+	CRISIL A1+
Fortis Hospitals Limited	CRISIL	Long Term/Short Term-Fund Based Limits	CRISIL A	CRISIL A+	CRISIL AA-	CRISIL AA-
Fortis Hospitals Limited	CRISIL	Long Term/Short Term-Non Fund Based Limits	CRISIL A1	CRISIL A1	CRISIL A1+	CRISIL A1+
Escorts Heart Institute and Research Centre Limited	CRISIL	Long Term/Short Term-Fund Based Limits	CRISIL A	CRISIL A+	CRISIL AA-	CRISIL AA-
Escorts Heart Institute and Research Centre Limited	CRISIL	Long Term/Short Term-Non Fund Based Limits	CRISIL A1	CRISIL A1	CRISIL A1+	CRISIL A1+
International Hospital Limited	CRISIL	Long Term/Short Term-Fund Based Limits	CRISIL A	CRISIL A+	CRISIL AA-	CRISIL AA-
International Hospital Limited	CRISIL	Long Term/Short Term-Non Fund Based Limits	CRISIL A1	CRISIL A1	CRISIL A1+	CRISIL A1+
Fortis Hospotel Limited	CRISIL	Long Term/Short Term-Fund Based Limits	CRISIL A	CRISIL A+	CRISIL AA-	CRISIL AA-
Fortis Hospotel Limited	CRISIL	Long Term/Short Term-Non Fund Based Limits	CRISIL A1	CRISIL A1	CRISIL A1+	CRISIL A1+

Note: Please note all the ratings are under Credit Watch

(xxii) Details of Utilization of funds raised through preferential allotment

The details of utilisation of funds raised through preferential allotment forms part of Notes to Financial Statement which forms part of this Annual Report.

(xxiii) Certificate from Practicing Company Secretary

The Company is in receipt of a certificate from M/s Mukesh Agarwal & Co., Practicing Company Secretaries confirming 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. The said certificate is attached.

(xxiv) Payments to statutory auditors

Particulars of total fees for all services paid by the listed entity and its subsidiaries (including indirect taxes), 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 is given below:-

(₹)

Particulars	Amount
Statutory Audit Fees	42,421,103
Tax Audit	2,958,424
Limited Reviews	26,218,494
Other services	979,237
Out of Pocket Expenses	2,638,828
Total	**75,216,087**

(xxv) Disclosure(s) in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in the Board's Report.

(xxvi) It is confirmed that there was no instance during Financial Year 2021-22 when the Board had not accepted any recommendation of any committee of the Board.

Report on Corporate Governance (Contd..)

(xxvii) During the year, Company alongwith its subsidiaries have not entered into any transaction of Loan and advances in the nature of Loan of firms/Companies in which directors are interested.

13. MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance i.e. Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations except elsewhere mentioned in this report.

M/s. Sanjay Grover & Associates, Practicing Company Secretaries has audited the compliances of Corporate Governance and after being satisfied on the same, issued a certificate on compliance to the Company, which forms part of this report.

14. DISCRETIONARY REQUIREMENT UNDER PART E TO SCHEDULE II TO THE LISTING REGULATIONS

A. Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and Managing Director/CEO, as and when applicable.

B. Reporting of Internal Auditor

The Head- Risk and Internal Audit reports directly to the Audit Committee.

C. Modified Opinion(s) in Audit Report

For FY 22, the Statutory Auditors have issued an audit report with unmodified opinion.

15. GO GREEN INITIATIVE

(a) The shareholders having shares in physical form are requested to register their e-mail ids with us or our RTA, at the address given in this report, to enable us to serve any document, notice, communication, annual report, etc. through e-mail.

(b) The shareholders holding shares in Demat form are requested to register their e-mail id with their respective Depository Participant for the above purpose.

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Fortis Code of Conduct for the Financial Year ended March 31, 2022.

For & on behalf of Board of Directors

Sd/-
Dr. Ashutosh Raghuvanshi
Managing Director & CEO

Date: May 25, 2022
Place: Gurugram

Certificate

[As per Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
Audit Committee/Board of Directors
Fortis Healthcare Limited

Dear Sir(s)/ Madam(s),

We, Dr. Ashutosh Raghuvanshi, Managing Director & Chief Executive Officer and Vivek Kumar Goyal, Chief Financial Officer of the Company, certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:

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

  (2) these statements together present a true and fair view of the 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 other transactions entered into by the Company during the year which are fraudulent, illegal or violative 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 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 taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee that:

  (1) There have been no significant changes in internal control over financial reporting during the year under review;

  (2) There have been no significant changes in accounting policies during the year except to the extent already disclosed in the notes to the financial statement(s); and

  (3) There are no instances of significant fraud of which we are 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 **Fortis Healthcare Limited**

Sd/-	Sd/-
Vivek Kumar Goyal	**Dr. Ashutosh Raghuvanshi**
Chief Financial Officer	Managing Director & CEO

Place : Gurugram
Date : May 25, 2022

Corporate Governance Certificate

To
The Members
Fortis Healthcare Limited
(CIN: L85110PB1996PLC045933)
Fortis Hospital Sector-62,
Phase-VIII, Mohali, Punjab-160062

We have examined the compliance of conditions of Corporate Governance by Fortis Healthcare Limited ("the Company"), for the financial year ended March 31, 2022, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900

Devesh Kumar Vasisht
Partner

New Delhi
May 25, 2022

CP No.: 13700, M. No.: F8488
UDIN: F008488D000384270

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
FORTIS HEALTHCARE LIMITED ("the Company")
Fortis Hospital Sector-62 Phase-VIII, Mohali Mohali PB 160062 IN

We, Mukesh Agarwal & Co., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Fortis Healthcare Limited, having CIN L85110PB1996PLC045933 and having registered office at Fortis Hospital, Sector-62, Phase-VIII, Mohali -160062, (hereinafter referred to as "**the Company**"), produced before us 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Ravi Rajagopal	00067073	April 27, 2018
2	Ms. Suvalaxmi Chakraborty	00106054	April 27, 2018
3	Mr. Indrajit Banerjee	01365405	April 27, 2018
4	Mr. Dilip Kadambi	02148022	June 04, 2020
5	Dr. Ashutosh Raghuvanshi	02775637	March 19, 2019
6	Ms. Shailaja Chandra	03320688	June 28, 2020
7	Mr. Heng Joo Joe Sim	08033111	November 26, 2019
8	Dr. Kelvin Loh Chi Keon	08515101	September 28, 2019
9	Dr. Farid Bin Mohamed Sani	08646785	December 30, 2019
10	Mr. Takeshi Saito	08823345	September 01, 2020
11	Mr. Joerg Ayrle	09128449	March 31, 2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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 Mukesh Agarwal & Company

-
Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN : F005991D000469344

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L85110PB1996PLC045933
2.	Name of the Company	Fortis Healthcare Limited
3.	Registered Address	Fortis Hospital, Sector 62, Phase VIII, Mohali-160062, Punjab
4.	Website	www.fortishealthcare.com
5.	E-mail id	secretarial@fortishealthcare.com
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Healthcare
8.	List three Key products/services that the Company manufactures/provides (as in balance sheet)	IPD, OPD, Medical & Clinical Services
9.	Total number of locations where business activity is undertaken by the Company and its subsidiaries:	Healthcare Services through 26 locations Diagnostic Services through approx. 426 labs, and 2,550+ collection centers.
	(a) Number of International Locations (provide details of major five).	The Company through its subsidiaries has minority stake in The Lanka Hospitals Corporation Plc, Sri Lanka. The Company through its step sown subsidiaries / joint ventures operates diagnostic labs in Nepal (2) and Dubai.
	(b) Number of National Locations	Healthcare Services – 26 locations Diagnostic Services - ~2,500+ locations (includes labs and collection centers)
10.	Markets served by the Company – Local/State/National/International	Primary National

SECTION B. FINANCIAL DETAILS OF THE COMPANY

S. No.	Particulars	Details
1.	Paid up Capital (in ₹)	₹ 7,549,581,480
2.	Total Turnover (₹ in Lakhs)*	86,261
3.	Total profit after taxes (₹ in Lakhs)*	(1,325)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	533.11
5.	List of activities in which expenditure in 4 above has been incurred	For details on CSR Programmes, please refer to Annexure on CSR which also forms part of Annual Report.

* On Standalone basis

Business Responsibility Report (Contd..)

SECTION C. OTHER DETAILS

S. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company/ Companies?	Yes
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? if yes, then indicate the number of such subsidiary company(s)	Yes. The details of number of subsidiaries forms part of the Directors Report.
3.	Do any other entity/entities (e.g suppliers, distributors etc.) that the company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The Company does not mandate its suppliers/ distributors to participate in the Company's Business Responsibility ("BR") initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D. BR INFORMATION

S. No.	Particulars		Details	
1.	**Details of Director / Directors responsible for BR**		The Board of Directors and the Management are collectively responsible for implementation of BR policies.	
	(a)	Details of the Board of Directors / Director responsible for implementation of the BR policy/policies		
		DIN Number	**Name**	**Designation**
	1.	00067073	Ravi Rajagopal	Chairman- Independent Director
	2.	06556481	*Shirish Moreshwar Apte	Vice Chairman-Non-Executive Director
	3.	02775637	Dr. Ashutosh Raghuvanshi	Managing Director & CEO
	4.	08515101	Dr. Chi Keon Kelvin Loh	Non-Executive Director
	5.	02148022	Dilip Kadambi	Non-Executive Director
	6.	08646785	Farid Bin Mohamed Sani	Non-Executive Director
	7.	08033111	Heng Joo Joe Sim	Non-Executive Director
	8.	09128449	Joerg Ayrle	Non-Executive Director
	9.	08823345	Takeshi Saito	Non-Executive Director
	10.	01365405	Indrajit Banerjee	Independent Director
	11.	03320688	Shailaja Chandra	Independent Director
	12.	00106054	Suvalaxmi Chakraborty	Independent Director
	(b)	Details of the BR head		
	1.	DIN Number (if applicable)	02775637	
	2.	Name	Dr. Ashutosh Raghuvanshi	
	3.	Designation	Managing Director & CEO	
	4.	Telephone Number	0124-4921021	
	5.	E-mail id	secretarial@fortishealthcare.com	

** resigned w.e.f. July 15, 2021*

Business Responsibility Report (Contd..)

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

	QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for ...	Y	**Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	Y
3.	Does the policy conform to any national/ international standards? If yes specify in 50 words	Y*	Y	Y*	Y*	Y*	Y*	–	Y	–
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/OWNER/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	–	Y	–
5.	Does the company have a specified committee of the Board/Directors/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	–	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://www.fortishealthcare.com/investors - Corporate Governance/ Policies/Codes/ Code of Conduct	http://www.myfortishealthcare.com/Intranet/ StartIntranet.aspx?returnUrl=&GoToUrl=#x	https://www.fortishealthcare.com/ investors - Corporate Governance/ Policies/Codes/ Policy for prevention, prohibition and redressal of sexual harassment	https://www.fortishealthcare.com/investors - Corporate Governance/ Policies/Codes/ Corporate Social Responsibility policy	https://www.fortishealthcare.com/investors - Corporate Governance/ Policies/Codes/ Code of Conduct	http://www.myfortis healthcare.com/Intranet/ StartIntranet.aspx?returnUrl =&GoToUrl=#	–	https://www.fortishealthcare.com/investors / Corporate Governance/ Policies & Codes/ Whistle Blower Policy and Patient Care & Services.	https://www.fortishealthcare.com/investors / Corporate Governance/ Policies & Codes/ Whistle Blower Policy and Patient Care & Services.
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	–	Y	–
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	–	Y	–
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	While the Company has adopted Whistle Blower Mechanism which provides a platform to employees/Customers/ Vendors/Contractors etc. to report any concerns or grievances pertaining to any potential or actual violation of Company's Code of Conduct or any unethical behavior. Further, Right to voice a Complaint is included in the Patient Rights displayed in the Hospital. Also, the process for voicing/recording a Complaint/Feedback along with an escalation matrix is listed in standardized posters displayed conspicuously in the Hospitals. Patient Care being utmost priority for Fortis, all hospital units have designated Patient Experience Department where stakeholders can raise their grievances/ complaints. The contact details of the Patient Experience Officer are also displayed prominently at all hospital locations. All Feedbacks/Complaints are recorded in a Standard Patient Feedback Management System & followed up for Closure. Patients Feedbacks/Complaints are discussed in the Hospitals on a daily basis.								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	–	Y	–

** Please refer respective Code / Policy for relevant details*

***Governed by our Internal Standard Operating Procedures*

Business Responsibility Report (Contd..)

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)							Note 1	Note 2	Note 3

Note 1: The Company does not have a specific Policy as such, however, the Company from Healthcare Industry perspective adheres to specific protocols which are consistent with its principles and core elements, while influencing trade chambers or associations.

Note 2: While FHL does not have any policy around community connect activities however the Company do have guidelines and frameworks around the same. The guidelines help the units understand the way the activities have to be carried across various communities while the framework helps them choose the kind of activities they want to do, the partners they would like to work with, the teams responsible at the unit to carry out the activity etc.

Note 3: While regular branding and marketing activities are carried out by the marketing team at the hospital, regions and the support office, there has been no need to create a policy around the same. The marketing activities are also governed by a set of guideline and framework created with the inputs from all stakeholders. These guidelines and framework govern almost all activities that fall under the branding and marketing umbrella like media buying, Campaign creation, digital marketing to name a few. During the year 2021-22, no new marketing and branding initiatives were undertaken due to COVID pandemic.

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than one year.	Annually
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, and it forms part of annual report. The same is hosted on the website of the Company at www.fortishealthcare.com

Business Responsibility Report (Contd..)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1:

Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes

   i. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? No

   The Consequence Management Policy is applicable to all fulltime employees of the Company and its subsidiaries and / or entities under its direct or indirect control. Also, we have a guiding framework called the Code of Conduct to which each employee should adhere to. The Consequence Management Policy is an internal policy document and is hosted on Company Intranet.

   Additionally, Whistleblower policy of Audit and Risk function also covers aspects of the above principle in greater details.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

   Details of stakeholder complaints received and resolved by the Company is mentioned hereunder: -

Stakeholder	No. of complaints received	No. of complaints resolved
Shareholders Complaints	19	19
Whistle Blower Complaints	4	3
POSH Complaints	14	13
Patient Complaints	18,693	18,673
Regulatory Complaints	Please refer Financial Statement annexed with Annual Report.	

Principle 2:

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Fortis through its various enterprise level initiatives fosters to build sustainable environment for a healthy lifestyle and promotes measurement of healthcare system performance.

Since 2010 all Hospitals that have been commissioned by Fortis are Green certified facilities. As enterprise mandate, all new Greenfield Projects of Fortis shall be certified Green Hospitals. Fortis is committed to minimise the effect of its business activities on the Environment and use Sustainable Design practices for all its new Projects. This helps to reduce Carbon Foot Prints as most of the materials used will adhere to Green Building norms.

Process for award of Contracts. Fortis follows a transparent standard operating process for tendering and award of Contracts. The whole process is conducted by competitive bidding process which is based on ethical practices and professionalism.

Risk Management. Fortis follows a transparent risk management policy for forecasting and mitigating the potential risks. There is always an endeavor to introduce latest technologies which would help in reducing carbon foot prints. Risk identification and mitigation, and Patient Safety are an integral part of accreditations like NABH and JCI; Fortis is one of the most accredited healthcare organisations of the country with more than 100 accreditations to its credit.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Healthcare is a long term business that maps profitability with public good. For this to be sustainable, there is a need to constantly rebalance the imperatives of growth and self-improvement. Fortis understands that being compliant with quality & audit systems, and an emphasis on academics, research & training are the benchmarks for being socially & environmentally responsible.

   Following key initiatives from Fortis have had a huge impact socially:

   a) **'COVID' Expert Group Live sessions:** Last year, two COVID waves hit the country leading to a nation-wide lockdown. At the peak of the lockdown, general public was searching for a reliable source of getting information on COVID 19. The medical team at Fortis understood this need-gap and started the 'COVID Expert Group Live Sessions' that focused on precautions, advancements in COVID treatment, impact of vaccination, new COVID protocols and so on. A total of 3 live session conducted during the last year. Each live session was broadcasted across all Fortis' SM handles – Facebook, Instagram, LinkedIn and Twitter. The average reach for each live session was close of 2 to 2.5 Million individuals.

Business Responsibility Report (Contd..)

b) **School mental health program:** The Company has conducted more than 1200 talks with corporate organizations and school, reaching over 7500 schools and 900+ corporates. Over 50,000 school and college students participated in our academic initiatives (internships). Teachers of government schools in India, as well as teachers in UAE and Singapore were trained in Mental Health Curriculum. The Company have been providing counselling support and trainings for the Kailash Satyarthi Foundation. The Company has conducted a webinar on Sports and Mental Health with the Sports Authority of India, featured across all SAI centres across the country. Our book "Alone in the Crowd: Overcoming Urban Loneliness" was released this year. Our Mental Health Curriculum was also released in Hindi. Members of our team were invited for 5 TedEx talks, addressing various aspects of mental health and well-being. The Company is the official Mental Health Partners of Twitter India, Instagram and Koo. Company's initiatives across social media have touched 15 crore lives. the Company's 24x7 Stress Helpline operates in 15 Indian languages and received close to 300 calls per day.

c) **Health Tip of the Day:** In order to raise awareness about common health problems that can be prevented via lifestyle changes, Fortis team started an initiative - 'Health tip of Day' in Jan 2022. These health tips were put-up in form of a social posts that highlighted common health concern that individuals have in their day to day lives and how the same can be prevented or treated. The average reach for each social post was close to 1 to 1.5 L individuals.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.)**

A. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain

a) As part of design standard, for all new upcoming projects, Fortis is providing hot water generation system with solar panels and heat pumps as secondary source.

b) Fortis continues to explore avenues to employ renewable source of energy like Solar power & wind power.

B. Reduction during usage by consumers (energy, water) has been achieved since the previous year

Fortis thrives to continuously monitor and improve energy scores across hospitals by switching to LED light fixtures, installing VFDs, BMS, low flow plumbing & sanitary fixtures. The chart below captures the reduction in energy consumption achieved by various Fortis Hospitals across India.

The overall bed occupancy in the current year has increased compared to previous year. Hence, Reduction in Specific Energy Consumption per bed per day has been achieved over previous year. Units consumed over the previous years have been appended below (Refer table below):

Sr.	Hospital	Units consumed (kWH) in Lacs	
		Year 20-21 (A)	Year 21-22 (B)
1	Noida	49.46	53.06
2	Mulund	59.09	60.11
3	Mohali	51.04	59.10
4	BG Road	69.07	73.18
5	Vasant Kunj	30.01	31.02
6	Nagarbhavi	5.22	5.81
7	CG Road	16.04	15.60
8	Jaipur	41.09	51.27
9	Anandpur	53.09	55.57
10	Kalyan	8.75	9.60
11	Okhla Road	81.39	85.68
12	Rajaji Nagar	3.24	3.48
13	Vashi	26.78	28.87
14	Adyar	26.14	29.72
15	Amritsar	34.76	37.31
16	Gurgaon	87.07	95.76
17	Ludhiana	29.91	35.72
18	Shalimar Bagh	49.62	52.31

Business Responsibility Report (Contd..)

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

   Yes. Sustainable sourcing is the key focus area for Fortis and is built around ethical and environmental sourcing principles to mitigate sourcing risks, stronger supplier relationships for trustworthy business conduct. To ensure the medical efficacy of goods, suppliers are asked to adhere to the guidelines as defined in Drugs and Cosmetics Act, 1947 including GMP for every manufacturer supplier. Most of the products are procured through local distribution channels of suppliers to reduce risk involved in transport and reduction in carbon footprint. Suppliers are asked to commit to Non-Conflict of Interest and are encouraged to raise ethical concerns if any while dealing with Fortis management at any level. Employees dealing with suppliers are covered through Fortis employee code of conduct.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   To ensure effective and efficient healthcare delivery, we need to ensure the availability of quality product and services in our hospitals. Without compromising on quality, many pharma and medical consumables are sourced from local suppliers as well. The specifications, basis both international and Indian standards, as approved by our esteemed doctors and committees are defined to ensure quality product is procured and patient safety is ensured. Local suppliers develop these products which are assessed on Quality, Safety, Delivery and Morals by respective stakeholders and feedback is provided for further improvements, if required. This helps suppliers to produce quality products and develop robust supply chain so as to compete with established suppliers. Similar process is also followed while procuring non-medical goods and services from local suppliers. Periodic suppliers meeting and reviews are conducted to drive continuous improvement in quality of goods and services.

5. **Does the company have a mechanism to recycle products and waste**

   Bio Medical Waste / Solid Waste Management:

   Fortis has a documented SOP for biomedical waste management in place which provides guidelines to ensure correct sorting, labeling, handling, storage, transporting and disposal of solid and liquid waste and, thus, prevention of infection and contamination of personnel and equipment. Accordingly, all the hazardous waste viz. mercury, residuals from wastewater treatment, etc. and general health care wastes are sent to the authorised central municipal, biomedical and hazardous waste treatment facilities as stipulated by local regulations. Fortis also verifies the chain of custody documentation for the authorised waste management contractors (which will be as per individual hospital requirements) from time to time. Fortis also employs paper recycling practice across all its units.

   i. If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.

   Bio Medical waste is handed over to a Government approved vendor as specified under Bio Medical Waste Management Rules, 2016. The Company has aligned its Bio Medical Waste SOP as per the regulatory norms.

Principle 3:

Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees:** Total number of employees including subsidiaries as on 31, 2022 was 23,227. (including Company's subsidiaries)

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis:** 6,968 employees were hired on a contractual basis.

3. **Please indicate the number of permanent women employees:** Total number of permanent women employees as on March 31, 2022 was 12,095.

4. **Please indicate the number of permanent employees with disabilities:** Seven ('7')- On the basis of self-declaration.

5. **Do you have an employee association that is recognized by management?** Yes

6. **What percentage of your permanent employees is members of this recognised employee association?** 1.60% (372 employees are in Union as on March 31, 2022).

   *(All Escorts Union Faridabad – 22, Malar Hospital Union – 100), SL Raheja Mumbai is an O&M and has additional 250 employees in Unionised cadre).

Business Responsibility Report (Contd..)

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.** During FY 2021-22, FHL and its subsidiaries received 14 complaints on sexual harassment. 13 complaints have been resolved with appropriate action taken and 1 complaint remains pending as on March 31, 2022.

8. **What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

   - Permanent Employees
   - Permanent Women Employees
   - Casual/Temporary/Contractual Employees
   - Employees with Disabilities

   – Upskilling employees to build a future-ready workforce continues to be an imperative. The need to upskill, and reskill, the workforce has never been more urgent than now, recognizing the same over 8,00,000 hours were invested in professional & personal capability development of clinician & non clinician employees (including women & employees with disability) across FHL, this includes organisation wide functional capability development (5,61,000+ hours) including 28,000 plus training hours of safety / environment related training modules such as disaster management, fire safety, radiation safety, waste management, HAZMAT (Hazardous Material), laboratory safety, employee safety & over 10,806 hours of infection control . As part of our Sustainability Initiatives training & education of all employees in the safety and health aspects of their jobs to minimize risks, increase accident prevention and improve safety was undertaken with 13,000 employees attending the online OSHA training program. Daily online sessions on managing stress & self-care strategies in collaboration with Fortis Mental Health Department were conducted for employees. Service capability development (74,000+ hours) to further augment skills of providing compassionate care & service to patients were imparted. Additional 7,800 plus training hours on customer centric behaviours were provided to our contractual staff.

   – Further accelerating our adoption of digital learning technologies to provide agile & accessible learnings solutions, we digitalized mandatory / hospital accreditation safety related trainings such as Occupational Safety & Health Administration (OSHA), Fire Safety, Basic Life Support, Information Security Awareness, Prevention of Sexual Harassment etc. Leveraging various digital learning platforms curated & contextualized digital solutions, virtual/online, hybrid training methodologies were deployed to deliver 30,000 hrs of training to enhance productivity & professional skills of employees across the network.

Principle 4:

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders?**

   Yes, these details are available in respect of shareholders / investors, vendors, bankers, employees (full time employees and those on contract), contractors, business partners, patients.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Disadvantaged, vulnerable, marginalised and BPL patients are tracked and served as per Company's policy.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof:**

   Yes, these are governed either under the Government regulations (for BPL category) or else under the Company's CSR programmes.

Principle 5:

Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The policy is applicable to Fortis Healthcare Limited and its subsidiaries. The Company's commitment to follow the basic principles of human rights is reflected in the checks and balances within the HR processes. The commitment to human rights is embedded in the 'Fortis Code of Conduct',

Business Responsibility Report (Contd..)

adopted by the Company. All employees are sensitised to human rights as part of their orientation programme.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company has not received any complaint or concern with respect to violation of human rights.

Principle 6:

Business should respect, protect, and make efforts to restore the environment

The Company respects, protects and makes efforts to restore the environment. For instance, all emissions/waste generated at various Fortis hospitals are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB / SPCB as per the requirement.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   Fortis' environmental, health and safety (EHS) policies and standard operating procedures at Group level is applicable to all the business units/subsidiaries.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, Fortis is committed to continuous energy consumption monitoring, system efficiency enhancement and identification of opportunities for energy optimisation.

   Some of the key design elements incorporated in Fortis Hospitals are:

   - Admission of natural day light through building design to reduce HVAC energy consumption.
   - Building Management System (BMS) has been installed for efficient monitoring and modulations of HVAC, lighting & electrical operations.
   - Provide hermetically sealed doors for OTs to plug air leakage.
   - Streamlining of Sewerage Treatment Plant (STP) and Irrigation System for effective utilisation of wastewater, resulting in water conservation.

3. **Does the company identify and assess potential environmental risks?**

   Yes, Company has in place elaborate Environmental & Social Assessment policies.

   All Fortis units strictly adhere to established SOPs and protocols for

   – Bio-medical waste management
   – Waste water management
   – Environmental risk assurance
   – Collection and safe disposal of unused drugs
   – Waste disposal policies for Hazardous waste, Radiation waste, E-waste etc.
   – Personnel protection equipment policy for staff who handles waste

   A comprehensive and thorough assessment is undertaken for potential new projects (acquisition or Greenfield development) covering legal, business, technical and E&S aspects. Fortis is 100% compliant in obtaining mandatory environmental clearances, Consent to establish and Consent to operate before commissioning new Hospitals.

   Fortis applies for Environmental Impact Assessment (EIA) clearance for all Greenfield projects. Design and development are done strictly in accordance with requirements defined by the National Building Code of India 2016 (NBC) – as well as company's corporate policies - such as Green Building certification and Sustainable construction material usage.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?**

   No

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Following actions have been taken to reduce energy consumption:

   1. Optimization of AHUs (VFDs automation)

Business Responsibility Report (Contd..)

2. Automation by installing Timer Control for AHUs, Timer on Exhaust Fans, Timers for parking/ street lighting

3. Replacement of non-LED Lights

4. Monitoring, targeting and automation

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. All emissions/waste generated at various Fortis hospitals are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.

7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

During the FY 2021-22, various Fortis network hospitals had received about 26 notices from CPCB/ SPCB in connection with day to day operations. Such notices/ show cause notices have been duly responded and Company has been diligent in ensuring compliance with applicable environment laws. Further, none of the said notices interferes with continued and ongoing business of the Company.

Principle 7:

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association?

Yes, the Company is member of several Industry associations.

2. If Yes, Name only those major ones that your business deals with

Yes, some of the major ones include the Healthcare Federation of India, NATHEALTH, AHPI, Healthcare Sector Skill Council (HSSC), CII and FICCI.

3. Have you advocated / lobbied through above associations for the advancement or improvement of public good?

Yes

If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We have advocated, through the Industry associations, for improvement in the areas of Healthcare reforms and public healthcare arena.

Principle 8:

Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives / projects in pursuit of the policy related to Principle 8? If yes details there of:

a. We advocate public private partnerships to deliver larger social good.

b. We subscribe to Sustainable development in all our hospital projects.

c. Our CSR programmes are focused towards Sustainable Development Goals (SDG) on 'Good health and Wellbeing'

2. Are the programmes / projects undertaken through in-house team? Largely by In-House teams.

3. Have you done any impact assessment of your initiative? We measure the outcome and impact of our work.

4. What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?

The community connect activities carried out last year (FY 2021-22) are as follows:

(A) Due to the ongoing pandemic during FY 2021-22, the primary focus had been to serve the community by managing the healthcare need arising due to sudden surge of infections across the country. Some of the steps taken to cater the community needs during the pandemic are as below:

- Approx. 2250 beds were reserved for COVID patients in wave 2 (April to May) and in wave 3 Approx. 1100 beds were reserved.

Business Responsibility Report (Contd..)

- Almost 17437 COVID patients were successfully treated and discharged.
- Tentatively 67,000 vaccines were administered.

The amount of spent would be close to ₹ 76 lacs.

(B) In addition to the above, approx. 1104 community connect activities were carried out last year (FY 2021-22). The nature of activities are as follows:

- Maintaining parks and public spaces around the hospital.
- Onsite vaccination drive in various RWAs.
- Webinars for corporates on wellness.
- HR conclaves in 4 Cities for corporates CHROs/HR heads from various corporates on Reinventing the role of HR in the new normal.
- Facilitated homecare COVID isolation package.
- Health talks and health camps in RWAs, Jogger's parks, malls.
- Online Activities in various schools under the aegis School Mental health Program.

The amount of spent would be close to ₹ 48 lakh.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? If yes, please explain

During the onset of the pandemic, onsite activities were not possible. Hence, health talks were organized on social media channels, webinars were organized for various corporates & schools & RWAs. Communication or dissemination of information and panning out instructions regarding COVID management were effective during this time. Once the Government of India started the reopening or unlocking process, outdoor community connect activities were resumed. The community connect team / representative at the hospital ensured that the activities such as health talks, health camps are regularly carried out in the community.

Principle 9:

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

On a daily basis, Fortis serves patients through its network of hospitals. Patients' complaints are redressed through trained patient service coordinators and counsellors. They are escalated as may be necessary to Departmental Heads, Medical Superintendents, Facility Directors depending on their gravity and the exigencies of the situation. Most of them end up being resolved amicably resulting in many satisfied patients that bring goodwill. Fortis has Medical Grievance Committee at each Hospital which carefully studies complaints and takes prompt corrective action as may be required. In exceptional and rare instances, the aggrieved seek available legal recourse, wherein Fortis represent and defend the case through legal department and often utilise the services of specific domain legal experts to stand for what we believe is correct, in the best interest of the Company and our stakeholders. As on March 31, 2022, 307 consumer cases were pending in various courts/ forums and during FY 2021-22, 19 consumer cases were disposed of.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof:

Not Applicable

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Due to COVID pandemic all non-essential activities including some marketing projects were on hold.

Management Discussion and Analysis

SECTION 1

Overview of the Indian Healthcare Industry

The overall economic development and rising population of the country has led the Healthcare sector to become amongst the largest sectors of the Indian economy, both in terms of revenue and employment. It has been growing at a CAGR of 22% since 2016, employing 4.7 million people directly.

Several factors continue to drive the growth of the Indian healthcare sector including an ageing population, a growing middle class with significant level of awareness, the rising proportion of lifestyle diseases, expanding health insurance coverage as well as accelerated adoption of digital technologies.

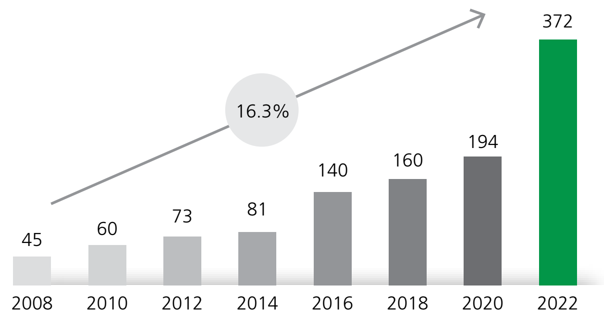
The Indian Government is further strengthening the healthcare sector by undertaking structural and sustained reforms and has been announcing conducive policies for encouraging FDI. The Aatmanirbhar Bharat Abhiyaan packages include several short-term and longer-term measures for the health system, including Production-Linked Incentive (PLI) schemes for boosting domestic manufacturing of pharmaceuticals and medical devices. Additionally, India is working towards becoming a hub for spiritual and wellness tourism, as the country has much to offer in Ayurveda and Yoga.

The COVID-19 pandemic has not only presented challenges but also several opportunities for India to grow. The crisis has opened up opportunities for Indian start-ups, many of whom have accelerated the development of low-cost, scalable, and quick solutions in the healthcare space; especially through various digital platforms.

A) Indian Healthcare Sector & key Developments

India's healthcare industry largely comprises the key segments of hospitals, pharmaceuticals, diagnostics, medical devices and equipment, health insurance and medical tourism. The industry comprising all these segments has been growing at a Compound Annual Growth Rate of around 22%. The hospital industry in India was forecasted to increase to US$ 133 billion by FY22 from US$ 62 billion in FY17 at a CAGR of 16–17%. And according to research firm Edelweiss, the domestic diagnostic industry is estimated at US$9 billion which is expected to grow at a 10% CAGR over the next five years.

Indian Healthcare Sector Market Size (USD Bn)



India has emerged as one of the fastest-growing emerging economies over the last two decades, receiving significant FDI inflows, which have grown from a mere USD 2.5 Billion in 2000-01 to USD 50 Billion (Source: Niti Aayog) in 2019-20. A slew of investments by global healthcare players have strengthened the position of India as an attractive healthcare investment destination.

In the hospital segment, the expansion of private players to Tier 2 and Tier 3 locations, beyond metropolitan cities, offers an attractive investment opportunity. According to Invest India's (an investment promotion agency set up by the Ministry of Commerce & Industry) investment Grid, there are nearly 600 investment opportunities worth USD 32 Billion in the country's hospital/medical infrastructure sub-sector.

In the medical devices and equipment segment, expansion of diagnostic and pathology centres as well as miniaturized diagnostics have high potential for growth. Medical Value Travel, especially wellness tourism, also has bright prospects, given India's inherent strengths in alternative systems of medicine.

(i) Key highlights of the Indian Healthcare Sector in 2021-22

- In the Union Budget 2021, investment in health infrastructure expanded 2.37x, or 137% YoY; the total health sector allocation for FY22 stood at Rs. 223,846 crore (US$ 30.70 billion).

Management Discussion and Analysis (Contd..)

- The government announced Rs. 64,180 crore (US$ 8.80 billion) outlay for the healthcare sector over six years in the Union Budget 2021-22 to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary and tertiary care, healthcare systems and institutions for detection and cure of new & emerging diseases.
- The Ministry of Tourism established the 'National Medical & Wellness Tourism Board' to promote the Medical and Wellness Tourism in India during the year.
- During 2021, the Union Cabinet approved continuation of the National Ayush Mission, responsible for the development of traditional medicines in India, as a centrally sponsored scheme until 2026.
- In March 2021, Union Health Ministry informed the Rajya Sabha that 157 medical colleges are under various stages of implementation across India.
- As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the National Digital Health Mission (NDHM) platform.
- In March 2021, various states and UTs started implementation of the 'Intensified Mission Indradhanush 3.0'-a campaign aimed to reach those children and pregnant women who were missed out or have been left out of the routine immunisation programme due to the COVID-19 pandemic. This is aimed to accelerate the full immunisation of children and pregnant women through a mission mode intervention.
- In March 2021, the Parliament passed the National Commission for Allied, Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.

(ii) Indian healthcare sector to witness technology-led revolution

The COVID-19 pandemic and its adverse implications resulted in a significant transformation in the global healthcare ecosystem. Due to the rising demand for effective treatment, an uptick in healthcare related digital technologies was witnessed, leading to the evolution of an array of solutions comprising e-pharmacies, teleconsultation, e-diagnostics and others. This is clearly reflected in the significant growth of the digital healthcare market which was witnessed over the last two years. Valued at INR 116.6 billion in 2018, it is expected to reach INR 485.4 billion by 2024, at a CAGR of ~27.4% during the 2019-2024 period. (Source: KPMG Insights)

Countrywide lockdowns and fear of contagious Covid-19 infection led to decrease in physical interactions and mobility of the patients. This has enabled patients to get online services; increasing internet penetration and together with the adoption of e-commerce further accentuated the demand for digital healthcare.

The digital transformation within the healthcare segment is helping address the gap in availability of specialist doctors while reducing the burden on tertiary-care hospitals. Digital technology-led e-pharmacies, on the other hand, have helped bring about greater price transparency and improved choices for end consumers along with accessibility. With the rising need for technology, healthcare providers are quickly onboarding a diverse set of tools some of which are enumerated below:

- **Moving towards internet of medical things (IoMT):** The Healthcare industry is emulating the concept of internet of things (IoT) with the adoption of IoMT, a connected infrastructure of smart devices and software applications to improve healthcare services. Using IoT driven technologies, industry players developed unique solutions targeting home health and remote monitoring services. These technologies can help them assess a patient's health conditions in real time and exchange information remotely.
- **Artificial intelligence (AI) and machine learning (ML):** Increasing drive for automation and streamlined workflows is further emphasising on the use of ML and AI in several clinical practices and diagnosis. AI, for instance, can play a significant role in enhancing the efficiency of administrative processes within healthcare service providers and pharmaceutical organisations.
- **Electronic health records (EHR):** EHR is said to reduce the incidence of medical errors by improving the accuracy and clarity of medical records due to which it is being widely adopted and utilised. EHR will eventually facilitate the transfer of patient records from one service provider to another.

Management Discussion and Analysis (Contd..)

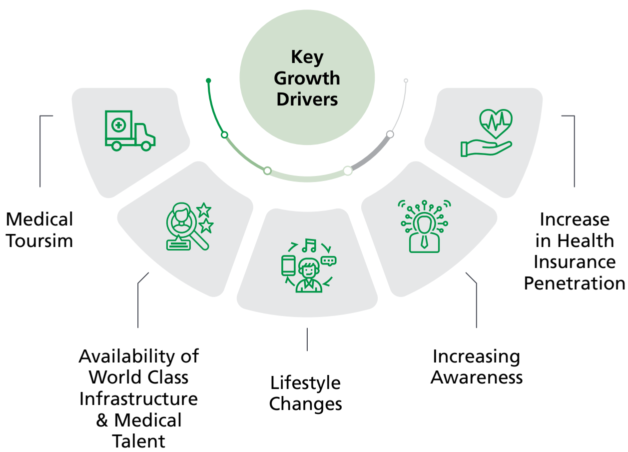
The government is also giving impetus to healthtech adoption through various schemes. The rollout of the Pradhan Mantri Digital Health Mission is one example, which will create a unique digital health ID to provide a one-stop access to all health records. Programmes like 'Ayushman Bharat Digital Mission' are further encouraging an integrated digital health infrastructure.

Digital healthcare techniques coupled with other technologies are the future that would present a variety of opportunities. However, maximising the healthcare system's potential through these technologies would require building on key areas, including supportive infrastructure, upskilled talent and robust guidelines ensuring data security protocols.

(iii) Key Growth Drivers

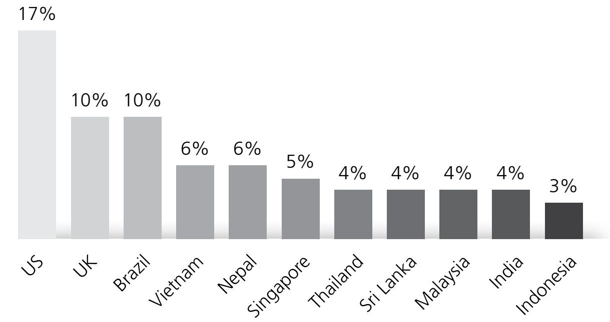
The demand for healthcare services in India is expected to remain strong primarily driven by ageing population, burgeoning lifestyle diseases, rising affordability which in turn drives quality healthcare and improving medical insurance penetration. We believe Hospital's segment being the largest component of the overall healthcare industry will be the biggest beneficiaries of the healthcare market in India as public spend is likely to be limited to ~25-30% of annual healthcare spend.

Key Growth Drivers for the Hospital Industry



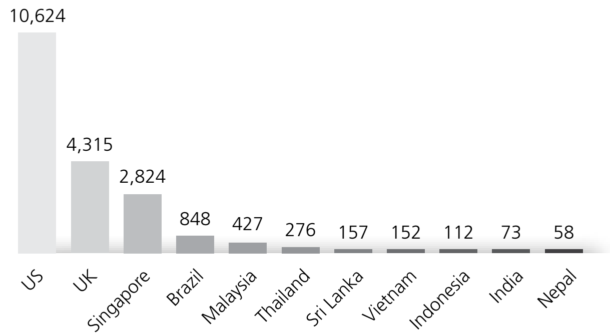
- Lower Healthcare Spend: India healthcare spend is 3.8% of GDP vs 17% in case of US. This works out to be USD 73 per person annually on health care vs USD 10,600 in case of US.

Inida's Healthcare Expenditure at 4% of GDP



Source: PL Equity Research on Indian Healthcare

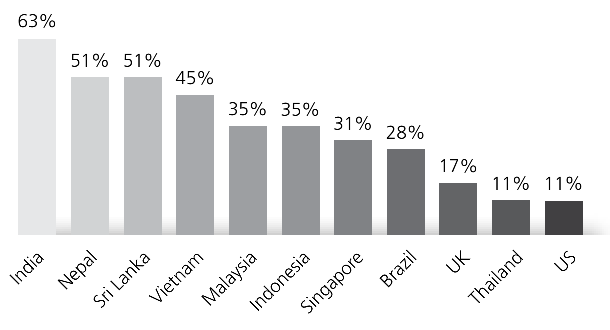
Pre-capita Healthcare Expenditure (in USD)



Source: PL Equity Research on Indian Healthcare

- Low public spending and limited penetration of health insurance has led to 'out-of-pocket' expenditure accounting for ~63% of total healthcare which is one of highest in the world and well above global average of 22%

Out-of-pocket expenses as % of Healthcare Expenditure



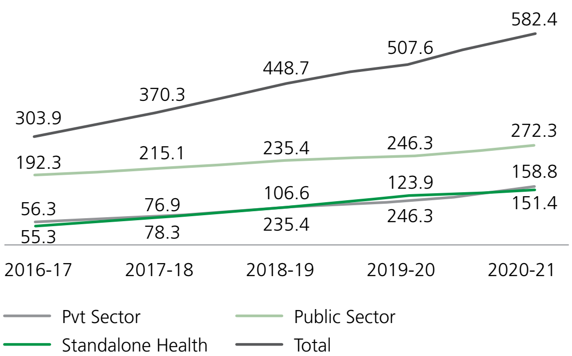
Source: PL Equity Research on Indian Healthcare

Management Discussion and Analysis (Contd..)

- **Increasing burden of Non-Communicable Diseases:** Non-communicable diseases (NCDs) encompass a vast group of diseases such as cardiovascular diseases, cancer, diabetes, and chronic respiratory diseases. NCDs contribute to around 38 million (68%) of all the deaths globally and to about 5.87 million (60%) of all deaths in India. The majority of NCD deaths occur in low and middle-income countries such as India, which is undergoing an epidemiological health transition owing to rapid urbanization, which in turn has led to an overall economic rise, but with certain associated flipsides.

- **Increase in Health Insurance Penetration:** During 2020-21, the general and health insurance companies witnessed a 14.7% growth in premium collection while the compounded annual growth rate over 2016 to 2021 stood at 17.7%. In addition, it was observed that the market share of private sector insurers increased from 18.5% in 2016-17 to 27.3% in 2020-21 while market share of public sector insurers declined from 63.3% to 47.8% in the same period. And standalone health insurers market share increased from 18.2% to 26% in the same period.

Increasing Trend in Health Insurance Preminum (INR Bn)

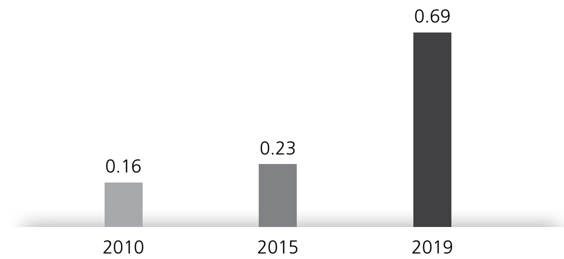


Exclude Personal Accident and Travel Insurance

Source: IRDA 2020-21 Annual Report

- **Significant opportunity from Medical tourism:** Medical tourism is expected to be one of significant growth drivers for India's Healthcare Sector. The medical tourism market is expected to grow at a CAGR of 65- 70% between FY21-25 (Source: PL Equity Research). In addition, India offers a significant cost advantage globally along with best-in-class clinical outcomes.

Medical Tourists (in million)



Source: PL Equity Research on Indian Healthcare

- **Continuing demand supply gap for quality healthcare services and healthcare infrastructure:** India currently has 1.3 hospital beds per 1,000 population. There is also a shortage of skilled health workers, with 0.65 physicians per 1,000 people (the World Health Organisation standard is 1 per 1,000 people) and 1.3 nurses per 1,000 people.

  India would need an additional 3 million beds to achieve the target of 3 beds per 1,000 people by 2025. Furthermore, another 1.54 million doctors and 2.4 million nurses will be required to meet the growing demand for healthcare in India.

  With the expansion of initiatives like Ayushman Bharat (PM-JAY), demand for health personnel will increase not only in larger cities but also in Tier 2 and Tier 3 cities. India will therefore need to increase the numbers of trained health personnel across various categories to achieve a ratio of at least 2.5 doctors and 5 nurses per 1,000 people by 2034.

B) Indian Diagnostic Industry

The diagnostic industry is one of the fastest expanding service verticals in India. The domestic diagnostic industry is estimated at $9 billion, and it is anticipated to grow at ~10% CAGR over the next five years (Source: Edelweiss Equity Research). The industry is broadly classified into pathology testing and imaging diagnostic services. Pathology testing consists of sample collection in the form of blood, urine and stool which is followed by sample analysis using laboratory equipment and technology. The imaging segment consists of tests which gives images an output which is then used for medical consultation for example, CT scan, MRI, PET scan etc. As per estimates, the pathology segment contributes around 60%-70% of the total market revenue. The industry is highly fragmented and under penetrated despite the presence of over 1 Lac

Management Discussion and Analysis (Contd..)

labs. There are multiple delivery formats like hospital labs, standalone labs, national chains and regional chains. Most of the market is dominated by the fragmented standalone centres with the largest organised player having a market share of less than 5%.

The industry can be divided into 3 categories based on the structure-

1. Hospitals (37%)
2. Standalone Centres (47%)
3. Diagnostic Chains (16%)

The diagnostic chains command ~16% of the market share and around 10% of this rests with the national players. In addition, over 65% of the business comes from urban areas. As a result, there is a huge opportunity for national players to grow organically and inorganically both in highly penetrated areas like cities as well as rural areas where penetration is low.

Recent Trends in Diagnostic Services in India

Diagnostic players which had previously focused on illness diagnostics are slowly moving towards focusing on preventive care with the target segment being individuals with sedentary lifestyles. India's diagnostics industry remains highly fragmented and with the spread of Pan-India diagnostic chains, the sector has and is expected to continue to see more consolidation through mergers and acquisitions. This should potentially increase the market share of organized diagnostic chains in the country.

Major diagnostic companies are also focusing on brand building through online marketing campaigns to differentiate their service offerings, quality, and test accuracy. These campaigning includes healthcare camps, advertising campaigns apart from preventive and wellness test packages. There has been an increase in home collection of samples, primarily during covid times, but this trend has continued to accelerate post covid as well.

While COVID-19 has put pressure on the diagnostic industry during the pandemic, it has also paved the way for the digitization of the industry. The industry players quickly embraced technical solutions to survive the challenging times. Digital transformation forays includes booking of diagnostic tests via apps and smartphones, doorstep sample collection scheduled as per the convenience of the customer and digital reporting through smartphones. All these have improved accessibility and reach of diagnostics services for patients.

Healthcare delivery is expected to gradually shift from "illness to wellness", from "doctor first to diagnosis first" and from "healthcare facilities to homes of patients". Personalized, affordable, always-on, always-connected, predictive and convenience-based diagnostics is the diagnostics of future. Home-centred care and testing, data, automation, advanced testing technologies and efficiencies in supply chain will gain prominence.

Outlook On the Healthcare Sector

Private healthcare players will continue to play a critical role in the healthcare industry as they continue to provide healthcare services to more than 70% rural population and 80% urban population in India. In addition, private healthcare players will continue to invest towards addition of new bed capacity, bringing in new high end medical infrastructure and uplifting the overall healthcare services in the country by adopting new technologies; all to further strengthen overall patient experience.

Home healthcare solutions is expected to be one of the fastest growing segments in India, though it is currently at a relatively nascent stage. The growth would be driven by the rising elderly population in the country, increase in the incidence of chronic diseases, enhanced demand for constant personalised care as well as the emergence of nuclear family structures in urban areas.

Technology advancements such as Artificial Intelligence (AI), wearables and other mobile technologies, along with Internet of Things, are expected to take the healthcare services to the next level. Key segments where new opportunities are likely to emerge for health technology players include development of tools to facilitate emergency care and improvements to medical infrastructure, through technology-based optimization. This includes expanding the scope of wearable devices to track health conditions, developing patient-facing mobile health applications as well as greater integration of AI, robots, and blockchain technologies.

It would also be pertinent to highlight that while the growth drivers in the healthcare space, both in hospitals and diagnostics are offering attractive opportunities for investments by large corporate houses in India and overseas healthcare and investment funds; the competitive landscape is also evolving in a manner where there would be a relatively higher level of market competition. This would see many existing healthcare players make efforts and innovate to protect market share, increase brand awareness, and adopt digital and technology led initiatives in order to improve

Management Discussion and Analysis (Contd..)

business metrics, clinical outcomes and patient confidence. The evolving market environment could also potentially see consolidation opportunities emerge in the segment.

SECTION II

(A). About Fortis Healthcare limited

Fortis Healthcare is one of the largest healthcare services providers in India with 26 hospitals, ~4,300 operational beds and over 426 diagnostics centres as of 31 March 2022. The company offers a full spectrum of integrated healthcare services ranging from clinics to quaternary care facilities and a wide range of ancillary services.

The Fortis Group employs 23,000 people (including SRL Ltd) who share IHH's vision of becoming the India's most trusted healthcare network. We draw strength and synergies from our partnership with our parent company IHH Healthcare to deliver world-class patient care and clinical excellence.

(i) The Year Gone By

FY 21-22 started amidst the 2nd wave of COVID bringing a new set of challenges for the business. Lockdowns were imposed across most states where we have presence, which severely impacted patient flow and admissions. The organization displayed agility and re-oriented itself to deal with the pandemic just the way we did in the previous year. The dedicated effort of our workforce enabled us to respond to the challenges effectively and provide best possible care to our patients. Specialized protocols and guideline documents for COVID management were prepared and rolled out. The company ensured rapid expansion of COVID related infrastructure across its network. With the acute shortage of beds, especially ICU beds, we responded by earmarking approximately 48% of our operational beds for COVID patients (at the peak of 2nd wave, ~2,250 beds were reserved). When the country faced severe shortage of medical Oxygen, we quickly formulated guidelines for its rational use and also ensured adequate Oxygen availability at all units through effective coordination with suppliers and government officials.

In our fight against the pandemic, we continued with COVID vaccination drive throughout the year. Besides hospital premises, our teams reached out to the residential societies and corporates to increase the coverage of vaccination drive. Fortis administered over 7.1 lakhs vaccine doses during FY22.

After the 2nd COVID wave subsided, the company reinstated its focus on the strategic priorities it had outlined for FY22. We started strengthening the prime medical programs in key facilities across India with addition of several eminent clinicians in Cardiac Sciences, Oncology, Neuro-Sciences, Gastroenterology and Orthopedics. The organization invested heavily in high-end medical infrastructure and equipment including Cath Labs, Neuro-Surgical Microscopes, Neuro-Navigation Systems, Endoscopy Systems, and Medical Oxygen Generation plants.

The company key focus clusters comprise the regions of Delhi/ NCR, Maharashtra, Bengaluru and Kolkata all where most of the Company's major facilities are located. These clusters provide opportunities to enhance synergies in a number of areas including those related to cross leveraging clinical talent, medical programs and supply chain and procurement efficiencies, along with collaborative efforts in sales and marketing. All these were actively worked upon during the year and efforts continue to further strengthen the cluster synergies across key facilities. The focus on cost transformation continued through our efforts on implementing a comprehensive program that aims to rationalize drugs and consumables cost and bring in procurement efficiencies in order to further optimize costs.

With our focus on enhancing operational efficiencies, we continued our journey towards in-housing of key medical services including Outpatient (OP) Pharmacy. At 18 units, OP Pharmacies are now being managed in-house that has positively impacted our financials.

With the onset of 3rd wave in January'22, footfalls witnessed a drop once again in various facilities. However, we leveraged digital technology enablers to increase the flow of patients. Bookings through My Fortis App and the website witnessed a sharp increase which resulted in a steady recovery of the business.

Despite, the pandemic impacting our bed ramp up plan, we added approx. 121 net new beds in FY 21-22.

(ii) Business Strategy

As we enter FY 2022-23, our focus will be on building trust and transparency with our patients by improving key care delivery processes, providing relevant and accurate information to the patients, and providing customers a seamless and personalized

Management Discussion and Analysis (Contd..)

experience with the help of technology. We continue to develop customer centric products and services such as a revamped My Fortis app and a new and improved website for better and effective customer engagements.

On the clinical front, we expect to continue to strengthen our existing specialties and build new medical programs. We are further augmenting our specialties such as Oncology, Cardiac Sciences, Neurology, Gastroenterology, Orthopedics, and Pulmonology by adding state of the art medical infrastructure and onboarding clinical talent. Plans to focus on enhancing Emergency Response through better medical infrastructure and focused training of ER staff are also underway.

We will continue to drive our cost transformation program focused on procurement excellence that will rationalize drugs and consumables cost, bring in efficiencies in capex process, and optimize indirect spend. Simultaneously, efforts to drive revenues via more focused sales and marketing efforts towards large payor mix segments, an increasing focus on medical tourism and pricing reviews across medical offerings and facilities would also be emphasized upon.

On the operational excellence front, OP pharmacies in our remaining units will be transitioned to in-house in FY22-23.

We remain steadfast in our commitment towards growth and expansion. We plan to add approximately 225 beds in FY 22-23 through brownfield expansion, with a significant ramp up planned in select facilities. Majority of the new beds will be added in our facilities in our key geographic clusters – Delhi / NCR, Maharashtra, Bengaluru, and Kolkata. Over the longer-term plans are afoot to add approx. 1500 beds over the next 3-5 years in our cluster regions. This will enable us to further deepen our presence in existing locations and leverage higher economies of scale in terms of both cost and revenue drivers.

(iii) DIGITAL TRANSFORMATION

Fortis continued its efforts towards being a digital-first organization. In May 2021, we successfully launched the first phase of our digital platform for customer lifecycle management – My Fortis. The all new My Fortis platform completely replaced the older booking application engine – enriching the existing functionalities and further adding new functionalities. The new version is fully integrated with the hospital information system to provide patients with a seamless experience in their journey in and out of the hospital. Simple, fast, and robust, the new platform offers a one-stop shop for patients to book appointments for consultations or health checkups, manage bookings of family members, store and view medical records, conduct tele/video consults and much more. More enhancements and features were further added to the platform in subsequent sprint releases. In FY 22-23, MyFortis is expected to offer additional services to the patients (diagnostic booking, home collection, medicine delivery, etc.), doctors and our healthcare partners.

The organization successfully completed first phase of transition from existing Oracle ERP to cloud based Oracle Fusion for Finance, HR and Supply Chain Management. The new ERP brings in features for real-time monitoring of financial transactions based on advanced financial controls. It also brings in new age HR Practices in talent acquisition, work force planning and learning and development capabilities. The next phase of transition is scheduled to be completed during FY 22-23.

With a focus on making better and informed decisions by leveraging business analytics, we continued our efforts to build a robust Business Intelligence platform. The business intelligence platform provides real time analysis and data on business metrics across functions aiding faster decision making and providing flexibility to adopt to a changing and dynamic environment. Though there were some disruptions to development caused by second and third COVID waves, we continued to roll out some of the modules this year. We will continue to build the platform and launch multiple modules related to Finance, Medical Operations and SCM during FY 22-23.

We successfully implemented enhanced Picture Archiving and Communication Systems (PACS) solution in 12 units in FY22. PACS is an archiving database server that stores high quality images and reports that can be accessed by physicians over the internet as and when required. Such solution will enable centralized reporting for radiology and reduce management and archiving costs. Fortis implemented a Blood Bank Solution at 12 large hospital units within Fortis during last year.

Management Discussion and Analysis (Contd..)

With these innovative digital initiatives being undertaken across the group, Fortis aims to further bolster its digital backbone with the roll out of a comprehensive Electronic Medical Records (EMR) solution. EMR will enable health information of patients in digital format, will further enhance workflows and improve overall patient experience. The implementation of the solution is expected to begin in FY 22-23.

(iv) MEDICAL STRATEGY & OPERATIONS GROUP (MSOG)

MSOG continues to drive Fortis' core value of patient centricity in all aspects of healthcare service delivery. Our stringent medical processes and protocols were instrumental in achieving high standards in patient care and superior clinical outcomes. As one of the leading, accredited, private healthcare chains in India, our systems-based approach demands continuous monitoring and evaluation enabling greater transparency and clinical success.

1. Clinical Governance

Our Clinical Governance framework was instrumental in improving healthcare services and safeguarding high standards of patient care. Senior Clinicians, with their collective experience came together, collaborated, and guided the organization on medical matters. Sharing of best practices and Evidence Based Medicine formulated medical protocols and policies.

- *The Fortis Medical Council (FMC)*

  As the apex medical body at Fortis, the FMC comprises of senior, eminent clinicians; the MD & CEO; Senior Management officials and provides guidance to the executive on medical matters. The FMC has been an active group providing invaluable insights and recommendations on improving quality and patient safety initiatives.

  Fortis COVID Expert Group

  The COVID Expert Group was conceptualized to utilize the clinical expertise of Fortis clinicians. A set of experts would evaluate global best practices and institutional protocols to formulate Fortis guidelines.

- *Augmenting Emergency services at Fortis*

  Acute care services remain fundamental to any tertiary care hospital. Predictably, most patients avail ER services in times of distress (unlike routine OPDs), needing timely and humane care. The project ER was envisioned to revamp and upgrade ER services across Fortis hospitals. Significant capex investment, infrastructural make-over and standardizing patient care services have been undertaken to strengthen the emergency services.

- *Specialty Councils*

  Specialty Councils are forums where our clinicians come together and interact with each other on their respective medical and clinical specialties. As domain experts, members of specialty council share globally recognized, evidence-based practices towards formulating Fortis protocols.

2. Continuous pursuit of Clinical Excellence

- *Quality and Patient Safety*

  At Fortis, patient safety continues to remain the cornerstone of high-quality health care. While quality would "conform our services to requirements", patient safety practices lead to "prevention of harm".

  Fortis has been tracking Quality and Patient safety indicators across its network hospitals since 2013 through centrally designed Clinical Excellence Scorecard (CESC). The indicators have been chosen based on the following criteria of:

  - Importance
  - Scientific acceptability
  - Feasibility
  - Usability
  - Minimal overlap with other quality indicators

  Subsequently, as the process evolved, focus expanded to process analysis and identification of critical factors impacting quality and patient safety.

Management Discussion and Analysis (Contd..)

Over the past 5 years, our reporting has expanded to 22 hospitals and as a natural progression, a need was felt to evaluate our standards against established benchmarks. However, in the absence of national benchmarks, Fortis decided to determine its own Internal Benchmarks while we continue to evaluate our infection control outcomes and measures against International standards, namely, US based National Healthcare Safety Network (NHSN).

CDC's NHSN is one of the most widely used healthcare-associated infection (HAI) tracking system to identify problem areas, measure progress of prevention efforts, and ultimately eliminate healthcare-associated infections. NHSN now serves over approximately 25,000 medical facilities tracking HAIs.

Fortis hospitals continue to perform well against the indicators, reiterating the high level of patient care standards. As a result of rigorous data collection over years, Fortis has been able to create Internal Benchmarks for 14 key CESC parameters, namely:

Catheter Associated Urinary Tract Infection (CAUTI)	*Venous Thromboembolism (VTE)*	*Return to ICU within 48 hours*
Central Line Associated Bloodstream Infection (CLABSI)	*Return to Emergency Room (within 72 hours)*	*SSI Superficial*
Ventilator Associated Pneumonia (VAP)	*Sharps Injury (Needle Stick Injury)*	*SSI Deep (30 days)*
Unplanned Return to OT within 48 hours	*Medication errors*	*SSI Deep (90 days)*
Hospital Associated Pressure Ulcers (HAPU)	*Patient Falls*	

- *Antimicrobial Stewardship (AMS)*

  Antimicrobial Stewardship (AMS) is the effort to measure and improve how antibiotics are prescribed by clinicians and used by patients. Improving antibiotic prescribing and use is critical to effectively treat infections, protect patients from harms caused by unnecessary antibiotic use, and combat antibiotic resistance.

  Fortis is running a coordinated AMS program to address the increasing challenge of anti-microbial resistance. Key initiatives include:

  - Antibiograms (an overall profile of antimicrobial susceptibility to antibiotics) are prepared for each hospital and shared with clinicians for their reference, encouraging them towards rational use of antimicrobials. Thereby, enabling efforts to reduce microbial resistance and infection rates especially for multidrug-resistant organisms.
  - Annual review of Unit antibiotic policy
  - Monitor and evaluate use of restricted antibiotics
  - Ensure justification for use of restricted antibiotics
  - Compliance to surgical prophylaxis ensuring appropriate choice of antibiotics and adherence to timing/ type/ dose.

3. Clinical Outcomes

We were among the first private healthcare service delivery chains to measure and report outcomes for various clinical procedures.

As part of the steering committee at International Consortium for Health Outcomes Monitoring (ICHOM) for designing the Coronary Artery Disease (CAD) Standard Set, Fortis has been instrumental in promoting the evidence-based medicine. We are the first healthcare chain in India to publish its ICHOM CAD outcomes data on its website.

Management Discussion and Analysis (Contd..)

At present, 18 of our hospitals utilize the VitalHealth portal for reporting and tracking clinical outcomes for 11 procedures including Coronary Artery Disease [Coronary Artery Bypass Graft (CABG), Percutaneous Coronary Interventions (PCI)], Transplant outcomes (Kidney, Heart, and Liver), Total Knee Replacement (TKR), ERCP, Radiation oncology, Obstetrics and Gynecology (Hysterectomy, Cesarean section), Mental health (Depression and Anxiety).

Improved recording of Patient Reported Outcomes Measure (PROM) for Coronary Artery Disease patients, marks a major milestone that measures patient experience along with clinical outcomes.

URL: https://www.fortishealthcare.com/clinical-outcomes

Clinical Outcomes Coronary Artery Bypass Graft (CABG)	**Fortis Oct 21 – Mar 22**	**Benchmark**
Use of Left Internal Thoracic Artery graft	74.08%	74.20 % *
Need for a bail out Intra-Aortic Balloon Pump (IABP)	2.75%	-
Perioperative Myocardial Infarction	0.31%	0.96 % **
Post procedure Neurological Stroke	0.43%	1.30 % ¶
Need of Re-exploration surgery	1.71%	3.90 % ¶
Deep Sternal Wound Infection	0.18%	0.30 % ¶
Predicted Mortality % (using EuroSCORE II)	3.50%	-
Observed mortality %	1.65%	-

References:

¶ STS Annual Report 2019 * Cleveland Clinic Outcomes Report 2014 ** Texas Heart Institute 2014

Clinical Outcomes Percutaneous Transluminal Coronary Angioplasty (PTCA)	**Fortis Oct 21 – Mar 22**	**Benchmark**
Emergency CABG for failed procedure	0.03%	1.2 % *
Vascular complication at puncture site requiring intervention (Beyond simple compression)	0.00%	1.1 % *
Acute vessel occlusion requiring emergency re-intervention	0.06%	-
Post procedure Neurological Stroke	0.01%	0.284 % **
Post procedure Renal failure requiring Haemodialysis	0.33%	-
Any bleeding event requiring transfusion/ intervention (within 72 hours)	0.22%	4.0 % *
Delayed vascular complication at puncture site	0.00%	-
Readmission with Acute Myocardial Infarction within 30 days	0.04%	-
Mortality during same hospital admission	1.20%	1.7 % *

References:

* US National Registry Data 2013 ** Cleveland Clinic Outcomes Report 2014

Management Discussion and Analysis (Contd..)

4. Nursing

- *Fortis New Nurses Induction Program*

  Induction plays a very important role in preparing new nurses. Tailor made nursing induction program hand holds the new nurses during their initial deployment, making them confident and ready for new work environment. Nursing education at Fortis has curated a specialized, intense training schedule for all new nurses joining Fortis.

5. Medical technology and infrastructure

Fortis continues to invest in upgrading hospital technology and infrastructure in spite of economic challenges and social disruption. Significant investments have been made in state-of-the-art equipment and medical technology such as Cath-labs, LINACs, MRI, Nuclear Imaging, CT Scan, Neuro microscopes and Oxygen Plants.

In May 2021, India witnessed a sharp rise in new COVID cases and one of the biggest challenges was providing enough medical grade oxygen for the sick patients, unable to breathe unaided, as demand rose multi-fold. To safeguard future oxygen supplies at hospitals and prevent demand-supply mismatch, government encouraged hospitals to install Oxygen plants of their own.

6. Accreditations (as of March 2022)

- *Most Fortis hospitals are accredited by NABH.*
- *During the year, Fortis Hospital, Mulund, received prestigious JCI accreditation for the sixth time in a row.*

Fortis	JCI	NABH	NABH SHCO	NABH Entry Level	Blood Centre	NABH Nursing	NABL
Accreditations	4	20	2	3	10	20	18

(B) SRL Ltd (Fortis's diagnostics business subsidiary)

Overview and the impact of Covid-19 Pandemic

The last two years have been challenging globally on account of frequent disruptions due to new variants of covid-19. Repeated infections, supply chain disruptions and shortage of essentials have created challenging times for the country. SRL, in sync with the Healthcare industry, catered efficiently to patients' needs for high-end diagnostics services with lowest turnaround times. With the help of new initiatives such as home collections and other digital efforts, SRL serviced the increasing demand of diagnostics services from patients while conforming to the highest patient safety standards. SRL conducted 5.6 million RT-PCR tests in FY22 which generated INR 326 Cr of revenue. SRL also ramped up its testing capacity and opened more centres and drive-through sites to collect samples across the length and breadth of the country. It added 22 RT-PCR Labs and 800 customer touchpoints in FY22.

In an endeavour to go closer to customer and provide services at their doorstep SRL has increased its total number of customer touchpoints (CTP) to over 3050. This has also helped us in improving our B2C share which now stands at 55% from 48% in FY'21. Apart from the organic growth initiatives, SRL also completed the balance 50% acquisition of DDRC SRL Diagnostics Private Limited joint venture during the financial year FY21-22 in line with Company's objective to continue growing through both organic and inorganic opportunities.

Our key priority has been the health and safety of our employees and our actions have been driven by government mandates and guidelines. Taking into consideration the various risks associated with the collection, we took measures to provide accommodation, food facility, pick and drop facility, increased insurance cover to on-ground teams and their families. 97% of our staff comes under vaccination compliance.

Training and Development: Training continues to remain one of the Company's key focus areas. In the last few years, SRL has progressed to bring many tailor-made competency enhancement programs. In FY 2021-22, the Company clocked 4903 Man days through 682 training hours. The Company's prestigious 15 days training program "Nneev" was conducted twice during the year when Covid situation was relatively better. The company continued leveraging the e-learning platforms MedGurukul where SRL doctors conducted various learning interventions allowing various SRL talents to share their expertise amongst the diverse specialities at SRL and Tech Talk for Technologists

Management Discussion and Analysis (Contd..)

for SRL Technical team members (Technologists) where technologists presented topic of their expertise under the guidance of respective Lab Heads.

Retail Network Expansion: SRL has established its presence across 600+ cities, 34 states and union territories. In the last one year, despite all the challenges posed by the pandemic, we have significantly expanded our foot print by adding close to 800 customer touchpoints and embedding 1700+ direct clients in 570+ towns. Our network currently consists of 426 labs, 3050+ customer touchpoints and approx. 5600 direct clients.

International Business: SRL's International Division became operational in 2003. The International Operations of the Company comprise state-of-the-art labs in Dubai, Kathmandu, and Biratnagar (Nepal). At the onset of FY21-22, Covid Pandemic, lockdown and suspension of international flight restricted International send out business. However, in 2nd quarter of the financial year, we started with send out business and expanded the SRL network in Ethiopia, Kenya, Uganda, Maldives, Oman, Mauritius and Uzbekistan.

SRL's international network consists of more than 120 collection centres and 800 direct clients spread across the SAARC region, Sub-Saharan Africa, Southeast Asia, Gulf and the Middle East.

Brand Initiatives: COVID-19 has drastically altered the perception of diagnostics industry and has catalyzed many changes. On the retail side, the industry witnessed increased adoption of home visits by customers, their preference to avail reports via emails and WhatsApp or booking tests and home visits through web and app etc. SRL introduced a slew of new features to improve the web and app experience of its customers. In quarter 2, SRL launched the all new SRL website with features like easy sharing of our lab location map link and booking multiple tests at one go. SRL also launched an upgraded app in quarter 3 offering the convenience of tracking the phlebotomist (live tracking of sample collection technician) to provide a better experience to our customers on the app.

SRL conducted more than 1750 health camps, in which approximately 0.8 lac consumers/patients were screened for various lifestyle disorders. As part of ethical marketing, to disseminate information about new diagnostic modalities and algorithms, SRL engaged with over 3000 specialists and super-specialist doctors in 127 CMEs (Continuous Medical Education) and RTMs (Round Table Meets), 6000 clinicians through 24 Webinars and 650 clinicians through tie up with a partner.

One of SRL's innovations of FY22 is its offering of SMART report for select tests and packages. The Smart+ health report which explains health reports in a language that is easily understood & interpreted by the consumers is one of the many initiatives in the customer-centric approach. We leveraged digital platforms to engage with 6900+ super specialized clinicians in FY22.

SRL was awarded the **'COVID Diagnostics Brand Award'** at the IHW Health and Wellness Summit 2021. The brand won the **'Excellence in Logistics'** Award constituted by CII institute of Logistics at the Logistics & Supply Chain Awards 2021. SRL also won the Gold in the **Best Mobile App category** at the Digital Health Awards 2021 constituted by India Health and Wellness Council. SRL was awarded the 'Best Home Healthcare Brand' award at 'The Business Leadership Awards 2021'.

Information Technology: The National Health Authority awarded SRL Diagnostics with 'Ayushman Bharat Digital Mission (ABDM) Integration Completion Certificate' along with 'ABDM Integrated Logo' for successful integration of SRL CLIMS with ABDM. Our company is the 1st lab chain to have integrated our CLIMS application with ABDM. This is a step towards achieving common goal of providing effective healthcare to citizens by enabling innovation and digitally transforming our country's healthcare eco-system. The Ayushman Bharat Digital Mission aims to develop the integrated digital health infrastructure of the country. ABDM is a step towards improving access, efficiency, effectiveness and transparency of the healthcare delivery system in the country.

Research and Development: The company in FY 2021-22 continued to bring to market advanced solutions in diagnostic testing, laboratory efficiency and clinical decision support with strong focus on Genomics. Our newly introduced tests Preimplantation Genetic Screening (PGS) on Next Generation Sequencing (NGS) platform identifies genetic or chromosomal defects in embryos prior to using them in in-vitro fertilization (IVF); Preimplantation Genetic Diagnosis (PGD) on NGS which is an IVF procedure designed to examine the embryos for chromosomal abnormalities; Myeloid Panel on Next Generation Sequencing (NGS) provide predictive, prognostic, and diagnostic information for patients with a variety of myeloid malignancies; and TERT Mutation Analysis on Pyrosequencing which

Management Discussion and Analysis (Contd..)

provides risk stratification and prognostic significance in multiple tumor types including brain gliomas, thyroid and bladder cancer, and melanoma. Several state-of-the-art technologies were also implemented including Next Gen Sequencer Ion Genestudio S5 Plus, Next Gen Sequencer Yourgene QS250 and Gel Documentation System Bio-print CX4 Edge.

Quality & Compliance: To institute higher level of quality compliance, we have set in place a concept of 3 Circles of Quality. The innermost circle where our lab managers and our local business managers do a thorough and diligent self-audit of labs and collection points, the 2nd circle of Quality is held together by the QA compliance team where they follow an annual calendar of internal audits at all our laboratories and collection centers and the third circle is the assessment through external agency audits, viz. NABL, CAP or any other external audits.

SRL's Quality (Audit and Compliance, Accreditation) teams play a pivotal role in ensuring the implementation of all good laboratory practices, ISO 15189 standards, accreditation guidelines and local regulatory requirements across our labs and SCFs. In FY 2021-22, the team worked towards continuation of all current accreditation status – NABL ISO 15189: 2012 (54 Labs), CAP - College of American pathologists (2 Labs National- SRL Limited Goregaon & International- SRL Limited Dubai), and NABH (1 Radiology centers) as per their cycle of assessment. QA team played a critical role in fast tracking and adding 22 RT PCR Labs and 2 CB NAAT Labs across India and in follow-up and maintenance of Accreditation cycle for laboratories, SCFs, Radiology Centre, and Certification of support function, i.e., ISO 27001 for IT (Gurgaon & Goregaon), ISO 9001 for R&D. Two of SRL's national labs are affiliated to RNTCP - Revised National Tuberculosis Control program.

(C) Financial and Operational Performance of the Company – Consolidated Performance, Hospitals and Diagnostics business

Fortis' financial performance improved significantly during Fiscal 2021-22, despite Covid-19 waves impacting normal business operations in Q1FY22 & Q4FY22. Fiscal 2021-22 started amidst second wave of Covid pandemic, which was significantly more severe than the first wave seen in FY 2020-21. The hospital business witnessed a fast rise in covid occupancy between the period April'21 to mid-May'21 with a decline in the non-covid occupancy. However, unlike the first wave of the pandemic in the last fiscal where non covid occupancy recovery was slow, mid-May onwards non covid occupancy witnessed a relatively faster rebound. Subsequently, Q2FY22 and Q3FY22 witnessed steady occupancy which declined in Q4FY22 due to infectious Omicron variant of Covid19 hitting the country again, thus impacting the overall occupancy of the hospital business in the last quarter. Diagnostic business witnessed a strong and exceptional Q1FY22 primarily due to significant contribution from Covid revenues offsetting the impact on non-covid revenues during the quarter. The business was also strengthened as a result of the acquisition of balance 50% JV stake in DDRC SRL, Kerala during April 2021.

For the financial year 2021-2022, the Company reported a consolidated revenue from operations of INR 5,718 Crores compared to INR 4,030 Crores reported for FY 2020-21. Revenue from Hospital business stood at INR 4,264 Crores compared to INR 3,124 Crores reported during the corresponding year. SRL Limited, the diagnostic business of the company, reported gross revenues of INR 1,605 Crores compared to INR 1,035 Crores in the previous financial year. The significant increase in diagnostic business revenue was due to acquisition of 50% balance stake in DDRC SRL JV as well as increase in Covid revenues. Considering elimination of inter-company revenue (within the group), net revenue of SRL Ltd was at INR 1,454 Crores compared to INR 906 Crores in FY 2020-21.

Revenue (₹ Crores)	FY 2020-21	FY 2021-22	% Change
Total Consolidated Income*	4,077	5,745	40.9%
Revenues from operations	4,030	5,718	41.9%
Hospital Business**	3,124	4,264	36.5%
Diagnostic Business (Gross)	1,035	1,605	55.1%
Diagnostic Business (Net)	906	1,454	60.4%

*(*Total consolidated income is net of inter-co elimination and includes other income of ₹ 27.3 Crores in FY 2021-22 and ₹ 46.5 Crores in FY 2020-21);*

*(**Hospital Business includes P&L of international entities also)*

The consolidated EBITDA of the Company stood at INR 1,096 Crores compared to INR 451 Crores for the previous corresponding year. EBITDA margin of the Company stood at 19.2% in FY 2021-22 versus 11.2% reported in FY 2020-21. Hospital business EBITDA for FY 2021-22 was at

Management Discussion and Analysis (Contd..)

INR 672 Crores compared to INR 263 Crores reported for FY 2020-21. EBITDA margin of the hospital business stood at 15.8% in FY 2021-22 versus 8.4% in FY 2020-21.

The diagnostic business of the Company reported EBITDA of INR 425 Crores compared to INR 200 Crores reported in the previous corresponding year. EBITDA margin of the diagnostic business stood at 26.5% (basis gross revenue) for the year FY 2021-22 compared to 19.3% in FY 2020-21.

Consolidated Profit after tax for FY 2021- 22 stood at INR 790 Cr versus a loss of INR 56 Crores in the previous financial year. PAT includes an exceptional gain of INR 315 Crs, majority of which is on remeasurement of the previously held equity interest of SRL in the SRL-DDRC JV at its fair value post acquisition of the balance 50% stake in the said JV in April 2021.

With respect to the balance sheet, the Company maintained a comfortable liquidity position with net debt of INR 549 Crores as on March 31, 2022 versus INR 849 Crores as of March 31, 2021 (net debt to equity of 0.08x vs 0.13x, respectively). Gross debt of the Company stood at INR 966 Crores as on March 31, 2022 versus INR 1,271 Crores as of March 31, 2021. Net Debt to EBITDA stood at 0.60x for the year 2021-22 compared to 1.04x for FY2020-21 (basis Q4 annualized EBITDA of FY22 and FY21, respectively).

EBITDA (₹ Crores)	FY 2020-21	FY 2021-22	% Change
Group EBITDA	451	1,096	143.1%
EBITDA Margin	11.2%	19.2%	
Hospital Business**	263	672	155.4%
EBITDA Margin	8.4%	15.8%	
Diagnostic Business	200	425	112.5%
EBITDA Margin (basis gross revenue)	19.3%	26.5%	

*(**Hospital Business includes P&L of international entities also)*

Key Performance Indicators (Hospitals)	FY 2020-21	FY 2021-22	Key Performance Indicators (Diagnostics)	FY 2020-21	FY 2021-22
Occupancy	55%	63%	Lab med revenue contribution	93.9%	95.4%
Average revenue per occupied bed (₹ Crores)	1.58	1.80	No of Accessions (in Million)	11.03	21.4
Average length of stay (days)	3.61	3.73	Average real. per accession (₹)	933	746
OPD Footfalls (in Million)	1.74	2.71	Tests performed (in Million)	23.53	44.2
IPD Discharges (in Million)	0.23	0.27	Average real. per test (₹)	437	361

(D) Human Resources

2021-2022 found us sharpening our focus on achieving the organizations full growth potential by setting goals that reflect the new landscape's potential & laying foundations for sustained & meaningful business growth. Delivering transformative growth requires the whole enterprise to act in concert by deepening alignment, unlocking efficiencies, and collaborating. The common denominator for achieving growth is not tools or technologies, though those can certainly be enablers, but our people.

Recognizing that holistic blend of both intrinsic & extrinsic rewards have a positive and significant influence on the performance of the employee in an organization, Fortis Premier League – an inter-hospital program to recognize and reward excellence in our key operational areas in the domain of Clinical Excellence, Nursing Excellence, Patient Experience & Innovation Champion Award was launched. To further stimulate efforts & job performance and reward employees for their achievements & success high performance variable pay was initiated for employees.

Continuing to move towards a more employee centric approach to performance management that focusses on feedback & development as key drivers of employee performance, bell curve based ranking was done away with this year, ensuring employee performance rating in par with actual performance & closer to performance of the respective business context.

An Employee Engagement Survey was conducted to know more about the employees view on work environment & engagement levels. 91% participation in the survey

Management Discussion and Analysis (Contd..)

reinforced our spirit of openness & collaboration and 88% engagement level overall reflected the strong connect of the employees with the organization. This is way ahead of the benchmarks for India (78%), World (72%) and World Healthcare (76%).

Focusing on employee health & wellness we extended our care pack for employees by offering subsidized insurance premium which had skyrocketed due to Covid. Isolation leaves to covid impacted employees. Support to Fortis Covid Warriors through daily online sessions conducted on well-being, self-care and resilience by the Mental Health Department

2021-22 saw us investing with renewed focus in building our leadership potential & collective leadership capacity. Development opportunities were provided to leaders at various levels in the organization. Frontline Leadership Development Programs on enhancing capabilities and competencies to develop & lead high performance work teams were conducted for over 400-unit leaders across the network. Building synergy with IHH group level initiatives programs such as IHH Coaching & Feedback which aim to enhance capabilities to develop teams through deeper development conversations and foster a trust-based environment were conducted for 200-hospital leaders. The Harvard Manage Mentor (HMM) Certification Program, a premier online learning resource for Leadership and Management skill development was launched, further promoting a culture of self-directed learning. With an eye on developing a steady pipeline of leadership talent for high impact, operational leadership role/position/s for near term and future critical positions Fortis Future Operational Leadership Development Program was launched with high potential internal talent being identified & placed in structured developmental programs including educational opportunities from premium academic institutes.

TOWARDS DIGITAL TRANSFORMATION

Further accelerating our adoption of digital learning technologies to provide agile & accessible learnings solutions, we have digitalized mandatory / hospital accreditation safety related trainings such as Occupational Safety & Health Administration (OSHA), Fire Safety, Basic Life Support, Information Security Awareness, Prevention of Sexual Harassment etc. Leveraging various digital learning platforms curated & contextualized digital solutions, virtual/online, hybrid training methodologies were deployed to enhance productivity & professional skills of employees across the network

NEW BUSINESS SUPPORT INITIATIVES

There is ever-increasing legislation on data protection for management of personally identifiable information of individuals in enterprises. Towards building a robust personal data management practice and to further the group data protection initiative, a Data Protection Office has been established at Fortis.

120 leaders from the network participated in the Fortis Healthcare Executive Retreat 2022. The central theme of the retreat 'The Shift to Flourishing' endeavoured to catalyze a shift into a *'state of flourishing'* at an individual, team & organizational level and better understand mindset & actions that help to create the conditions necessary for flourishing. New ideas emerged & got refined for inclusion in long term plans by being part of a larger conversation. The retreat enabled open exchanges about the forces reshaping the future of healthcare & responding to the new realities on the horizon with agility & resilience.

(E) Internal Control Systems and their Adequacy

At Fortis Healthcare Limited, the internal control system has been designed to commensurate with the nature of business, size and complexity of operations and is continuously monitored by the management 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.

The Company has institutionalised a robust process and internal control system commensurate with its size and operations.

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 through its observations provides an input to the management to support continuous improvement program. The internal audit program is managed by an Internal Audit function directly reporting to the Audit Committee of the Board.

FORWARD LOOKING STATEMENT

Except for the historical information contained herein, statements in this discussion which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-

Management Discussion and Analysis (Contd..)

looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy, future business plans, our growth and expansion in business, the impact of any acquisitions, our financial capabilities, technological implementation and changes, the actual growth in demand for our products and services, cash flow projections, our exposure to market risks as well as other general risks applicable to the business or industry. The Company undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof. These discussions and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

References

- *Investment Opportunities in India's Healthcare Sector, NITI Aayog*
- *IBEF report on Healthcare Sector, September 2021*
- *Prabhudas Lilladher Equity Research report*
- *IRDA Annual Report - 2020-21*
- *Market Research, Equity and Other Reports, Web Articles, Press & Media Reports and Others*

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of Fortis Healthcare Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Fortis Healthcare Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, of its loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

(i) We draw attention to Note 27 and 28 of the standalone financial statements which deal with various matters including the ongoing investigation by Serious Fraud Investigation Office ("SFIO") on Fortis Healthcare Limited ("the Company") and its subsidiaries ("the Group") regarding alleged improper transactions and non-compliances with laws and regulations including Companies Act, 2013 (including matters relating to remuneration paid to managerial personnel). These transactions and non-compliances relate to or originated prior to take over of control by reconstituted board of directors in the year ended 31 March 2018. As mentioned in the note, the Group has been submitting information required by SFIO and is also cooperating in the regulatory investigations.

As explained in the said note, the Group had recorded significant adjustments/ provisions in its books of account during the year ended 31 March 2018. The Company has launched legal proceedings and has also filed a complaint with the Economic Offences Wing ('EOW') against erstwhile promoters and their related entities based on the findings of the investigation conducted by the Group. Further, based on management's detailed analysis and consultation with external legal counsel, a further provision has been made and recognised in the previous year for any contingency that may arise from the aforesaid issues. As per the management, any further financial impact, to the extent it can be reliably estimated as at present, is not expected to be material.

(ii) We draw attention to Note 26 of the standalone financial statements relating to the order dated 15 November 2019 of the Hon'ble Supreme Court, where it is stated that the Hon'ble Supreme Court has issued suo- moto contempt notice to, among others, the Company and directed its Registry to register a fresh contempt petition in regard to alleged violation of its order dated 14 December 2018. In this respect, the Hon'ble Supreme Court has sought an enquiry, into (i) whether the subscription by Northern TK Venture Pte Ltd., Singapore, a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, to the shares of the Company was undertaken after the status quo order was issued by the Hon'ble Court on December 14, 2018 and accordingly, if such subscription was in violation of this status quo order; and (ii) the consummation of the acquisition of healthcare assets from RHT Health Trust by the Company. As also explained in the said note, the management believes that it has a strong case on merits and as per the current position of the case, the liability, if any, arising out of this contingency cannot be determined at this stage. Accordingly, at present, no adjustment is required in the standalone financial statements.

Our opinion is not modified in respect of the above matters.

Independent Auditors' Report (Contd..)

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.

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
Legal matters	
The Company is involved in several legal proceedings. In some of these cases, the Company has counter claims against the other party. Management judgement is involved in assessing the accounting for claims, and in particular in considering the probability of a claim being successful. The risk related to the claims is mainly associated with the adequacy of disclosure, and the completeness of the provisions in the standalone financial statements. Accordingly, we have designated this as key audit matter.	Our audit procedures included, on all significant legal cases, assessment of correspondence with the Company's legal counsel (internal and / or external) accompanied by discussions and formal confirmations from that legal counsel. We read the minutes of the board meetings and inspected the Company's legal expenses. We also assessed whether the Company's disclosures in note 11, 12, 26, 27 and 28 of the standalone financial statements detailing significant legal proceedings adequately disclose the potential liabilities of the Company. Also refer note 2(j) of the standalone financial statements for the related accounting policy.
Impairment of Goodwill and Investments	
The Company is required to annually test the amount of goodwill for impairment. Investments in subsidiary companies, associates and joint ventures are tested for impairment in case an indicator of potential impairment is identified. There are inherent uncertainties involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability. Accordingly, this is one of the key judgmental areas in our audit.	In this area our audit procedures included testing of the Company's budgeting procedures upon which the forecasts are based; and the principles and integrity of the Company's discounted cashflow model. We used our valuation specialist to assist us in evaluating the assumptions and methodologies used by the Company. In particular this included those relating to the forecast revenue growth, profit margins and discount rates. We compared the Company's assumptions to externally derived data as well as our own assessment in relation to key inputs such as projected economic growth, cost inflation and discount rates. We also performed sensitivity analysis of the key assumptions. We also assessed the adequacy of related disclosures in note 5(ii), 5(iv) and note 5(v) of standalone financial statements and sensitivities of key assumptions. Also refer note 2(e)(ii) and 2(g) of the standalone financial statements for the related accounting policy.
Migration to new Information Technology (IT) system	
The Company used Oracle EBS as its primary ERP which was upgraded to Oracle Fusion in December 2021. The audit approach relies on the effectiveness of automated controls of these applications and controls around interface of systems. While transitioning to new information system, robustness of IT general and application controls is critical to assess that changes to applications and underlying data are made in an appropriate manner.	Our audit procedures performed with the assistance of our IT specialists included: • Identification of the IT risks based on our understanding of the IT environment. • Determination whether each general IT control, individually or in combination with other controls, is designed to address the associated IT risk. • Testing of the design, implementation and operating effectiveness of the relevant general IT controls. We reviewed the management's processes around system migration in order to ascertain the accuracy of balances migrated to the new information system. We obtained and tested the mitigating manual controls to address the IT control deficiencies noted around the Oracle Fusion application.

Independent Auditors' Report (Contd..)

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis

Independent Auditors' Report (Contd..)

of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

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

    e) The matters described in the "Emphasis of Matters" paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.

    f) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    g) 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 B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 11, 12, 26, 27 and 28 to the standalone financial statements;

Independent Auditors' Report (Contd..)

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. (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 35(iii) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 35(iv) to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPOHO3507

Place: Gurugram
Date: 25 May 2022

Independent Auditors' Report (Contd..)

Annexure A to the Independent Auditor's Report on Standalone Financial Statements of Fortis Healthcare Limited for the year ended 31 March 2022

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

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

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

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

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

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantees and granted unsecured loans to companies in respect of which the requisite information is as below. The Company has not granted security or advances in the nature of loans, secured or unsecured, to companies, firms or limited liability partnerships or any other parties. Further, the Company has not made any investments, provided guarantee or granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

(a) Based on the audit procedures carried out by us and, as per the information and explanations given to us, the Company has provided loans, or stood guarantee, to any other entity as below:

Particulars	Guarantees (INR Lacs)	Loans (INR Lacs)
Aggregate amount during the year		
– Subsidiaries	37,800.00	3,942.85
Balance outstanding as at the balance sheet date		
– Subsidiaries	143,294.00	22,323.41

Independent Auditors' Report (Contd..)

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of certain loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. However, in respect of certain loans, there were no repayments or receipts during the year as the amounts falling due during the year have been renewed/ extended. Also refer to clause (e) below. Further, in case of advances in the nature of loan as listed below, the schedule of repayment of principal and payment of interest has not been stipulated and accordingly we are unable to comment on whether the repayments or receipts are regular. These amounts have been fully provided in books in earlier years.

S. No.	Name of the entity	Amount in lacs	Nature	Remarks
I.	RB Seth Jessa Ram and Bros, Charitable Hospital Trust	269.81	Advances in the nature of loans	There is no stipulation of schedule of repayment of principal or payment of interest
II.	Reliant Healthcare Consultancy Private Limited	52.53	Advances in the nature of loans	
III.	RattanIndia Finance Private Limited	40.00	Advances in the nature of loans	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given as the period of repayment of principal and interest have been extended by the Company during the current year. Further, in case of advances in the nature of loans as detailed in clause (c) above, the schedule for repayment of principal and payment of interest have not been stipulated and accordingly we are unable to comment on the amount overdue for more than ninety days.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans/advance in the nature of loan falling due during the year were extended by fresh loans:

Name of the parties	Aggregate amount of dues renewed or extended or settled by fresh loans (₹ in lacs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted/ renewed during the year
Fortis Hospitals Limited	14,744.19	65.36%
Escorts Heart Institute and Research Centre Limited	7,579.22	33.60%
Hospitalia Eastern Private Limited	165.00	0.73%
Fortis Health Staff Limited	5.00	0.02%
Fortis La Femme Limited	63.73	0.29%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except for the following advances in the nature of loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	All Parties
Aggregate of loans/advances in nature of loan	362.34
– Agreement does not specify any terms or period of repayment	
Percentage of loans/advances in nature of loan to the total loans (gross of provision made)	1.78%

Independent Auditors' Report (Contd..)

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion, the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

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

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

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

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

Name of the statute	Nature of the dues	Amount (₹ in lacs)	Amount Paid under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest thereon	2,641.41	2,487.61	FY 2012-13	Commissioner of Income tax (Appeal)
Income Tax Act, 1961	Income tax (TDS) and interest thereon	505.17	-	AY 2013-14 and AY 2014-15	Commissioner of Income tax (Appeal)
Income Tax Act, 1961	Income tax (TDS) and interest thereon	1,319.84	-	AY 2015-16	Commissioner of Income tax (Appeal)
Income Tax Act, 1961	Income tax (TDS) and interest thereon	635.92	-	AY 2016-17	Income tax Appellate Tribunal, Delhi
Income Tax Act, 1961	Income tax (TDS) and interest thereon	616.00	-	AY 2017-18	Income tax Appellate Tribunal, Delhi
Income Tax Act, 1961	Income tax and interest thereon	671.72	-	AY 2018-19	Commissioner of Income tax (Appeal)
Punjab VAT Act, 2005	Value Added Tax	1,412.35	-	FY 2009-10	Supreme Court
Punjab VAT Act, 2005	Value Added Tax	2,208.82	-	FY 2010-11	Supreme Court
Finance Act, 1994	Service Tax	50.00	-	FY 2012-13	CESTAT
Finance Act, 1994	Service Tax	294.00	-	FY 2008-09 to FY 2012-13	CESTAT
Finance Act, 1994	Service Tax	193.00	13.26	April'15 to July'17	CESTAT

Independent Auditors' Report (Contd..)

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

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

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

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

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

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

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

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

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

(xi) (a) As explained in the note 28, SEBI has passed an order subsequent to the year-end against various entities including the Company stating that the consolidated financial statements of the holding Company from quarter ending June 2016 to quarter ending June 2017 were untrue and misleading for the shareholders, the Company has circumvented certain provisions of the SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956 and certain other SEBI regulations and there was a misuse and/or diversion of funds from the holding Company and its subsidiaries. SEBI has directed the Company and its subsidiary to pursue the measures taken to recover the amount of INR 397.12 lacs (approx.) along with the interest from the Erstwhile Promoters and also directed the Audit Committee to regularly monitor the progress of such measures and report the same to board of directors at regular intervals. SEBI has also imposed a penalty of ₹ 50 lacs and ₹ 100 lacs on the Company and Fortis Hospitals Limited, respectively.

Based on examination of the books and records of the Company and according to the information and explanations given to us, no other fraud by the Company or on the Company has been noticed or reported during the course of the audit. Also refer para (i) of "Emphasis of Matter" section of audit report.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related

Independent Auditors' Report (Contd..)

parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

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

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

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

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

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

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

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

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPOHO3507

Place: Gurugram
Date: 25 May 2022

Independent Auditors' Report (Contd..)

Annexure B to the Independent Auditors' report on the standalone financial statements of Fortis Healthcare Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Fortis Healthcare Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 were established and maintained and whether 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Independent Auditors' Report (Contd..)

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 Standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPOHO3507

Place: Gurugram
Date: 25 May 2022

Standalone Balance Sheet

as at March 31, 2022

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	5(i)(a)	28,128.38	28,686.94
(b) Capital work-in-progress	5(i)(b)	632.79	632.38
(c) Right-of-use assets	7(a)	45,142.05	52,562.01
(d) Goodwill	5(ii)	2,721.77	2,721.77
(e) Other intangible assets	5(iii)(a)	1,036.26	1,312.70
(f) Intangible assets under development	5(iii)(b)	-	41.59
(g) Financial assets			
(i) Investments in associates	5(iv)	-	-
(ii) Investments in subsidiaries	5(v)	8,84,528.50	8,89,847.25
(iii) Loans	5(vii)	22,493.41	30,815.57
(iv) Other financial assets	5(viii)	216.72	260.11
(h) Deferred tax assets (net)	5(ix)	6,453.80	6,664.71
(i) Non-current tax assets (net)	5(x)	10,540.05	6,043.57
(j) Other non-current assets	5(xi)	157.92	81.66
Total non-current assets (A)		**10,02,051.65**	**10,19,670.26**
B. Current assets			
(a) Inventories	5(xii)	1,380.28	879.20
(b) Financial assets			
(i) Trade receivables	5(vi)	7,568.62	7,371.05
(ii) Cash and cash equivalents	5(xiii)(a)	107.19	319.66
(iii) Bank balances other than (ii) above	5(xiii)(b)	-	31.05
(iv) Loans	5(vii)	-	1,336.66
(v) Other financial assets	5(viii)	30,518.92	27,592.15
(c) Other current assets	5(xi)	994.11	1,014.42
Total current assets (B)		**40,569.12**	**38,544.19**
Total assets (A+B)		**10,42,620.77**	**10,58,214.45**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	5(xiv)	75,495.81	75,495.81
(b) Other equity		8,11,360.58	8,12,657.28
Total equity (A)		**8,86,856.39**	**8,88,153.09**
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xvi)	58,552.25	66,378.45
(ii) Lease liabilities	7(a)	48,991.70	54,832.67
(iii) Other financial liabilities	5(xvii)	140.81	206.96
(b) Provisions	5(xviii)	1,805.49	1,392.43
Total non-current liabilities (B)		**1,09,490.25**	**1,22,810.51**
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xix)	5,680.94	11,669.38
(ii) Trade payables	5(xx)		
– Total outstanding dues of micro enterprises and small enterprises		1,112.21	1,392.29
– Total outstanding dues other than micro enterprises and small enterprises		26,549.64	20,052.42
(iii) Lease liabilities	7(a)	6,036.46	5,139.21
(iv) Other financial liabilities	5(xvii)	2,649.51	4,252.28
(b) Provisions	5(xviii)	2,288.52	2,995.43
(c) Current tax liabilities (Net)		–	152.21
(d) Other current liabilities	5(xxi)	1,956.85	1,597.63
Total current liabilities (C)		**46,274.13**	**47,250.85**
Total liabilities (B+C)		**1,55,764.38**	**1,70,061.36**
Total equity and liabilities (A+B+C)		**10,42,620.77**	**10,58,214.45**
See accompanying notes forming integral part of the standalone financial statements	1-36		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lakhs)

	Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	5(xxii)	86,261.37	63,287.35
II	Other income	5(xxiii)	13,409.30	19,198.06
III	**Total income (I+II)**		**99,670.67**	**82,485.41**
IV	**Expenses**			
	i) Purchase of medical consumable and drugs		20,929.85	14,919.29
	ii) Changes in inventories of medical consumable and drugs	5(xxiv)	(501.08)	138.51
	iii) Employee benefits expense	5(xxv)	15,423.32	14,765.25
	iv) Finance costs	5(xxvi)	12,957.71	14,144.64
	v) Depreciation and amortisation expense	5(xxvii)	11,262.94	11,077.05
	vi) Other expenses	5(xxviii)	38,868.69	30,673.35
	Total expenses (IV)		**98,941.43**	**85,718.09**
V	**Profit/(Loss) before exceptional and tax item (III-IV)**		**729.24**	**(3,232.68)**
VI	Exceptional (Loss)/Gain	5(xxix)	(1,628.05)	5,645.75
VII	**(Loss)/Profit before tax (V-VI)**		**(898.81)**	**2,413.07**
VIII	**Tax expense**	5(xxx)		
	i) Current tax		230.57	1,251.24
	ii) Deferred tax (net)		195.68	742.08
	Total tax expense (VIII)		**426.25**	**1,993.32**
IX	**(Loss)/Profit for the year (VII-VIII)**		**(1,325.06)**	**419.75**
	Other comprehensive income			
	i) Items that will not be subsequently reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liablities		43.60	132.72
	(b) Income tax relating to items that will not be reclassified to profit or loss		(15.24)	(46.34)
X	**Total other comprehensive income for the year (net of tax)**		**28.36**	**86.38**
XI	**Total comprehensive (loss) / income for the year (IX+X)**		**(1,296.70)**	**506.13**
	Earnings per equity share of ₹ 10 each :			
	i) Basic (in ₹)	5(xxxi)	(0.18)	0.06
	ii) Diluted (in ₹)	5(xxxi)	(0.18)	0.06
	See accompanying notes forming part of the standalone financial statements	1-36		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Place : Gurugram
Date : May 25, 2022

Standalone Statement of Cash Flow

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities			
(Loss)/Profit before tax		(898.81)	2,413.07
Adjustments for:			
Exceptional Loss / (Gain)		1,628.05	(5,645.75)
Finance cost		12,957.71	14,144.64
Loss/(Profit) on sale of property, plant and equipment (net)		20.66	(41.50)
Allowance for doubtful trade receivables		379.64	805.63
Allowance for doubtful advances		92.44	21.10
Provision for contingencies		1,461.70	-
Depreciation and amortisation expense		11,262.94	11,077.05
Provision / liability no longer required written back		(612.85)	(256.05)
Interest income		(13,282.84)	(18,903.47)
Financial guarantee income		(90.65)	(203.17)
Operating profit before changes in following assets and liabilities		**11,456.29**	**4,873.25**
Change in operating assets and liabilities			
(Increase)/Decrease in trade receivables		(577.21)	409.98
(Increase)/Decrease in inventories		(501.08)	138.51
(Increase) in loans, other financial assets and other assets		(2,822.77)	(628.75)
Increase/(Decrease) in other financial liabilities, provisions, other liabilities and trade payables		4,973.39	(648.18)
Cash generated by operations		**12,528.62**	**4,144.81**
Income taxes paid (net)		(4,879.27)	(950.46)
Net cash generated by operating activities		**7,649.35**	**3,194.35**
Cash flows from investing activities			
Amount received against investments		3,692.70	3,733.84
Investment in subsidiaries		(2.00)	(28,849.71)
Purchase of property, plant and equipment and intangible asset		(2,682.08)	(5,632.93)
Proceeds from sale of property, plant and equipment		18.29	116.17
Maturity of bank deposits (net)		111.17	43.14
Interest received		10,370.60	5,105.44
Loans/ advances given to subsdiaries		-	(6,195.00)
Loans/ advances received from subsidiaries		12,265.00	34,519.53
Net cash generated by investing activities		**23,773.68**	**2,840.48**
Cash flows from financing activities (refer note 5(xv))			
Proceeds from non-current borrowings		21,758.29	9,207.71
Proceeds from/ (Repayment of) short-term borrowing (net)		(6,335.48)	6,800.00
Repayment of non-current borrowings		(29,584.49)	(3,308.06)
Finance cost paid**		(12,877.14)	(10,542.17)
Payment of lease liability		(4,943.72)	(1,566.26)
Net cash generated (used in) / from financing activities		**(31,982.54)**	**591.22**
Net increase / (decrease) in cash and cash equivalents		**(559.51)**	**6,626.05**
Cash and cash equivalents at the beginning of the year		(1,415.79)	(8,041.84)
Cash and cash equivalents at the end of the year	5(xiii)(a)	**(1,975.30)**	**(1,415.79)**

**Including interest on lease liability ₹ 6,441.88 lacs and ₹ 6,618.42 lacs for the year ended March 31, 2022 and March 31, 2021 respectively.

Notes:

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

(b) The Company has paid ₹ 533.11 lacs for the year ended 31 March 2022 and ₹ 509.42 lacs for the year ended 31 March 2021 towards Corporate Social Responsibility (CSR) expenditure.

See accompanying notes forming part of the standalone financial statements 1-36

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

Particulars	No. in lacs	₹ in lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid		
At April 1, 2020	7,549.58	75,495.81
Issue of share capital	-	-
At March 31, 2021	**7,549.58**	**75,495.81**
Issue of share capital	-	-
At March 31, 2022	**7,549.58**	**75,495.81**

B. Other equity

Particular	Notes	Reserves and Surplus					Total other equity
		Securities premium*	Share options outstanding account ****	Retained earnings	Amalga-mation reserve **	General Reserve ***	
Balance at April 1, 2020		7,25,092.08	90.06	78,112.43	156.00	8,700.58	8,12,151.15
Profit for the year		-	-	419.75	-	-	419.75
Other comprehensive income for the year (net of income tax)		-	-	86.38	-	-	86.38
Total comprehensive income for the year		**-**	**-**	**506.13**	**-**	**-**	**506.13**
Stock options lapsed/cancelled during the year (refer note 13)			(90.06)			90.06	
Balance at March 31, 2021		**7,25,092.08**		**78,618.56**	**156.00**	**8,790.64**	**8,12,657.28**
Loss for the year		-	-	(1,325.06)	-	-	(1,325.06)
Other comprehensive income for the year (net of income tax)		-	-	28.36	-	-	28.36
Total comprehensive income for the year		**-**	**-**	**(1,296.70)**	**-**	**-**	**(1,296.70)**
Balance at March 31, 2022		**7,25,092.08**		**77,321.86**	**156.00**	**8,790.64**	**8,11,360.58**

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

** Amalgamation reserve represents the unutilized accumulated surplus created at the time of amalgamation of another company with the Company. This reserve is not available for distribution of dividend and is expected to remain invested permanently.

*** This represents appropriation of profit by the Company and is available for distribution of dividend.

**** The fair value of the equity settled share based payment transactions with employees is recognised in the Standalone Statement of Profit and Loss with corresponding credit to share options outstanding account.

See accompanying notes forming part of the standalone financial statements 1-36

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
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INDRAJIT BANERJEE
Independent Director
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Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Notes forming part of the Standalone Financial Statements

1) Corporate information

Fortis Healthcare Limited (the 'Company' or 'FHL'), a public limited company, was incorporated on February 28, 1996. Its equity shares are listed on BSE Limited and National Stock Exchange of India Limited. Its registered office is located at Fortis Hospital Sector-62 Phase-VIII, Mohali 160062, Punjab and the corporate office of the Company is located at Tower A, Unitech Business Park, Block - F South City - 1, Sector-41, Gurugram 122001, Haryana.

Fortis Healthcare Limited is a leading integrated healthcare delivery service provider. The Company is primarily engaged in the business of healthcare services. The Company also holds interests in its subsidiaries, associates and joint ventures which manage and operate a network of multi-specialty hospitals and diagnostics centres.

On November 13, 2018, IHH Healthcare Berhad, Malaysia acquired 31.10% stake in the Company and appointed majority of board of directors, thereby, becoming the controlling shareholder of the Company.

2) Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements ('financial statements'). The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

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

The financial statements have been authorized for issue by the Company's Board of Directors on May 25, 2022.

(ii) Functional and presentation currency

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

(iii) Historical cost convention

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

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

Notes forming part of the Standalone Financial Statements

(c) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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.

(d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

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

(i) Property, plant and equipment

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

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

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

(ii) Goodwill and Intangible assets

- For measurement of goodwill that arises from business combination. Subsequent measurement is at cost less any accumulated impairment losses.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:

Notes forming part of the Standalone Financial Statements

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

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

- Intangible assets that are acquired (including goodwill recognized for business combinations) are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization (for finite lives intangible assets) and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

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

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

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Plant and machinery	3-15 years	15 years
Medical equipment	2-13 years	13 years
Computers	3 years	3 years
Furniture and fittings	4-10 years	10 years
Office equipment	5 years	5 years
Vehicles	4-8 years	8 years

Freehold land is not depreciated.

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

Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

Estimated useful lives of the intangible assets are as follows:

Category of assets	Management estimate of Useful Life
Computer software	3-6 years

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

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

(iv) Derecognition

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

(f) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or

Notes forming part of the Standalone Financial Statements

changes in circumstances indicate that they might be impaired. The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

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

(g) Financial instrument

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial

Notes forming part of the Standalone Financial Statements

assets, and the asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

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

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

Equity investments

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

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

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

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

Dividend income from investments is recognised in statement of profit and loss on the date that the right to receive payment is established.

Impairment of financial assets

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

Derecognition of financial assets

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

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

Notes forming part of the Standalone Financial Statements

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

Write off of financial assets

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in 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.

Derecognition of financial liabilities

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

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of (i) the amount determined in accordance with the expected credit loss model as per Ind AS 109 and (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation by the Holding Company, the fair values are accounted for as a deemed equity contribution (under the head 'Investment in subsidiaries') in the books of Holding Company and as a part of 'Other Equity' in the books of subsidiary.

Where guarantees in relation to loans or other payables of the Holding Company are provided by subsidiary for no compensation, the fair values are accounted for as a distribution and recognised under the head 'Other Equity' in the books of subsidiary and credited to statement of profit and loss in the books of holding company.

(h) Inventories

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

Notes forming part of the Standalone Financial Statements

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost and other direct costs incurred. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

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

(i) Cash and cash equivalents

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

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

(j) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(k) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

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

(l) Revenue recognition

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

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Company assesses the product/ services promised in a contract and identifies distinct performance obligation

Notes forming part of the Standalone Financial Statements

in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Company expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as sales tax, excise duty, value added tax and applicable discounts and allowances including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

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

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

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

Other operating revenue comprises revenue from various ancillary revenue generating activities like operations and maintenance agreements, satellite centers, sponsorship arrangements and academic services. The revenue in respect of such arrangements is recognized as and when services are performed.

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

(m) Employee benefits

Short-term employee benefits

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

Post-employment benefits

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

a) Gratuity

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

b) Superannuation

Certain employees of the Company are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Company to the plan during the year is charged to statement of profit and loss.

c) Provident fund

The Company makes contribution to the recognised provident fund -" Fortis Healthcare Limited Provident Fund Trust" for most of its employees in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

The Company's contribution to the provident fund is charged to statement of profit and loss.

Notes forming part of the Standalone Financial Statements

Other long-term employee benefits:

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

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

Actuarial valuation

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

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

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

(n) Share-based payments

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognized as an employee expense, and those granted to employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share-based payment transaction is presented as a separate component in equity under "share option outstanding account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

Corresponding balance of share-based payment reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee.

(o) Income tax

Income tax comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current taxes

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 payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related

Notes forming part of the Standalone Financial Statements

to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

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

– temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

– temporary differences related to investments in subsidiaries, associates or joint arrangements, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

– taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is 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 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.

(p) Leases

(i) As a lessee

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

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

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying

Notes forming part of the Standalone Financial Statements

amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

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

(ii) As a lessor

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

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

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

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

(q) Foreign currency translation

The Company has adopted Appendix B, "Foreign currency transactions and advance consideration" to Ind AS 21, "the effects of changes in foreign exchange rates" effective from 1 April 2018 prospectively to all assets, expenses and income in the scope of the said Appendix. The adoption of the above Standard/Appendix does not have any significant impact on the financial position or performance of the Company.

Transactions and balances

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

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

(r) Statement of Cash flow

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

(s) Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

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

Notes forming part of the Standalone Financial Statements

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

3) Critical estimates and judgements

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

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

Judgements

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

- Leasing arrangement (classification) – Note 7
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 11, 12, 26, 27 and 28
- Recognition and estimation of tax expense including deferred tax– Note 5(xxx) and 5(ix)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Leasing arrangement (accounting) – Note 7
- Financial instruments - Note 15
- Fair value measurement – Note 16
- Estimated impairment of financial assets and non-financial assets – Note 5(iv) and 5(v), 5(vi), 5(vii), 5(viii) and 5(xxix)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 11, 12, 26, 27 and 28
- Recognition and estimation of tax expense including deferred tax– Note 5(xxx) and 5(ix)
- Assessment of useful life and residual value of property, plant and equipment and intangible asset – Note 2(e)(iii)
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 14
- Share-based payments – Note 13

4) Recent Pronouncements but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued

Notes forming part of the Standalone Financial Statements

by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes forming part of the Standalone Financial Statements

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

(₹ in Lakhs)

Particulars	Freehold Land	Building (on Leasehold Land)	Leasehold improvements	Plant & machinery	Medical equipment	Furniture & fittings	Computers	Office equipment	Vehicles	Total
Gross carrying amount										
As at April 01, 2020	**10.09**	**11,011.31**	**91.64**	**1,934.52**	**21,285.39**	**703.11**	**662.80**	**329.91**	**507.79**	**36,536.56**
Additions	–	–	–	85.12	4,143.26	43.83	96.61	126.35	171.34	4,666.51
Disposals	–	–	–	(11.36)	(91.56)	(2.76)	(32.74)	(0.27)	(173.45)	(312.14)
As at March 31, 2021	**10.09**	**11,011.31**	**91.64**	**2,008.28**	**25,337.09**	**744.18**	**726.67**	**455.99**	**505.68**	**40,890.93**
Additions	–	191.21	–	135.60	2,270.90	88.06	124.41	46.73	29.73	2,886.64
Disposals	–	–	–	(17.68)	(86.08)	(8.77)	(39.72)	(7.16)	(106.00)	(265.41)
As at March 31, 2022	**10.09**	**11,202.52**	**91.64**	**2,126.20**	**27,521.91**	**823.47**	**811.36**	**495.56**	**429.41**	**43,512.16**
Accumulated depreciation										
As at April 01, 2020	**–**	**42.11**	**82.17**	**402.98**	**7,390.81**	**307.30**	**478.63**	**179.47**	**370.38**	**9,253.85**
Charge for the year	–	555.83	9.47	202.27	2,091.50	97.83	100.10	71.29	59.32	3,187.61
Disposals	–	–	–	(5.79)	(37.07)	(2.53)	(32.72)	(0.20)	(159.16)	(237.47)
As at March 31, 2021	**–**	**597.94**	**91.64**	**599.46**	**9,445.24**	**402.60**	**546.01**	**250.56**	**270.54**	**12,203.99**
Charge for the year	–	564.94	–	211.56	2,275.45	94.07	114.43	75.57	70.23	3,406.25
Disposals	–	–	–	(9.25)	(57.30)	(7.41)	(39.36)	(7.14)	(106.00)	(226.46)
As at March 31, 2022	**–**	**1,162.88**	**91.64**	**801.77**	**11,663.39**	**489.26**	**621.08**	**318.99**	**234.77**	**15,383.78**
Carrying value (As at March 31, 2021)	10.09	10,413.37	–	1,408.82	15,891.85	341.58	180.66	205.43	235.14	28,686.94
Carrying value (As at March 31, 2022)	**10.09**	**10,039.64**	**–**	**1,324.43**	**15,858.52**	**334.21**	**190.28**	**176.57**	**194.64**	**28,128.38**

Notes:

(a) Certain assets included under Property, plant and equipment are held as pledge against loans taken by the Company [refer note 8(i)].

(b) The Company does not have any immovable property, whose title deeds are not held in the name of the company and no immovable property is jointly held with others.

(c) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2022 and previous year ended March 31, 2021.

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

(e) Certain assets have been given on lease [refer note 7(b)].

Notes forming part of the Standalone Financial Statements

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

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	632.38	2,918.02
Additions during the year*	2,887.05	2,380.87
Less : Amount capitalised during the year*	2,886.64	4,666.51
Closing Balance (net of provision for impairment of ₹ 2,569.90 lacs [refer note 25])*	632.79	632.38

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

Ageing schedule

As at March 31, 2022

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	362.45	189.56	80.78	–	632.79
Total	**362.45**	**189.56**	**80.78**	**–**	**632.79**

Following are the Capital work-in-progress completion schedule of projects whose completion is overdue to its original plan as at March 31, 2022:

Capital work-in-progress	To be completed in Less than1 year			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Arcot road hospital projects	270.34	–	–	–

As at March 31, 2021

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	498.72	133.66	–	–	632.38
Total	**498.72**	**133.66**	**–**	**–**	**632.38**

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2021.

Notes forming part of the Standalone Financial Statements

5(ii) Goodwill

(₹ in Lakhs)

Particulars	Goodwill
Gross carrying amount	
As at April 1,2020	**3,292.57**
As at March 31,2021	**3,292.57**
As at March 31,2022	**3,292.57**
Impairment	
As at April 1,2020	**(570.80)**
Impairment during the year	
As at March 31,2021	**(570.80)**
Impairment during the year	
As at March 31,2022	(570.80)
Net Carrying Value	
As at March 31,2021	**2,721.77**
As at March 31,2022	**2,721.77**

At cash generating unit (CGUs) level, the goodwill is tested for impairment annually at the year-end or more frequently if there are indications that goodwill might be impaired. The entire goodwill balance is allocated to Fortis Hospitals Shalimar Bagh.

The Company made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management. Cash flow projections were developed covering a seven-year period as at March 31, 2022 and March 31, 2021 which reflects a more appropriate indication/trend of future track of business of the Company. Cash flows beyond the seven-year period were extrapolated using estimate rates stated below.

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

Key assumptions used for value in use calculations are as follows:

Particulars	As at March 31, 2022 (p.a.)	As at March 31, 2021 (p.a.)
Revenue growth rate for seven-year period	6% - 10%	10% - 21%
Growth rate used for extrapolation of cash flow projections beyond seven-year period (refer note below)	4.00%	4.00%
Discount rate	13.59%	12.70%

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

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

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

Notes forming part of the Standalone Financial Statements

5(iii)(a) Other intangible assets

(₹ in Lakhs)

Particulars	Computer Software
Gross carrying amount	
As at April 1,2020	**2,903.02**
Additions	966.65
As at March 31,2021	**3,869.67**
Additions	160.29
Disposals	(481.15)
As at March 31,2022	**3,548.81**
Accumulated amortisation	
As at April 1,2020	**2,114.39**
Charge for the year	442.58
As at March 31,2021	**2,556.97**
Charge for the year	436.73
Disposals	(481.15)
Carrying value	
As at March 31,2021	**1,312.70**
As at March 31,2022	**1,036.26**

5(iii)(b) Intangible assets under development

Particulars	March 31, 2022	March 31, 2021
Opening balance	41.59	364.37
Additions during the year*	118.70	643.87
Less : Amount capitalised during the year*	160.29	966.65
Closing Balance*	–	**41.59**

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

Ageing schedule

As at March 31, 2021

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41.59	-	-	-	41.59
Projects temporarily suspended	-	-	-	-	-
***Total**	**41.59**	**-**	**-**	**-**	**41.59**

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021

Notes forming part of the Standalone Financial Statements

5(iv) Investments in associates

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unquoted investments (fully paid)		
(a) Investments in equity instruments - at cost		
Investment in associate companies		
i) Sunrise Medicare Private Limited* [(Nil (3,126 as at March 31, 2021) Equity shares of ₹ 10 each)]	-	0.31
Less: Impairment of investment	-	(0.31)
Aggregate unquoted investments in associates	-	-
Aggregate carrying value of unquoted investments in associates	-	-
Aggregate amount of impairment in value of investments in associates	-	**0.31**

**The Company has been struck off from the Registrar of Companies w.e.f August 17, 2021*

5(v) Investments in subsidiaries

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unquoted investment		
(a) Investments in equity instruments - at cost		
i) Escorts Heart Institute and Research Centre Limited*	76,919.72	76,919.72
(2,161,117 (2,161,117 as at March 31, 2021) Equity Shares of ₹ 10 each)		
[Of the above, 50 (50 as at March 31, 2021) equity shares are held by nominee share holders)		
ii) Fortis La Femme Limited (formerly known as Fortis Health Management (West) Limited)	5.00	5.00
[(50,000 (50,000 as at March 31, 2021) Equity Shares of ₹ 10 each)]		
[(Of the above, 6 shares (6 shares as at March 31, 2021) are held jointly with individual share holders)]		
iii) Fortis Healthcare International Limited, Mauritius*	15,105.47	15,105.47
[(98,560,000 (98,560,000 as at March 31, 2021) Equity Shares of US$ 0.32 each]		
iv) Fortis Hospitals Limited *	1,10,995.27	1,10,995.27
[(66,987,576 (66,987,576 as at March 31, 2021) Equity Shares of ₹ 10 each)]		
[Of the above, 6 shares (6 as at March 31, 2021) are held jointly with individual share holders)		
v) Hiranandani Healthcare Private Limited *	13,021.28	13,021.28
[(5,613,300 (5,613,300 as at March 31, 2021) Equity Shares of ₹ 10 each)]		
[(Of the above, 6 shares (6 as at March 31, 2021) are held jointly with share holders)]		
vi) SRL Limited ('SRL')	90,905.48	90,905.48

Notes forming part of the Standalone Financial Statements

5(v) Investments in subsidiaries (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
[(45,236,779 (45,236,779 as at March 31, 2021) Equity Shares of ₹ 10 each)]		
vii) Fortis Hospotel Limited	2,43,016.88	2,43,016.88
(417,222,782 (417,222,782 as at March 31, 2021) Equity Shares of ₹ 10 each)		
[of the above, 6 shares (6 as at March 31, 2021) are held by nominee shareholders)]		
viii) Fortis CSR Foundation	5.00	5.00
[(50,000 (50,000 as at March 31, 2021) Equity Shares of ₹ 10 each)]		
[(Of the above, 6 shares (6 as at March 31, 2021) are held with nominee share holders)]		
ix) Fortis Health Management Limited	856.60	856.60
(1,300,000 (1,300,000 as at March 31, 2021) Equity Shares of ₹ 10 each)		
x) International Hospital Limited	2,07,657.21	2,07,657.21
(26,627,304 (26,627,304 as at March 31, 2021) Equity Shares of ₹ 100 each)		
xi) Escorts Heart and Super Speciality Hospital Limited	40,625.51	40,625.51
(16,480,000 (16,480,000 as at March 31, 2021) Equity Shares of ₹ 10 each)		
Less: Impairment of investment :		
- Fortis La Femme Limited	(5.00)	(5.00)
- Escorts Heart Institute and Research Centre Limited	(10,348.67)	(10,348.67)
- Fortis Healthcare International Limited, Mauritius	(4,828.55)	(3,202.50)
	7,83,931.20	**7,85,557.25**
(b) Investments in debt instrument - at amortised cost		
i) Escorts Heart and Super Speciality Hospital Limited	45,786.15	46,323.15
3,130,400 (3,130,400 as at March 31, 2021) 14.80% Non-Convertible Bonds of face value of ₹ 1,000 each.		
ii) Fortis Health Management Limited	1,191.96	1,191.96
116,000 (116,000 as at March 31, 2021) 14.30 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
iii) Hospitalia Eastern Private Limited	7,172.50	7,172.50
700,000 (700,000 as at March 31, 2021) 13.15 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
iv) International Hospital Limited	12,050.00	13,164.01
1,205,000 (1,205,000 as at March 31, 2021) 14.30 % Non-Convertible Bonds of face value of ₹ 1,000 each		
v) International Hospital Limited	14,092.70	16,884.39
1,296,000 (1,296,000 as at March 31, 2021) 14.20 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
vi) International Hospital Limited	20,303.99	19,553.99
1,775,000 (1,775,000 as at March 31, 2021) 13.15 % Non-Convertible Bonds of face value of ₹ 1,000 each.		

Notes forming part of the Standalone Financial Statements

5(v) Investments in subsidiaries (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
vii) Fortis La Femme Limited		
[20,000 (Nil as at March 31, 2021) 10% redeemable preference shares of Rupees 10 each]	2.00	-
Less: Impairment of investment in Fortis La Femme Limited	(2.00)	-
	1,00,597.30	**1,04,290.00**
Aggregate carrying value of unquoted non-current investments in subsidiaries	**8,84,528.50**	**8,89,847.25**
Aggregate gross value of unquoted investments in subsidiaries	**8,99,712.72**	**9,03,403.42**
Aggregate amount of impairment in value of investments in subsidiaries	**15,184.22**	**13,556.17**

**The Company has determined the fair value of guarantee given to banks on behalf of the subsidiary companies and debited the cumulative amount to investment. Refer below for the break up of cumulative fair value of financial guarantee attributable to subsidiaries:*

(₹ in Lakhs)

Name of the subsdiary company	As at March 31, 2022	As at March 31, 2021
i) Escorts Heart Institute and Research Centre Limited	24.96	24.96
ii) Fortis Healthcare International Limited, Mauritius	360.98	360.98
iii) Fortis Hospitals Limited	784.69	784.69
iv) Hiranandani Healthcare Private Limited	31.55	31.55
	1,202.18	**1,202.18**

5(vi) Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Considered good		
– From Others		
Billed	8,652.71	7,825.72
Unbilled	960.26	1,027.74
– From Related Parties	68.56	2.69
Less: Loss allowance	(2,112.91)	(1,485.10)
	7,568.62	**7,371.05**
Break-up of security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	9,681.53	8,856.15
Less: Loss allowance	(2,112.91)	(1,485.10)
Total trade receivables	**7,568.62**	**7,371.05**

Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection. The company has used a practical expedient by computing the expected credit loss

Notes forming part of the Standalone Financial Statements

5(vi) Trade receivables (Contd..)

allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

	Expected credit allowance %	
	As at March 31, 2022	As at March 31, 2021
Ageing		
0 - 1 year	0% - 31%	0% - 36%
1 - 2 year	1% - 64%	2% - 73%
2 - 3 year	8% - 98%	9% - 91%
More than 3 years	100%	100%

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,485.10	1,164.08
Addition / (Utilisation) (net)	627.81	321.02
Balance at the end of the year	**2,112.91**	**1,485.10**

Ageing schedule of trade receivables - billed

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,804.49	966.65	1,438.02	1,069.68	612.97	829.46	8,721.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	3,804.49	**966.65**	**1,438.02**	**1,069.68**	**612.97**	**829.46**	**8,721.27**
Less: Loss allowance for doubtful trade receivables - billed	-	-	-	-	-	-	(2,112.91)
							6,608.36
Trade receivables - unbilled	-	-	-	-	-	-	960.26
							7,568.62

Notes forming part of the Standalone Financial Statements

5(vi) Trade receivables (Contd..)

As at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,177.26	2,373.80	716.03	500.67	287.96	772.69	7,828.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk							
(iii) Undisputed Trade Receivables – credit impaired							
(iv) Disputed Trade Receivables– considered good							
(v) Disputed Trade Receivables – which have significant increase in credit risk							
(vi) Disputed Trade Receivables – credit impaired							
	3,177.26	**2,373.80**	**716.03**	**500.67**	**287.96**	**772.69**	**7,828.41**
Less: Loss allowance for doubtful trade receivables - billed							(1,485.10)
							6,343.31
Trade receivables - unbilled							**1,027.74**
							7,371.05

Note : Current assets are pledged against loans taken by the Company [refer note 8(i)].

5(vii) Loans (unsecured)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current - at amortised cost		
Considered good		
(a) Loans to subsidiaries (refer note 22)	22,493.41	30,815.57
Total	**22,493.41**	**30,815.57**
Current - at amortised cost		
Considered good		
(a) Intercompany current account	–	1,336.66
	–	**1,336.66**
Credit impaired		
(a) Loans to others	362.34	362.34
(b) Loans to subsidiaries [refer note 22]	63.73	63.73
	426.07	**426.07**
Less: Loss allowance	(426.07)	(426.07)
	(426.07)	**(426.07)**
	–	**1,336.66**

Notes forming part of the Standalone Financial Statements

5(vii) Loans (unsecured) (Contd..)

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment"

Break-up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans considered good - Secured	-	-
Loans considered good - Unsecured	22,493.41	32,152.23
Loans considered doubtful - Unsecured	-	-
Credit impaired - Unsecured	426.07	426.07
Less: Loss allowance	(426.07)	(426.07)
Total Loans	**22,493.41**	**32,152.23**

5(viii) Other financial assets (unsecured)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non current		
Considered good		
(a) Deposit accounts with bank	16.20	96.31
(b) Interest accrued on fixed deposits	0.37	6.73
(c) Security deposits	200.15	157.07
	216.72	**260.11**
Credit impaired		
(a) Security deposits [refer note 25]	378.00	378.00
Less: Loss allowance	(378.00)	(378.00)
	216.72	**260.11**
Current		
Considered good		
(a) Security deposits	19.09	19.14
(b) Interest accrued and due on loans and non convertible bonds [refer note 6]	30,003.38	27,084.78
(c) Accrued Operating Income SEIS	37.04	51.85
(d) Others	459.41	436.38
	30,518.92	**27,592.15**
Credit impaired		
(a) Advances recoverable in cash [refer note 25]	1,795.57	1,795.57
(b) Amount recoverable for salary and reimbursement of expenses [refer note 27(C)(vi)]	2,002.39	2,002.39
(c) Others	524.09	446.46
	4,322.05	**4,244.42**
Less: Loss allowance	(4,322.05)	(4,244.42)
	(4,322.05)	**(4,244.42)**
	30,518.92	**27,592.15**

Notes forming part of the Standalone Financial Statements

5(ix) Deferred tax balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	24,118.86	26,889.68
Deferred tax liabilities	(17,665.06)	(20,224.97)
	6,453.80	**6,664.71**

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

2021-22

(₹ in Lakhs)

Particulars	As at March 31, 2021	(Charge)/ Credit to Profit or loss	(Charge)/ Credit to Other Comprehensive Income	As at March 31, 2022
Deferred tax liabilities				
(a) Property, plant and equipment	(812.11)	24.93	–	(787.18)
(b) Intangible assets	(823.80)	(4.00)	–	(827.80)
(c) Right-of-use assets	(18,589.06)	2,538.98	–	(16,050.08)
	(20,224.97)	**2,559.91**	**–**	**(17,665.06)**
Deferred tax assets				
(a) Provision for contingency	103.07	37.04	–	140.11
(b) Allowance for doubtful advances	106.59	27.12	–	133.71
(c) Allowance for expected credit loss	518.95	219.39	–	738.34
(d) Defined benefit obligation	920.04	(126.41)	(15.24)	778.39
(e) MAT credit entitlement	4,284.46	(1,185.19)	–	3,099.27
(f) Lease liability	20,956.57	(1,727.53)	–	19,229.04
	26,889.68	**(2,755.59)**	**(15.24)**	**24,118.86**
Deferred tax asset (net)	**6,664.71**	**(195.68)**	**(15.24)**	**6,453.80**

2020-21

(₹ in Lakhs)

Particulars	As at March 31, 2020	(Charge)/ Credit to Profit or loss	(Charge)/ Credit to Other Comprehensive Income	As at March 31, 2021
Deferred tax liabilities				
(a) Property, plant and equipment	(698.18)	(113.93)	–	(812.11)
(b) Intangible assets	(601.35)	(222.45)	–	(823.80)
(c) Right-of-use assets	(20,138.05)	1,548.99	–	(18,589.06)
	(21,437.58)	**1,212.61**	**–**	**(20,224.97)**
Deferred tax assets				
(a) Provision for contingency	99.16	3.91	–	103.07
(b) Allowance for doubtful advances	99.21	7.38	–	106.59
(c) Allowance for expected credit loss	406.78	112.17	–	518.95
(d) Defined benefit obligation	896.12	70.26	(46.34)	920.04
(e) MAT credit entitlement	5,978.23	(1,693.77)	–	4,284.46
(f) Lease liability	21,411.22	(454.65)	–	20,956.57
	28,890.72	**(1,954.69)**	**(46.34)**	**26,889.68**
Deferred tax asset (net)	**7,453.14**	**(742.08)**	**(46.34)**	**6,664.71**

Notes forming part of the Standalone Financial Statements

5(ix) Deferred tax balances (Contd..)

In addition to above, no deferrred tax asset has been recognised on

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances and other financial assets provided for	4,743.47	4,743.47
Capital losses	954.31	954.31
	5,697.78	**5,697.78**

5(x) Non-current tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision for taxation)*	10,540.05	6,043.57
	10,540.05	**6,043.57**
Provision for taxation	23,807.74	23,481.14

**Including refund of ₹ 2,387.68 lacs (As at March 31, 2021 ₹ 2,646.87 lacs) adjusted by tax authorities against demand orders of earlier years which are being contested by the Company under various forums.*

5(xi) Other assets (unsecured)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Considered good		
(a) Capital advances	36.94	53.86
(b) Balances with government authorities - Goods and service tax recoverable	88.57	
(c) Prepaid expenses	32.41	27.80
	157.92	**81.66**
Current		
Considered good		
(a) Balances with government authorities - Goods and service tax recoverable	2.54	90.48
(b) Advance to vendors	472.78	471.69
(c) Prepaid expenses	518.79	452.25
	994.11	**1,014.42**
Considered doubtful		
(a) Advance to vendors	15.48	15.48
	15.48	**15.48**
Less: Loss allowance	(15.48)	(15.48)
	(15.48)	**(15.48)**
	994.11	**1,014.42**

5(xii) Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Valued at lower of cost and net realisable value		
Medical consumables, drugs and others	1,380.28	879.20
	1,380.28	**879.20**

Notes forming part of the Standalone Financial Statements

5(xiii)(a) Cash and cash equivalents

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks		
– on current accounts	80.45	283.83
(b) Cash on hand	26.74	35.83
Cash and cash equivalents as per balance sheet	**107.19**	**319.66**
Bank overdrafts (refer note 5(xix))	(2,082.49)	(1,735.45)
Cash and cash equivalents as per statement of cash flows	**(1,975.30)**	**(1,415.79)**

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
– Deposits with original maturity of more than 3 months but less than 12 months	–	31.05
	–	**31.05**

5(xiv) Share capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised share capital:		
850,000,000 (850,000,000 as at March 31, 2021) Equity shares of ₹ 10 each	85,000.00	85,000.00
200 Class 'A' (200 as at March 31, 2021) Non- cumulative redeemable preference shares of ₹ 100,000 each	200.00	200.00
11,498,846 Class 'B' (11,498,846 as at March 31, 2021) Non- cumulative redeemable preference shares of ₹ 10 each	1,149.88	1,149.88
64,501,154 Class 'C' (64,501,154 as at March 31, 2021) Cumulative redeemable preference shares of ₹ 10 each	6,450.12	6,450.12
Total authorised share capital	**92,800.00**	**92,800.00**
Issued, subscribed and fully paid up shares		
754,958,148 (754,958,148 as at March 31, 2021) Equity shares of ₹ 10 each	75,495.81	75,495.81
Total issued, subscribed and fully paid up share capital	**75,495.81**	**75,495.81**

Notes forming part of the Standalone Financial Statements

5(xiv) Share capital (Contd..)

Notes :

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

Equity Shares

Particulars	March 31, 2022		March 31, 2021	
	Number	₹ in Lacs	Number	₹ in Lacs
At the beginning of the year	75,49,58,148	75,495.81	75,49,58,148	75,495.81
Issued during the year				
Outstanding at the end of the year	**75,49,58,148**	**75,495.81**	**75,49,58,148**	**75,495.81**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Equity shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	₹ in Lacs	No. of Shares held	₹ in Lacs
Northern TK Venture Pte Ltd (refer note 26) (Holding Company)	23,52,94,117	23,529.41	23,52,94,117	23,529.41

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

Equity Shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Northern TK Venture Pte Ltd (refer note 26) (Holding Company)	23,52,94,117	31.17%	23,52,94,117	31.17%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 13.

Notes forming part of the Standalone Financial Statements

(f) Details of shares held by promoters

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	23,52,94,117	–	23,52,94,117	31.17%	–

As at 31 March 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	23,52,94,117	–	23,52,94,117	31.17%	-

(g) For the period of five years immediately preceding the date of the balance sheet, there were no share allotment made for consideration other than cash and also no bonus shares were issued. Further, there has been no buyback of shares during the period of five years preceding the date of balance sheet.

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

(₹ in Lakhs)

Particulars	Equity shares (including premium)	Non-current borrowings	Current borrowings (net)	Interest accrued	Lease liability
As at 01 April 2020	**8,00,587.89**	**63,612.73**	**8,375.57**	**236.61**	**64,135.65**
Lease liability paid	–	–	–	–	(1,566.26)
Proceeds from borrowings	–	9,207.71	6,800.00	–	–
Repayment of borrowings	–	(3,308.06)	–	–	–
Reclassification of bank overdraft*	–	–	(6,640.12)	–	–
Finance cost	–	–	–	7,526.22	6,618.42
Finance cost paid	–	–	–	(7,666.59)	(2,875.58)
Any other non cash item**	–	–	–	–	(6,340.35)
Reclassification of current maturity	–	(3,133.93)	3,133.93		
As at 31 March 2021	**8,00,587.89**	**66,378.45**	**11,669.38**	**96.24**	**59,971.88**
Lease liability paid	–	–	–	–	(4,943.72)
Proceeds from borrowings	–	21,758.29	–	–	–
Repayment of borrowings	–	(29,584.49)	(6,335.48)	–	–
Reclassification of bank overdraft*	–	–	347.04	–	–
Finance cost	–	–	–	6,515.83	6,441.88
Finance cost paid	–	–	–	(6,435.26)	(6,441.88)
As at 31 March 2022	**8,00,587.89**	**58,552.25**	**5,680.94**	**176.81**	**55,028.16**

** Bank overdraft have been reclassified from current borrowing to cash and cash equivalent for the purpose of preparation of statement of cash flow.*

*** Previous year ₹ 6,340.35 lacs pertains to Lease concession on account of Covid-19 [Refer Note-5(xxix)]*

Notes forming part of the Standalone Financial Statements

5(xvi) Non-current borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Secured		
(a) Term loans		
– from banks [refer note 8(i)(c),(d) and (e)]	51,051.15	62,829.22
(b) Vehicle loans [refer note 8(i),(f) and (g)]	80.07	97.20
	51,131.22	**62,926.42**
(ii) Unsecured		
(a) Loans from subsidiary company [refer note 8(ii)]	7,421.03	3,452.03
	7,421.03	**3,452.03**
	58,552.25	**66,378.45**

5(xvii) Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Unsecured		
(a) Financial guarantee liability	140.81	206.96
	140.81	**206.96**
Current		
Unsecured		
(a) Security deposits	30.06	24.81
(b) Interest accrued and due on borrowings	176.81	96.24
(c) Capital creditors*	616.39	309.65
(d) Technology renewal fund payable to related party [refer note 6]	132.41	105.91
(e) Other payable to related parties	–	2,060.14
(f) Employee payable	1,368.40	1,338.28
(g) Financial guarantee liability	25.12	49.62
(h) Other liabilities	300.32	267.63
	2,649.51	**4,252.28**

**This also includes amount payable to micro and small enterprises amounting to ₹ 122.19 lacs as at March 31, 2022 (₹ 36.81 lacs As at March 31, 2021)*

Notes forming part of the Standalone Financial Statements

5(xviii) Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non current		
Provision for employee benefits		
(a) Provision for gratuity (refer note 14)	1,413.69	1,392.43
(b) Provision for compensated absences	391.80	
	1,805.49	**1,392.43**
Current		
Provision for employee benefits		
(a) Provision for gratuity (refer note 14)	275.65	265.50
(b) Provision for compensated absences	146.39	974.98
Others		
(a) Provision for contingencies *	1,866.48	1,754.95
	2,288.52	**2,995.43**

*** Provision for contingencies :**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Provision for indemnification (refer note 9(b)) A	205.03	205.03
(ii) Others B		
Opening balance	1,549.92	78.73
Add: Provision during the year [refer note (a) and (b) below]	111.53	1,471.19
Less: Reversed during the year		
	1,661.45	**1,549.92**
Provision for contingencies - Total (A+B)	**1,866.48**	**1,754.95**

(a) The previous year provision includes ₹ 1,460.00 lacs in respect of any contingencies emanating from regulatory matters, which will be settled when the outcome is known. (refer note 27).

(b) Provision for contingency is made against clinical research studies and amount due as refund to the patients

5(xix) Current borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - repayable on demand		
(a) Bank overdraft [refer note 8 (i)(a)]	2,082.49	1,735.45
(b) Working capital demand loan [refer note 8(i)(b)]	500.00	4,000.00
(c) Current maturities of term loans [refer note 8(i)(c),(d),(f) and (g)]	298.45	3,133.93
	2,880.94	**8,869.38**
Unsecured		
(a) Loans from subsidiary companies [refer note 8(ii)]	2,800.00	2,800.00
	2,800.00	**2,800.00**
	5,680.94	**11,669.38**

Notes forming part of the Standalone Financial Statements

5(xx) Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 21)	1,112.21	1,392.29
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	26,549.64	20,052.42
	27,661.85	**21,444.71**

Ageing schedule

As at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	–	932.49	163.08	1.89	–	14.75	1,112.21
(ii) Others	4,698.35	5,252.78	10,945.32	4,441.96	723.54	487.69	26,549.64
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	**27,661.85**

As at March 31, 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	–	1,294.22	77.91	0.48	0.05	19.63	1,392.29
(ii) Others	3,280.83	2,955.90	4,535.21	7,974.92	143.73	982.51	19,873.10
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	8.28	171.04	179.32
Total	–	–	–	–	–	–	**21,444.71**

5(xxi) Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Contract liability - advance from patients	734.25	774.06
(b) Statutory dues payable	1,222.60	823.57
	1,956.85	**1,597.63**

Notes forming part of the Standalone Financial Statements

5(xxii) Revenue from operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of services		
i) Healthcare services		
– Operating income - in patient department	72,897.84	52,797.43
– Operating income - out patient department	14,420.07	10,939.12
– Income from clinical/laboratories services	4.98	1.71
– Income from medical services	317.59	50.89
– Management fees from hospitals	368.36	248.07
– Income from clinical research	50.69	36.28
Less: Trade discounts	(3,301.57)	(2,001.80)
	84,757.96	**62,071.70**
(b) Sale of products - Trading		
i) Pharmacy	67.12	6.07
	67.12	**6.07**
(c) Other operating revenues		
i) Income from academic services	31.81	20.04
ii) Income from rent [refer note 7(b)(i)]	14.31	187.44
iii) Equipment lease rental [refer note 7(b)(i)]	640.46	638.96
iv) Provision / liability no longer required written back	612.85	256.05
v) Miscellaneous income	136.86	107.09
	1,436.29	**1,209.58**
Total revenue from operations (a+b+c)	**86,261.37**	**63,287.35**

5(xxiii) Other income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest income		
i) Interest on bank deposits	4.49	45.47
ii) Interest on loans and investments	13,098.42	18,446.57
iii) Interest on income tax refunds	172.49	405.66
iv) Interest on financial assets carried at amortised cost	7.44	5.77
	13,282.84	**18,903.47**
(b) Other non-operating income		
i) Profit on sale of Property, plant and equipment	–	41.50
ii) Financial guarantee income	90.65	203.17
iii) Gain on foreign currency transactions (net)	0.29	7.82
iv) Miscellaneous income	35.52	42.10
	126.46	**294.59**
Total other income (a+b)	**13,409.30**	**19,198.06**

Notes forming part of the Standalone Financial Statements

5(xxiv) Changes in inventories of medical consumable and drugs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Inventory at the beginning of the year	879.20	1,017.71
(b) Inventory at the end of the year	1,380.28	879.20
Changes in inventories [(a)-(b)]	**(501.08)**	**138.51**

5(xxv) Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries, wages and bonus	14,099.20	13,393.46
(b) Gratuity expense [refer note 14]	202.96	228.92
(c) Compensated absences	72.79	143.62
(d) Contribution to provident and other funds [refer note 14]	812.00	769.70
(e) Staff welfare expenses	236.37	229.55
	15,423.32	**14,765.25**

5(xxvi) Finance costs

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense		
– on term loans	4,753.08	5,732.28
– on cash credit	147.44	268.55
– on defined benefit plan	144.16	167.04
– on loan from subsidiaries	593.65	546.23
– on lease liabilities [refer note 7(a)]	6,441.88	6,618.42
– on others	594.53	454.04
(b) Other borrowing cost (including prepayment charges)	282.97	358.08
	12,957.71	**14,144.64**

5(xxvii) Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation of property, plant and equipment [refer note 5(i)(a)]	3,406.25	3,187.61
(b) Depreciation of right-of-use assets [refer note 7(a)]	7,419.96	7,446.86
(b) Amortisation of intangible assets [refer note 5(iii)(a)]	436.73	442.58
	11,262.94	**11,077.05**

Notes forming part of the Standalone Financial Statements

5(xxviii) Other expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Contractual manpower	1,884.36	1,389.75
(b) Power and fuel	1,477.65	1,177.55
(c) Housekeeping expenses including consumables	313.31	331.67
(d) Patient food and beverages	719.15	645.84
(e) Pathology laboratory expenses	1,580.43	1,486.73
(f) Radiology expenses	3.71	1.25
(g) Cost of medical services	402.36	285.57
(h) Professional and consultation fees to doctors	16,081.46	10,580.33
(i) Hospital service fee expense	5,910.55	4,481.69
(j) Repairs and maintenance		
– Building	136.23	46.04
– Plant and machinery	1,815.40	1,447.37
– Others	219.23	125.84
(k) Rent	556.24	353.26
(l) Independent Director remuneration	354.00	41.74
(m) Legal and professional fee*	2,095.38	3,171.45
(n) Travel and conveyance	358.53	226.39
(o) Rates and taxes	162.25	222.42
(p) Recruitment and trainings	21.80	33.70
(q) Printing and stationary	326.79	245.25
(r) Communication expenses	125.50	108.81
(s) Directors' sitting fees	164.02	193.52
(t) Insurance	914.78	654.49
(u) Marketing and business promotion	2,214.99	603.70
(v) Loss on sale of property, plant & equipment (net)	20.66	–
(w) Bad debts and sundry balances written off (net)	–	0.06
(x) Allowance for doubtful receivables	379.64	805.63
(y) Allowance for doubtful advances	92.44	21.10
(z) Provision for contingencies (net of advance from customer written back) [refer note 5(xviii)]	–	1,461.70
(aa) Corporate social responsibility expenses (refer note 24)	533.11	509.42
(ab) Miscellaneous expenses	4.72	27.91
	38,868.69	**30,680.18**
Less: Expenses capitalised (refer note 23)	–	6.83
	38,868.69	**30,673.35**

***Note:**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) **Auditors' remuneration comprises (inclusive of indirect tax)**		
(a) Fees as auditors	286.55	379.77
(b) Tax audit fee	3.13	3.13
(c) Certification and other services	6.77	23.02
(d) Out of pocket expenses	12.44	15.92
	308.89	**421.84**

Notes forming part of the Standalone Financial Statements

5(xxix) Exceptional items

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Expenses/(income):		
(a) Allowance for investment in Subsidiary Companies [refer note 18(a),(b)]	1,628.05	694.60
(b) Concession received due to COVID-19 [refer note 20]	–	(6,340.35)
	1,628.05	**(5,645.75)**

5(xxx) Income-tax

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current income tax charge for the year	230.57	1,251.24
Deferred tax		
Deferred tax charge / (credit) on profits for the year	195.68	742.08
	195.68	**742.08**
	426.25	**1,993.32**
Recognised in Other Comprehensive Income		
Deferred tax		
Tax related to items that will not be reclassified to Profit and Loss	(15.24)	(46.34)
Income tax charged to Other Comprehensive income	**(15.24)**	**(46.34)**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit / (loss) before tax from continuing operations	(898.81)	2,413.07
Enacted income tax rate in India	34.944%	34.944%
Income tax credit calculated	(314.08)	843.22
Effect of expenses disallowed in determing taxable profits	147.19	701.37
Effect of provision for dimunition in value of Investment	568.91	242.72
Effect of tax in relation to previous years	27.50	1.24
Deferred tax liability recognised on Goodwill due to amendment in Income Tax Act, 1961	–	204.77
Others	(3.27)	
Income tax expense recognised in statement of profit and loss	**426.25**	**1,993.32**

Expiry in year

(₹ in Lakhs)

Particulars	As on 31 March 2022		As on 31 March 2021	
	Gross Amount	Tax effect	Gross Amount	Tax effect
No deferrred tax asset has been recognised on below Long Term Capital Loss :				
2024-25	951.32	221.58	951.32	221.58
2026-27	2.99	0.70	2.99	0.70
Total	**954.31**	**222.28**	**954.31**	**222.28**

Notes forming part of the Standalone Financial Statements

5(xxxi) Earnings per share (EPS)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit as per statement of profit and loss (₹ in lacs)	(1,325.06)	419.75
Weighted average number of equity shares outstanding	75,49,58,148	75,49,58,148
Basic EPS (in ₹)	(0.18)	0.06
Diluted EPS (in ₹)*	(0.18)	0.06

**The calculation of diluted earnings per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares. Since there are no employee stock options outstanding at year end, there are no dilutive equity shares.*

6) Related party disclosures

Names of related parties and related party relationship

Nature of relationship	Name of related parties
Ultimate Holding Company	IHH Healthcare Berhad
Intermediate Holding Company	Integrated Healthcare Holdings Limited
	Parkway Pantai Limited
Holding Company	Northern TK Venture Pte Ltd
Subsidiary Companies- direct or indirect through investment in subsidiaries	1) Fortis Hospitals Limited ('FHsL') (wholly owned subsidiary of the company
	2) Birdie & Birdie Realtors Private Limited (wholly owned subsidiary of FHsL)
	3) Fortis Cancer Care Limited ('FCCL') (wholly owned subsidiary of FHsL)
	4) Fortis Health Management (East) Limited (wholly owned subsidiary of FHsL)
	5) Fortis Malar Hospitals Limited (subsidiary of FHsL)
	6) Fortis Emergency Services Limited (wholly owned subsidiary of FHsL)
	7) Stellant Capital Advisory Services Private Limited (wholly owned subsidiary of FHsL).
	8) Fortis Global Healthcare (Mauritius) Limited (wholly owned subsidiary of FHsL)
	9) Escorts Heart Institute and Research Centre Limited ("EHIRCL") (wholly owned subsidiary of the Company)
	10) Fortis Asia Healthcare Pte. Limited ("FAHPL") (wholly owned subsidiary of EHIRCL)
	11) Fortis Healthstaff Limited (wholly owned subsidiary of EHIRCL)
	12) Fortis Healthcare International Pte. Limited ("FHIPL") (wholly owned subsidiary of FAHPL)
	13) SRL Limited ("SRL") (subsidiary of the Company)
	14) SRL Diagnostics Private Limited (wholly owned subsidiary of SRL)
	15) Hiranandani Healthcare Private Limited (wholly owned subsidiary of the company)
	16) Fortis Healthcare International Limited ("FHIL) (wholly owned subsidiary of the Company)
	17) Fortis La Femme Limited (wholly owned subsidiary of the Company)
	18) Fortis Hospotel Limited (wholly owned subsidiary of the Company)
	19) International Hospital Limited (wholly owned subsidiary of the Company)
	20) Fortis Health Management Limited (wholly owned subsidiary of the Company)
	21) Escorts Heart and Super Speciality Hospital Limited (wholly owned subsidiary of the Company)

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

Nature of relationship	Name of related parties
	22) Malar Stars Medicare Limited (wholly owned subsidiary of Fortis Malar Hospitals Limited).
	23) RHT Health Trust Manager PTE Limited (wholly owned subsidiary of Stellant Capital Advisory Services Private Limited).
	24) Hospitalia Eastern Private Limited (wholly owned subsidiary of Fortis Health Management Limited).
	25) Fortis CSR Foundation
Associates- direct or indirect through investment in subsidiaries (parties with whom transactions have been taken place)	(a) Lanka Hospitals Corporation PLC
	(b) Sunrise Medicare Private Limited (struck off w.e.f 17-August-2021)
Joint ventures- direct or indirect through investment in subsidiaries (parties with whom transactions have been taken place)	(a) Fortis C-Doc Healthcare Limited ('C-Doc') (joint venture of FHsL)
Entity having significant influence (Enterprise having significant influence over ultimate holding company through it's subsidiary) -party with whom transactions have been taken place)	(a) Mitsui & Co Ltd (b) Khazanah Nasional Berhad
Key Management Personnel ('KMP') / Director	(a) Dr. Ashutosh Raghuvanshi - Managing Director and Chief Executive Officer
	(b) Mr. Vivek Kumar Goyal - Chief Financial Officer
	(c) Mr. Ravi Rajagopal - Independent Director
	(d) Ms. Suvalaxmi Chakraborty – Independent Director
	(e) Mr. Indrajit Banerjee - Independent Director
	(f) Mrs. Shailaja Chandra – Independent Director (w.e.f 28-June-2020)
	(g) Dr. Kelvin Loh Chi-Keon - Non-Executive Non-Independent Director
	(h) Mr. Low Soon Teck - Non-Executive Non-Independent Director (up to 04-June-2020)
	(i) Mr, Dilip Kadambi- Non Executive Non Independent Director (w.e.f 04-June-2020)
	(j) Mr. Takeshi Saito- Non Executive Non Independent Director (w.e.f 01-September-2020)
	(k) Mr. Shirish Moreshwar Apte - Non-Executive Non-Independent Director (upto 15-July-2021)
	(l) Mr. Sim Heng Joo Joe - Non-Executive Non-Independent Director
	(m) Dr. Farid Bin Mohamed Sani - Non-Executive Non-Independent Director
	(n) Mr. Joerg Ayrle-Additional Director (w.e.f. 31-March-2021)
	(o) Mr. Sumit Goel-Company Secretary

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

Transactions taken place during the year are as follows:

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
Income (including income from medical services, management fees from hospitals, rental, pharmacy income, reimbursements)		
Fortis Hospitals Limited	12.38	33.56
SRL Limited	1.34	0.23
Escorts Heart Institute and Research Centre Limited	-	0.96
Fortis Malar Hospitals Limited	1.64	0.33
Interest income on loans and investments		
Fortis Hospitals Limited	1,699.85	6,569.34
Hiranandani Healthcare Private Limited	-	204.12
Escorts Heart Institute and Research Centre Limited	602.55	905.87
Escorts Heart and Super Speciality Hospital Limited	4,632.99	4,632.99
International Hospital Limited	5,897.60	5,897.60
Hospitalia Eastern Private Limited	93.36	69.96
Fortis Health Management Limited	165.88	165.88
Fortis La femme Limited	0.70	0.54
Fortis Healthstaff Limited	0.04	0.03
Birdie & Birdie Realtors Private Limited	5.45	0.24
Financial guarantee income		
Fortis Hospitals Limited	90.65	203.17
Investment (Financial guarantee)		
Fortis Hospitals Limited	-	114.80
Transfer of medical consumables and pharmacy to		
Fortis Hospitals Limited	70.05	34.05
Escorts Heart Institute and Research Centre Limited	1.36	3.25
Fortis C-Doc Healthcare Limited	0.42	0.33
Fortis Malar Hospitals Limited	9.20	-
Transfer of medical consumables and pharmacy from		
Fortis Hospitals Limited	347.40	14.03
Escorts Heart Institute and Research Centre Limited	0.12	4.82
Fortis Malar Hospitals Limited	27.40	-
Fortis C-Doc Healthcare Limited	0.45	-
Reimbursement of capital cost incurred by (for Intangible assets)		
Fortis Hospitals Limited	-	486.12

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
Consultation fees to doctors		
Fortis Hospitals Limited	8.18	31.53
Fortis Malar Hospitals Limited	-	0.89
Escorts Heart Institute and Research Centre Limited	2.93	0.55
Marketing expense		
Escorts Heart and Super Speciality Hospital Limited	-	0.12
Interest expense		
Fortis Malar Hospitals Limited	321.07	215.06
Stellant Capital Advisory Services Private Limited	272.58	331.17
Pathology laboratory expenses		
SRL Limited	1,420.68	1,481.09
Fortis Malar Hospitals Limited	11.07	-
Hospital service fee expenses*		
Fortis Hospotel Limited	11,202.56	4,862.73
Escorts Heart and Super Speciality Hospital Limited	5,156.88	3,423.17
*includes lease payment of Rupees 10,448.89 lacs (Previous year Rupees 3,804.21 lacs)		
Lease concessional income (exceptional items)		
Fortis Hospotel Limited	-	5,237.30
Escorts Heart and Super Speciality Hospital Limited	-	1,103.05
Travel and conveyance		
Fortis Emergency Services Limited	42.13	26.12
Managerial remuneration (refer note 1 and 2 below)		
Dr. Ashutosh Raghuvanshi	728.35	641.90
Vivek Kumar Goyal	306.49	263.81
Sumit Goel	65.72	52.51
Independent Director Remuneration		
Mr. Ravi Rajagopal	106.20	74.42
Mr. Indrajit Banerjee	82.60	56.36
Ms. Suvalaxmi Chakraborty	82.60	39.84
Ms. Shailaja Chandra	82.60	7.76

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
Director sitting fee		
Mr. Indrajit Banerjee	27.14	31.86
Northern TK Venture Pte. Limited (Mr. Low Soon Teck)	-	3.54
Mr. Ravi Rajagopal	20.06	27.14
Mr. Shirish Moreshwar Apte	3.54	15.34
Ms. Suvalaxmi Chakraborty	23.60	31.86
Northern TK Venture Pte. Limited (Dr. Kelvin Loh Chi-Keon)	9.44	12.98
Northern TK Venture Pte. Limited (Mr. Sim Heng Joo Joe)	10.62	11.80
Khazanah Nasional Berhad (Dr. Farid Bin Mohamed Sani)	5.90	12.98
Ms. Shailaja Chandra	27.14	20.06
Mitsui and Co. Ltd. (Mr.Takeshi Saito)	7.08	7.08
Northern TK Venture Pte Ltd (Mr. Dilip Kadambi)	16.52	17.70
Northern TK Venture Pte. Limited (Mr. Joerg Ayrle)	12.98	1.18
Director sitting fee received from		
RHT Health Trust Manager PTE Ltd.	33.21	40.36
Expense incurred by the Company on behalf of		
Fortis Hospitals Limited	0.19	0.93
SRL Limited	23.67	19.16
Fortis Hospotel Limited	18.56	13.69
Fortis Emergency Services Limited	5.12	7.70
Fortis CSR Foundation	-	2.26
Stellant Capital Advisory Services Private Limited	0.04	0.04
Fortis Health Management Limited	-	0.03
International Hospital Limited	0.01	0.03
Escorts Heart and Super Speciality Hospital Limited	0.33	-
Expense incurred on behalf of the Company by		
Fortis Hospitals Limited	130.48	1.03
SRL Limited	25.15	9.65
Fortis Hospotel Limited	359.61	212.05
Fortis Malar Hospitals Limited	-	0.12
Escorts Heart and Super Speciality Hospital Limited	428.72	408.30
Reimbursement of expenses to directors		
Mr Ravi Rajagopal	14.07	10.63
Transfer of employee benefit liability by Company to		
Escorts Heart Institute and Research Centre Limited	-	0.38
Fortis Hospitals Limited	237.66	22.50
Stellant Capital Advisory Services Private Limited	-	8.60
Fortis Hospotel Limited	-	69.74

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
SRL Limited	-	1.58
Escorts Heart and Super Speciality Hospital Limited	-	89.93
Transfer of employee benefit liability to Company from		
Escorts Heart Institute and Research Centre Limited	-	0.23
International Hospital Limited	1.27	-
Fortis Hospitals Limited	53.18	5.10
Stellant Capital Advisory Services Private Limited	-	3.28
Fortis Malar Hospitals Limited	0.79	3.82
Fortis Hospotel Limited	0.32	-
Investments in equity instruments		
Fortis Hospitals Limited	-	20,000.00
Escorts Heart Institute and Research Centre Limited	-	4,999.97
Hiranandani Healthcare Private Limited	-	3,849.74
Investments in redeemable preference shares		
Fortis La Femme Limited	2.00	-
Conversion of loan into Investments		
Fortis Hospitals Limited	-	50,000.00
Provision for impairment of investment		
Fortis Healthcare International Limited	1,626.05	694.60
Fortis La Femme Limited	2.00	-
Loans given to subsidiary companies		
Fortis Hospitals Limited	-	1,800.00
Hiranandani Healthcare Private Limited	-	715.00
Fortis La Femme Limited	-	-
Escorts Heart Institute and Research Centre Limited	-	3,470.00
Hospitalia Eastern Private Limited	-	165.00
Birdie & Birdie Realtors Private Limited	-	40.00
Fortis Healthstaff Limited	-	5.00
Loans availed from subsidiary companies		
Stellant Capital Advisory Services Private Limited	-	4,265.00
Fortis Malar Hospitals Limited	4,000.00	2,800.00
Interest converted to loan		
Fortis Hospitals Limited	3,104.92	8,794.03
Hiranandani Healthcare Private Limited	-	185.18
Escorts Heart Institute and Research Centre Limited	837.93	706.62

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
Loans and advance received back		
Fortis Hospitals Limited	12,225.00	23,638.00
Escorts Heart Institute and Research Centre Limited	-	7,125.00
Hiranandani Healthcare Private Limited	-	3,316.46
Loans repaid		
Stellant Capital Advisory Services Private Limited	31.00	812.97
Financial guarantees given to banks/related party by company for loans availed by		
Fortis Hospitals Limited	6,500.00	33,330.00
Escorts Heart Institute and Research Centre Limited	6,500.00	4,780.00
Fortis Hospotel Limited	7,500.00	3,000.00
Hiranandani Healthcare Private Limited	2,400.00	-
International Hospital Limited	11,600.00	3,500.00
Hospitalia Eastern Private Limited	3,300.00	-
Financial guarantees given to banks/related party by company withdrawn during the year for loans availed by		
Fortis Hospitals Limited	28,878.00	27,590.00
Escorts Heart Institute and Research Centre Limited	3,625.00	640.00
Fortis Hospotel Limited	833.00	-
International Hospital Limited	4,875.00	-
Financial guarantees on behalf of company to avail loan given by		
Fortis Hospitals Limited	2,400.00	11,075.82
Escorts Heart Institute and Research Centre Limited	2,400.00	11,075.82
International Hospital Limited	2,400.00	11,075.82
Escorts Heart and Super Speciality Hospital Limited	2,400.00	11,075.82
Hospitalia Eastern Private Limited	2,400.00	-
Fortis Hospotel Limited	2,400.00	11,075.82
Financial guarantees on behalf of company to avail loan given by related parties withdrawn during the year		
Fortis Hospitals Limited	42,176.00	2,510.00
Escorts Heart Institute and Research Centre Limited	42,176.00	2,510.00
International Hospital Limited	42,176.00	2,510.00
Escorts Heart and Super Speciality Hospital Limited	42,176.00	2,510.00
Hospitalia Eastern Private Limited	42,176.00	2,510.00
Fortis Hospotel Limited	42,176.00	2,510.00

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2022	Year ended March 31, 2021
Collection on behalf of Company by		
Fortis Hospitals Limited	128.16	38.03
Escorts Heart Institute and Research Centre Limited	2.64	1.05
Fortis C-Doc Healthcare Limited	-	2.83
Collection by Company on behalf of		
Fortis Hospitals Limited	71.03	504.08
Escorts Heart Institute and Research Centre Limited	9.97	61.93
Hiranandani Healthcare Private Limited	-	1.48
Fortis Malar Hospitals Limited	-	3.58
Escorts Heart and Super Speciality Hospital Limited	0.78	-
International Hospital Limited	-	1.84

(₹ in Lakhs)

Balance outstanding at the year end	Year ended March 31, 2022	Year ended March 31, 2021
Investments (gross)		
Fortis Hospitals Limited (Equity Instrument)	110,995.27	110,995.27
Escorts Heart Institute and Research Centre Limited (Equity Instrument)	76,919.72	76,919.72
SRL Limited (Equity Instrument)	90,905.48	90,905.48
Hiranandani Healthcare Private Limited (Equity Instrument)	13,021.28	13,021.28
Fortis Healthcare International Limited (Equity Instrument)	15,105.47	15,105.47
Fortis La Femme Limited (Equity Instrument)	5.00	5.00
Fortis La Femme Limited (Redeemable Preference share)	2.00	-
Fortis Hospotel Limited (Equity Instrument)	243,016.88	243,016.88
Fortis CSR Foundation (Equity Instrument)	5.00	5.00
Sunrise Medicare Private Limited (Equity Instrument)	-	0.31
Fortis Health Management Limited (Equity Instrument)	856.60	856.60
Fortis Health Management Limited (Debt Instrument)	1,191.96	1,191.96
International Hospital Limited (Equity Instrument)	207,657.21	207,657.21
International Hospital Limited (Debt Instrument)	46,446.69	49,602.39
Escorts Heart and Super Speciality Hospital Limited (Equity Instrument)	40,625.51	40,625.51
Escorts Heart and Super Speciality Hospital Limited (Debt Instrument)	45,786.15	46,323.15
Hospitalia Eastern Private Limited (Debt Instrument)	7,172.50	7,172.50
Impairment of investments		
Sunrise Medicare Private Limited	-	0.31
Fortis La Femme Limited	7.00	5.00

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Balance outstanding at the year end	Year ended March 31, 2022	Year ended March 31, 2021
Fortis Healthcare International Limited	4,828.55	3,202.50
Escorts Heart Institute and Research Centre Limited	10,348.67	10,348.67
Loans receivable from subsidiary companies		
Fortis Hospitals Limited	14,744.19	23,864.28
Fortis La Femme Limited	63.73	63.73
Escorts Heart Institute and Research Centre Limited	7,579.22	6,741.29
Hospitalia Eastern Private Limited	165.00	165.00
Birdie & Birdie Realtors Private Limited	-	40.00
Fortis Healthstaff Limited	5.00	5.00
Loans payable to subsidiary companies		
Stellant Capital Advisory Services Private Limited	3,421.03	3,452.03
Fortis Malar Hospitals Limited	6,800.00	2,800.00
Provision for doubtful loans and advances		
Fortis La Femme Limited	63.73	63.73
Interest accrued on loans and investments		
Fortis Hospitals Limited	1,529.86	3,104.92
Fortis Hospotel Limited	-	4,772.16
Escorts Heart Institute and Research Centre Limited	542.29	837.93
Escorts Heart and Super Speciality Hospital Limited	14,270.97	10,101.27
International Hospital Limited	12,792.14	7,484.30
Fortis Health Management Limited	212.02	127.73
Hospitalia Eastern Private Limited	656.09	656.09
Interest accrued on borrowings		
Fortis Malar Hospitals Limited	89.61	67.06
Other balances recoverable		
Fortis Hospitals Limited	17.38	1,327.29
Escorts Heart Institute and Research Centre Limited	280.61	283.09
Fortis Health Management (East) Limited	45.80	45.80
Fortis C-Doc Healthcare Limited	28.39	31.20
Hiranandani Healthcare Private Limited	-	9.79
Stellant Capital Advisory Services Private Limited	0.04	-
International Hospital Limited	0.01	25.78
SRL Limited	12.58	25.05
Fortis Health Management Limited	-	0.03
Fortis Malar Hospitals Limited	-	1.98

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Balance outstanding at the year end	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivable		
SRL Limited	2.21	1.69
Fortis Hospitals Limited	35.01	-
Fortis Hospotel Limited	30.55	-
Fortis Malar Hospitals Limited	0.79	-
Sunrise Medicare Private Limited	-	1.00
Provision for doubtful receivables / other financials assets		
Fortis Health Management (East) Limited	45.80	-
Sunrise Medicare Private Limited	-	1.00
Trade payables and other current financial liabilities		
Fortis Hospitals Limited	1.60	2,044.25
Escorts Heart Institute and Research Centre Limited	10.78	55.42
SRL Limited	341.23	159.31
Fortis Hospotel Limited	15,130.02	12,479.95
Fortis Malar Hospitals Limited	4.86	51.64
Stellant Capital Advisory Services Private Limited	-	5.28
Fortis Emergency Services Limited	12.45	4.19
Escorts Heart and Super Speciality Hospital Limited	1,525.89	201.40
International Hospital Limited	-	502.47
Fortis Health Management Limited	-	3.54
Technology renewal fund		
Fortis Hospotel Limited	73.91	54.00
Escorts Heart and Super Speciality Hospital Limited	58.50	51.91
Financial guarantee liability		
Fortis Hospitals Limited	165.93	256.58
Outstanding Financial guarantees given to banks/related party for loans availed by		
Fortis Hospitals Limited	99,447.00	121,845.00
Hiranandani Healthcare Private Limited	2,450.00	50.00
Escorts Heart Institute and Research Centre Limited	11,155.00	8,280.00
International Hospital Limited	14,025.00	7,300.00
Fortis Hospotel Limited	12,917.00	6,250.00
Hospitalia Eastern Private Limited	3,300.00	-

Notes forming part of the Standalone Financial Statements

6) Related party disclosures (Contd..)

(₹ in Lakhs)

Balance outstanding at the year end	Year ended March 31, 2022	Year ended March 31, 2021
Outstanding Financial guarantees on behalf of company to avail loan given by		
Fortis Hospitals Limited	48,679.82	88,455.82
Escorts Heart Institute and Research Centre Limited	48,679.82	88,455.82
International Hospital Limited	48,679.82	88,455.82
Escorts Heart and Super Speciality Hospital Limited	48,679.82	88,455.82
Hospitalia Eastern Private Limited	37,604.00	77,380.00
Fortis Hospotel Limited	48,679.82	88,455.82

Notes:

1) As the future liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors/KMP is not ascertainable and, therefore, not included above. The figures reported above also do not include accrual recorded for Employee Share Based Payments.

2) Amount shown is inclusive of perquisites (including ESOP exercise, if any), employer's contribution to provident fund and excluding reimbursement of expenses.

Also refer note 9(a), 9(b) and 28.

7) Leases

(a) As a lessee

The Company leases many assets including Buildings and Medical equipment. Information about leases for which the Company is a lessee is presented below.

(₹ in Lakhs)

Right-of-use assets	Buildings	Medical Equipment	Total
Gross carrying amount			
As at April 1, 2020	**66,933.49**	**8.19**	**66,941.68**
Additions	181.83	–	181.83
As at March 31,2021	**67,115.32**	**8.19**	**67,123.51**
Additions			
Disposals	(62.31)	(8.19)	(70.50)
As at March 31,2022	**67,053.01**	**–**	**67,053.01**
Accumulated amortization			
As at April 1, 2020	7,110.86	3.78	7,114.64
Charge for the year	7,443.08	3.78	7,446.86
As at March 31, 2021	**14,553.94**	**7.56**	**14,561.50**
Charge for the year	7,419.33	0.63	7,419.96
Disposals	(62.31)	(8.19)	(70.50)
As at March 31, 2022	**21,910.96**	**–**	**21,910.96**
Carrying value			
As at March 31,2021	**52,561.38**	**0.63**	**52,562.01**
As at March 31,2022	**45,142.05**	**–**	**45,142.05**

Notes forming part of the Standalone Financial Statements

7) Leases (Contd..)

(₹ in Lakhs)

Lease Liabilities	As at March 31, 2022	As at March 31, 2021
Maturity analysis - contractual undiscounted cash flows		
Less than one year	11,702.14	11,385.60
One to five years	50,687.69	49,110.57
More than five years	24,153.23	37,432.49
Total undiscounted lease liabilities	**86,543.06**	**97,928.66**

(₹ in Lakhs)

Lease Liabilities included in the Balance Sheet (discounted)	As at March 31, 2022	As at March 31, 2021
Current	6,036.46	5,139.21
Non-current	48,991.70	54,832.67

(₹ in Lakhs)

Amounts recognised in Statement of Profit and Loss	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	6,441.88	6,618.42
Variable lease payments not included in the measurement of lease liabilities	6,268.11	4,765.57
Expenses relating to short-term leases and leases of low-value assets	198.68	69.38

(₹ in Lakhs)

Amounts recognised in Statement of Cash Flow	As at March 31, 2022	As at March 31, 2021
Cash outflow for leases	4,943.72	1,566.26
Interest on lease liabilities (included in finance cost paid)	6,441.88	6,618.42
Total cash outflow for leases	**11,385.60**	**8,184.68**

Variable lease payment based on sales

Some leases of clinical establishments (Land, Building and Medical equipment) contain variable lease payments that are based on sales that the Company makes at the respective hospital. Variable rental payments are as follows:

Particulars	Variable payments		Estimated annual impact on rent of a 1% increase in sales	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Lease with lease payment based on sales	5,910.55	4,481.69	59.11	44.86

(b) As a lessor

Assets given on operating lease:

The Company has sub- leased some portion of hospital premises. In all the cases, the agreements are further renewable at the option of the Company. The total lease income in respect of the above leases recognised in the Statement of Profit and Loss for the year are ₹ 14.31 lacs (March 31, 2021 ₹ 187.44 lacs).

Notes forming part of the Standalone Financial Statements

7) Leases (Contd..)

The Company has also leased out certain property, plant and equipment on operating lease to a trust managing hospital operations. The lease term is renewable at the option of the lessor. The total lease payment received in respect of such leases recognised in the statement of profit and loss for the year are ₹ 640.46 lacs (March 31, 2021 ₹ 638.96 lacs).

The details of the capital assets given on operating lease are as under:

(₹ in Lakhs)

	Plant and machinery	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total
As at March 31, 2022							
Cost or deemed cost	96.66	4,312.39	126.48	7.31	9.35	15.70	4,567.89
Accumulated Depreciation	96.66	3,170.81	126.48	7.31	9.35	15.70	3,426.31
Carrying Value	–	**1,141.58**	–	–	–	–	**1,141.58**

(₹ in Lakhs)

	Plant and machinery	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total
As at March 31, 2021							
Cost or deemed cost	96.66	4,280.57	126.69	22.13	9.81	15.70	4,551.56
Accumulated Depreciation	96.66	2,983.20	126.69	22.13	9.81	15.70	3,254.19
Carrying Value	–	**1,297.37**	–	–	–	–	**1,297.37**

The total of future minimum lease payments receivable under the non-cancellable operating leases are as under:

(₹ in Lakhs)

Amounts recognised in Statement of Profit and Loss	As at March 31, 2022	As at March 31, 2021
Minimum lease payments:		
Not later than one year	–	161.56
Later than one year but not later than five years	–	–

8) Borrowings

(i) Secured Loans

(₹ in Lakhs)

Particulars	Note	March 31, 2022		March 31, 2021	
		Non-Current	Current	Non-Current	Current
Bank overdraft	(a)	–	2,082.49	–	1,735.45
Working Capital Loan from Bank – HSBC Bank Limited	(b)	–	–	–	4,000.00
Working Capital Loan from Bank – Axis Bank Limited	(b)	–	500.00	–	–
Term Loan from Bank – HSBC Bank Limited*	(c)	29,162.46	–	61,315.46	2,507.40
Term Loan from Bank – DBS Bank Limited*	(d)	1,957.25	255.82	1,513.76	595.69
Term Loan from Bank – Axis Bank Limited	(e)	19,931.44	–	–	–
Vehicle Loan from Kotak Mahindra Prime Limited	(f)	8.75	13.87	22.64	12.68
Vehicle Loan from ICICI Bank Limited	(g)	71.32	28.76	74.56	18.16
Total		**51,131.22**	**2,880.94**	**62,926.42**	**8,869.38**

**Net of financial guarantee liability from borrowings.*

Notes forming part of the Standalone Financial Statements

8) Borrowings (Contd..)

(a) During the earlier years, the Company has availed overdraft facility from HSBC Bank Limited secured by first pari passu charge on the current assets and movable fixed assets of the borrower (Company) and corporate guarantee from Escorts Heart Institute and Research Centre Limited, International Hospital Limited, Escorts Heart and Super Speciality Hospital Limited, Hospitalia Eastern Private Limited, Fortis Hospitals Limited and Fortis Hospotel Limited with rate of interest being HSBC overnight MCLR (Previous year HSBC overnight MCLR +70 bps) payable monthly or any other rate as may be agreed from time to time. These were previously also secured by exclusive charge on the fixed assets (immovable) with minimum assets cover of 1.33X basis cumulative property value of Escorts Heart and Super Speciality Hospital Limited (immovable property situated in Mohali), International Hospital Limited (immovable property situated in Faridabad and Noida), Hospitalia Eastern Private Limited (immovable property situated in Ludhiana), Fortis Hospotel Limited (immovable property situated in Gurugram). As on March 31, 2022, the outstanding balance of overdraft is ₹ 2,080.59 lacs. (Balance outstanding as at March 31, 2021 was ₹ 1,733.23 lacs).

The Company had also availed overdraft facility from DBS Bank Limited with interest rate of Bank's 3-month MCLR plus 100 bps margin with quarterly reset payable on monthly basis which is secured by:

(i) First pari passu charge over current assets and moveable fixed assets of the borrower (except vehicles under specific charge with ICICI and Kotak bank),

(ii) Cross guarantees from Fortis Hospitals Limited, Escorts Heart Institute and Research Centre Limited, International Hospital Limited, Fortis Hospotel Limited and Escorts Heart and Super Speciality Hospital Limited.

This facility was previously also secured by exclusive charge over immovable fixed assets of International Hospital Limited located at Anandpur, Kolkata and BG Road, Bengaluru and Escorts Heart and Super Speciality Hospital Limited located at Jaipur, Rajasthan with a security cover of minimum 1.33x,

As on March 31, 2022, the outstanding balance of overdraft is ₹ 1.90 lacs. (Balance outstanding as at March 31, 2021 ₹ 2.22 lacs).

(b) During the previous year, the Company has availed working capital loan for meeting day to day working capital requirements. The loan is secured against pari-pasu charge on the current assets of the borrower. The rate of interest is HSBC 3-month MCLR plus 50 bps with quarterly reset or any other rate as may be mutually agreed from time to time. The same has been repaid during the year. (Balance outstanding as at March 31, 2021 ₹ 4,000 lacs).

Additionally, during the year, the Company has availed working capital loan or overdraft facility from Axis Bank Limited for meeting day to day working capital requirements. The working capital loan is secured against first pari-pasu charge on entire current assets and movable fixed assets of the Company, excluding vehicles and medical equipment exclusively financed by other lenders. The rate of interest is 1 month MCLR + 35 bps or rate which is mutually agreeable with the bank (presently 5.00 % per annum). As on March 31, 2022, the outstanding balance of overdraft is ₹ 500.00 lacs.

(c) During the earlier year, the Company had taken term loan for ₹ 64,483.00 lacs secured by exclusive charge on the fixed assets (immovable) with minimum assets cover of 1.33X basis cumulative property value of Escorts Heart and Super Speciality Hospital Limited (immovable property situated in Mohali), International Hospital Limited (immovable property situated in Faridabad and Noida), Hospitalia Eastern Private Limited (immovable property situated in Ludhiana), Fortis Hospotel Limited (immovable property situated in Gurugram), corporate guarantee from Escorts Heart Institute and Research Centre Limited, International Hospital Limited, Escorts Heart and Super Speciality Hospital Limited, Hospitalia Eastern Private Limited, Fortis Hospitals Limited and Fortis Hospotel Limited and first pari passu

Notes forming part of the Standalone Financial Statements

8) Borrowings (Contd..)

charge on the current assets and movable fixed assets of the borrower (Company) with rate of interest being MCLR (Previous year MCLR plus 50 bps) with quarterly reset linked to 3 month MCLR or any other rate as may be mutually agreed from time to time.

During the previous year, the Company had partly refinanced the HSBC term loan facility of ₹ 2,075.82 lacs from DBS Bank Limited. Further, during the previous year, the Company had availed the term loan facility of ₹ 4,096.49 lacs from HSBC Bank Limited.

Out of total term loan facilities, ₹ 30,000.00 lacs is repayable in 5 years in 3 annual equal instalments starting financial year 2022-23, ₹ 29,480.00 lacs is repayable in 11 years with put/ call option exercisable on or after September 05, 2023, ₹ 6,596.49 lacs is repayable in 7 years in 24 equal quarterly instalments. As on March 31, 2022, the outstanding balance of term loans are ₹ 29,162.46 lacs (Balance outstanding as at March 31, 2021 was ₹ 63,822.86 lacs).

(d) During the previous year, the Company had taken term loan of ₹ 2,283.62 lacs from DBS Bank Limited with interest rate of Bank's 3-month MCLR plus 100 bps margin with quarterly reset payable on monthly basis which is secured by:

(i) First pari passu charge over current assets and moveable fixed assets of the borrower (except vehicles under specific charge with ICICI and Kotak bank),

(ii) Exclusive charge over immovable fixed assets of Escorts Heart and Super Speciality Hospital Limited located at Jaipur, Rajasthan with a security cover of minimum 1.33x. Further, the charge was created over immovable fixed assets of International Hospital Limited located at BG Road, which was released in the current year. The Company is in the process of filing with the registrar for removal of such charge.

(iii) Cross guarantees from Fortis Hospitals Limited, Escorts Heart Institute and Research Centre Limited, International Hospital Limited, Fortis Hospotel Limited and Escorts Heart and Super Speciality Hospital Limited.

Out of total term loan facility of ₹ 2,283.62 lacs aforesaid, term loan facility of ₹ 2,075.82 lacs was availed for refinancing of existing credit facility from HSBC Bank Limited. The loan is repayable in 4 years 9 months with demand option exercisable on or after September 01, 2023 and remaining term loans facility taken for Capex of ₹ 207.80 lacs is repayable in 16 quarterly instalments starting from December 01, 2021 with demand option exercisable on or after September 01, 2023. During the year, the Company has further drawn 1,578.00 lacs capex loan. As on March 31, 2022, the outstanding balance of term loans including capex loans are ₹ 2,213.07 lacs. (Balance outstanding as at March 31, 2021 was ₹ 2,109.45 lacs.).

(e) During the current year, the Company has availed the term loan facility from Axis Bank Limited which shall be utilized for the part – refinance of existing term loan of HSBC Bank Limited to the extent of ₹ 20,000.00 lacs with interest rate of repo rate + 2.80% (presently 6.80% p.a.) payable at monthly intervals. The loan is repayable in structured quarterly instalments w.e.f December 21, 2023 which is secured by:

(i) First pari-pasu charge on entire current assets (present and future) of the Company

(ii) First pari-pasu charge on entire movable fixed assets (present and future) of the Company, excluding vehicles and medical equipment exclusively financed by other lenders, and

(iii) Exclusive charge on immovable fixed assets of International Hospital Limited located at BG Road, Bangalore with minimum security cover of 1.33x. Further, International Hospital Limited is in the process of creating charge over such immovable fixed assets.

(iv) Corporate guarantee of property owing company International Hospitals Limited. As on March 31, 2022, the outstanding balance of term loan is ₹ 19,931.44 lacs

Notes forming part of the Standalone Financial Statements

8) Borrowings (Contd..)

(f) During the previous year, the Company had taken vehicle loan for ₹ 68.26 lacs from Kotak Mahindra Prime Limited with current average rate of interest of 9.27% p.a. The loan is repayable in 48 structured monthly instalments and secured against hypothecation of the specific vehicle purchased. As on March 31, 2022, the outstanding balance of vehicle loan is ₹ 22.62 lacs (Balance outstanding as at March 31, 2021 was ₹ 35.32 lacs).

(g) During the previous year, the Company had taken vehicle loan for ₹ 93.46 lacs from ICICI Bank Limited with current average rate of interest of 7.60% p.a. The loan is repayable in 48 structured monthly instalments and secured against hypothecation of the specific vehicle purchased. During the current year, Company has also availed vehicle loan of ₹ 28.74 lacs from ICICI Bank Limited. As on March 31, 2022, the outstanding balance of vehicle loan is ₹ 100.08 lacs. (Balance outstanding as at March 31, 2021 was ₹ 92.72 lacs).

(ii) Unsecured Loans

(₹ in Lakhs)

Particulars	Note	March 31, 2022		March 31, 2021	
		Non-Current	Current	Non-Current	Current
Loans from subsidiary companies	5(xvi)(ii)(a), 5(xix)	7,421.03	2,800.00	3,452.03	2,800.00
Total		**7,421.03**	**2,800.00**	**3,452.03**	**2,800.00**

During the previous year, the Company had availed unsecured loan from its subsidiary company, Stellant Capital Advisory Services Private Limited, of ₹ 4,265.00 lacs with rate of interest of 8.85% p.a. which is repayable on or before March 31, 2023. The loan is expected to be further extended post this period. As on March 31, 2022, the outstanding balance of unsecured loan is ₹ 3,421.03 lacs. (Balance outstanding as at March 31, 2021 ₹ 3,452.03 lacs)

During the previous year, the Company has also availed unsecured loan from its subsidiary company, Fortis Malar Hospitals Limited, of ₹ 2,800 lacs with rate of interest of 10.50% p.a. which is repayable on or before July 08, 2023, along with right to recall the loan any time after six months from the date of disbursement. As on March 31, 2022, the outstanding balance of unsecured loan is ₹ 2,800.00 lacs. (Balance outstanding as at March 31, 2021 ₹ 2,800.00 lacs)

Furthermore, during the current year, the Company has also availed unsecured loan from its subsidiary company, Fortis Malar Hospitals Limited, of ₹ 4,000 lacs with interest rate of 6.50 % p.a. The loan is repayable on or before two years from the date of drawdown (maturity date). As on March 31, 2022, the outstanding balance of unsecured loan is ₹ 4,000.00 lacs.

The Company has obtained borrowings from banks or financial institutions on the basis of security of current assets and has filed necessary statements with banks or financial institutions which are in agreement with the books of accounts.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

9) Commitments:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account [net of capital advances of ₹ 36.94 lacs (as at March 31, 2021 ₹ 53.86 lacs)]	1,830.20	1,423.78

Notes forming part of the Standalone Financial Statements

9) Commitments: (Contd..)

a. Going concern support in form of funding and operational support letters issued by the Company in favour of FLFL, FCCL, Fortis C-Doc Healthcare Limited, FHMEL, FESL, FHIL, FGHML, FHIPL, FAHPL, Birdie & Birdie Realtors Private Limited, FHsL, EHSSHL, FHML, HEPL & EHIRCL.

b. As part of Sponsor Agreement entered between The Trustee-Manager of RHT Health Trust (formerly known as Religare Health Trust), Fortis Global Healthcare Infrastructure Pte. Limited and Hospital Service Companies (collectively for International Hospital Limited, Fortis Hospotel Limited, Escorts Heart and Super Specialty Hospitals Limited and Fortis Health Management Limited) (collectively referred as 'Indemnified parties') with the Company, the Company has undertaken to indemnify ("Tax Indemnity") each of the Hospital Services Companies and their respective directors, officers, employees and agents (the "Investing Parties") against tax liabilities (including interest and penalties levied in accordance with the Income tax Act and any cost in relation thereto) which these Investing Parties may incur due to the non-allowance of interest on Compulsorily Convertible Debentures (CCDs) or Optionally Convertible Debentures (OCDs) in the hands of the Hospital service Companies. Accordingly, Company has accrued ₹ 205.03 lacs (as at March 31, 2021 ₹ 205.03 lacs) as provision for contingency.

c. 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.

d. These were no amount which were required to be transferred to be the investor education and protection fund by the company.

10) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

11) Contingent liabilities to the extent not provided for:

A. Guarantees:

Outstanding guarantees furnished to banks / subsidiaies on behalf of the subsidiary companies are ₹ 143,294.00 lacs (Previous year ₹ 143,705.00 lacs). The Company has recorded in books the fair value of guarantees given to subsidiary companies. (Refer note 5(v)).

B. Claims against the Company, disputed by the Company, not acknowledged as debt (In addition, refer claims assessed as contingent liability described in Note 12, 26, 27 and 28 below):

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax	6,618.89	4,475.58
Medical related	5,926.11	5,496.02
VAT	3,621.17	3,621.17
Service Tax and GST	537.00	537.00
Grand Total	**16,703.17**	**14,129.77**

Notes forming part of the Standalone Financial Statements

11) Contingent liabilities to the extent not provided for: (Contd..)

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

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, assessments and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

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

12) Claims assessed as contingent liability and not provided for, unless otherwise stated:

A party ("Plaintiff") has filed a Civil Suit before the District Court, Delhi in February 2018 against various entities including the Company (together "the defendants") and has, inter alia, claimed implied ownership of brands "Fortis", "SRL" and "La Femme" in addition to certain financial claims and for passing a decree alleging that consequent to a Term Sheet dated December 6, 2017 ('Term Sheet') between the Company and a Third Party, the Company is liable for claims owed by the Plaintiff to the Third Party. In connection with this, the District Court passed an ex-parte order directing that any transaction undertaken by defendants, in favour of any other party, affecting the interest of the Plaintiff shall be subject to orders passed in the said suit. The above referred Third Party has sought to be substituted as a Plaintiff in the District Court proceedings.

The Company has filed written statement denying all allegations made against it and prayed for dismissal of the Civil Suit on various legal and factual grounds. The Company has in its written statement also stated that it has not signed the alleged Term Sheet with the Third Party. The matter is pending adjudication before District Court, Delhi. The Third Party has approached Delhi High Court for seeking certain interim reliefs against the Company under the provisions of The Arbitration and Conciliation Act, 1996. This Third party had also filed a claim for damages and injunctive reliefs against the Company before International Chamber of Commerce (ICC). The Company has invited the attention of ICC to the aforesaid pending litigations before various Courts and non-maintainability of claim raised by said Third party. Proceedings before Delhi High Court have been withdrawn by Third Party on February 24, 2020. Further, arbitration before ICC has also been withdrawn by Third Party on February 23, 2020 and the same has been closed by ICC on February 28, 2020. The Company has filed an application for perjury against the Third Party and other entities which is pending before the Delhi High Court. During the year ended March 31, 2022, signatories of Third Party to the Term Sheet have also filed a duly affirmed affidavit before Delhi High Court stating that Term Sheet was neither signed on behalf of the Company before them nor did it ever come in force.

During the year ended March 31, 2022, another Party, claiming to be one of the assignee of Third Party has filed a case against 28 named defendants, including the Company and its ultimate parent Company IHH, and 21 non-party defendants, including the Company in the United States District Court, District of New Jersey, USA. Notice of the case has not yet been served on the Company under the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. In December 2021, a notice of this case was served to IHH which was subsequently disclosed by it to Bursa Stock Exchange, Malaysia. Company is given to understand that the case has been filed for alleged violation of, inter-alia, the U.S. Racketeer, Influenced and Corrupt Organizations Act, copyright infringement, tortious interference with contracts, etc. and Party has claimed damages in excess of USD 6.5 billion against all the defendants. Company has made disclosure about this case to stock exchange. It has also sought legal advice and will pray for dismissal of this case, as and when served.

Notes forming part of the Standalone Financial Statements

12) Claims assessed as contingent liability and not provided for, unless otherwise stated: (Contd..)

In addition, in the year 2018, the Company had received four notices from the Plaintiff claiming (i) ₹ 1,800 lacs as per notices dated May 30, 2018 and June 1, 2018 (ii) ₹ 21,582 lacs as per notice dated June 4, 2018; and (iii) ₹ 1,962 lacs as per notice dated June 4, 2018. All these notices were responded to by the Company denying any liability whatsoever.

Separately, the Third Party has also alleged rights to invest in the Company. It has also alleged failure on part of the Company to abide by the aforementioned Term Sheet and has claimed ownership over the brands as well.

Allegations made by the Third party have been duly responded to by the Company denying (i) execution of any binding agreement with the Party and (ii) liability of any kind whatsoever.

Based on external legal advice, the Management believes that the claims are without legal basis and are not tenable and accordingly no adjustment is required in these audited Standalone Financial Statements with respect to these claims.

13) Employee Stock Option Plan

The Company has provided share-based payment scheme to the eligible employees and then directors of the Company/ its subsidiaries and erstwhile Holding company. The Company has granted these options under Equity Settlement method and there are no conditions for vesting other than continued employment with the Company.

During the year, no options are lapsed / exercised as no options were outstanding at the beginning of the year.

The details of activity under the Plan have been summarized below:

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted Average Exercise Price (₹ in lacs)	Number of options	Weighted Average Exercise Price (₹ in lacs)
Outstanding at the beginning of the year	–	–	158,950	152.94
Forfeited during the year	–	–	158,950	152.94
Exercised during the year	–	–	–	–
Outstanding at the end of the year	–	–	–	–
Exercisable at the end of the year	–	–	–	–

The details of exercise price for stock options outstanding at the end of the year are:

Particulars	March 31, 2022	March 31, 2021
Range of exercise prices	–	₹ 91.00 to 158.00
Number of options outstanding	–	–
Weighted average remaining contractual life of options (in years)	–	–
Weighted average fair value of options granted (in ₹)	–	–
Weighted average exercise price (in ₹)	–	–

Stock Options granted

There have been no grants made in the current and previous year by the Company.

In respect of fully vested option forfeited, amount aggregating to ₹ Nil (Previous year ₹ 90.06 lacs) has been transferred to general reserve.

Notes forming part of the Standalone Financial Statements

14) Employee Benefits Plan:

Defined Contribution Plan

The Company's contribution towards its Provident Fund Scheme and Employee State Insurance Scheme are defined contribution retirement plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited with Provident Fund Commissioner which is recognised by the Income Tax authorities.

The Company recognised ₹ 205.36 lacs (Previous year ₹ 163.17 lacs) for Provident Fund and Employee State Insurance Contribution in the Statement of Profit and Loss. The Contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

Defined Benefit Plan

(i) Gratuity

The Company has a defined benefit gratuity plan, where each employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. Vesting occurs upon completion of 5 years of service. The Gratuity plan is unfunded.

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Movement in Net Liability		
Present value of obligation at the beginning of the year	1,657.93	1,642.21
Current service cost	202.96	228.92
Interest cost	100.23	108.15
Amount recognised to OCI	(43.60)	(132.72)
Obligation transferred (to) / from (net)	(105.95)	(108.49)
Benefits paid	(122.23)	(80.14)
Present value of obligations at the end of the year	**1,689.34**	**1,657.93**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of unfunded obligation		
Amounts in the Balance Sheet		
(a) Liabilities	1,689.34	1,657.93
(b) Assets	–	–
(c) Net liability recognised in the Balance Sheet	**1,689.34**	**1,657.93**
Current Liability	275.65	265.50
Non-Current Liability	1,413.69	1,392.43

Notes forming part of the Standalone Financial Statements

14) Employee Benefits Plan: (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
ii. Expense recognised in Statement of Profit and Loss is as follows:		
Amount recognised in employee benefit expense		
Service cost	202.96	228.92
Past Service Cost	–	–
Total	**202.96**	**228.92**
Amount recognised in finance cost		
Interest cost	100.23	108.15
Total	**100.23**	**108.15**
Total Amount charged to Statement to Profit and Loss	**303.19**	**337.07**
iii. Expense recognised in Statement of Other comprehensive income is as follows:		
Net actuarial (gain) due to experience adjustment recognised during the year	(6.46)	(132.72)
Net actuarial gain due to assumptions changes recognised during the year	(37.14)	–
Total	**(43.60)**	**(132.72)**

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

Particulars	As at March 31, 2022	As at March 31, 2021
Principal Actuarial assumptions for gratuity and compensated absences		
Discounting rate (p.a.)	7.00%	6.75%
Expected salary increase rate (p.a.)	7.50%	7.50%
Withdrawal rate		
Age up to 30 years	18%	18%
Age from 31 to 44 years	6%	6%
Age above 44 years	2%	2%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Experience (gain)/loss adjustments on plan liabilities	(43.60)	(132.72)

Notes:

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

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.50%	(70.20)	75.77	(71.35)	77.12
Change in salary escalation rate by 1%	155.42	(135.97)	157.91	(137.81)
Change in withdrawal rate by 5%	(39.21)	40.64	(51.32)	53.52

Notes forming part of the Standalone Financial Statements

14) Employee Benefits Plan: (Contd..)

Expected benefit payments for the future years

(₹ in Lakhs)

Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2027	Year ended March 31, 2028 to year ended March 31, 2032
278.41	96.38	78.04	220.16	109.26	1,209.30

(ii) Provident Fund:

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Such contributions for the year ended March 31, 2022 are ₹ 606.64 lacs (Previous year ₹ 606.53 lacs). Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees.

Assumptions:	March 31, 2022	March 31, 2021
Discount rate (p.a.)	7.00% p.a.	6.75% p.a.
Expected return on exempt fund	8.10% p.a.	8.10% p.a.
Expected EPFO return	8.10% p.a.	8.50% p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Withdrawal rate for primary categories of employees

Unit	March 31, 2022	March 31, 2021
Fortis Emergency Services Limited	Ages From 20 - 30 - 12.50%;	Ages From 20 - 30 - 12.50%;
	Ages From 31 and above - 15.00%	Ages From 31 and above - 15.00%
Others	Ages From 20 - 30 - 18.00%;	Ages From 20 - 30 - 18.00%;
	Ages From 31 - 44 - 6.00%;	Ages From 31 - 44 - 6.00%;
	Ages From 45 and above - 2.00%	Ages From 45 and above -2.00%

The assessed actuarial liability in respect of future anticipated shortfall is as follows:

(₹ in Lakhs)

Assets / Liabilities	March 31, 2022	March 31, 2021
Defined Benefit Obligation (DBO)	17,191.29	15,687.57
Fair Value of Plan Assets (FVA)	17,217.75	16,577.38
Funded status {Surplus/(Deficit)}	**26.46**	**889.81**

The Defined Benefit Obligation as at 31 March 2021 and 31 March 2022 includes obligation in respect of Interest Guarantee Shortfall in future. The obligation for Interest Guarantee Shortfall as at 31 March 2021 was ₹ 817.82 lacs and as at 31 March 2022 is ₹ 567.12 lacs.

Asset allocation

Asset Category	March 31, 2022	March 31, 2021
Government of India Securities (Central and State)	51.40%	53.12%
High quality corporate bonds (including Public Sector Bonds)	39.59%	39.48%
Mutual Funds	8.94%	7.24%
Cash (including Special Deposits)	0.07%	0.16%
Total	**100.00%**	**100.00%**

Notes forming part of the Standalone Financial Statements

15) Financial Instruments

i) Capital Management

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

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

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

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

Gearing ratio

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt*	1,19,438.16	138,115.95
Less: Cash and cash equivalents [Refer note 5(xiii)(a)]	(107.19)	(319.66)
Net debt	1,19,330.97	137,796.29
Total equity	8,86,856.39	888,153.09
Net debt to equity ratio	13.46%	15.51%

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

(ii) Financial risk management objectives

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

The Board of Directors manages the financial risk of the Company through internal risk reports which analyze exposure by magnitude of risk. The Company has limited exposure from the international market as the Company's operations are in India. However, the Company has limited exposure towards foreign currency risk as it earns less than 10% of its revenue from foreign currency from international patients. Also, capital expenditure includes capital goods purchased in foreign currency through the overseas vendors. The Company has not taken any derivative contracts to hedge the exposure. However, the exposure towards foreign currency fluctuation is partly hedged naturally on account of receivable from customers and payable to vendors in foreign currency.

Market Risk

The Company's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

a) Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters

Notes forming part of the Standalone Financial Statements

15) Financial Instruments (Contd..)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Foreign Currency in lacs	Equivalent ₹ in lacs	Foreign Currency in lacs	Equivalent ₹ in lacs
Trade payables	USD	0.98	74.38	0.51	37.34
Trade receivables	USD	1.17	88.80	0.70	51.25

Foreign currency sensitivity analysis

The Company is mainly exposed to USD currency.

The following table details the company's sensitivity to a 5% increase and decrease in the ₹ against USD. 5% 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 period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit / decrease in loss or equity where the ₹. strengthens 5% against USD. For a 5% weakening of the ₹ against USD, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Lakhs)

If increase by 5% Particulars	Currency Impact USD	
	As at March 31, 2022	As at March 31, 2021
Impact on profit or loss for the year	(0.72)	(0.70)
Impact on total equity	(0.47)	(0.46)

(₹ in Lakhs)

If decrease by 5% Particulars	Currency Impact USD	
	As at March 31, 2022	As at March 31, 2021
Impact on profit or loss for the year	0.72	0.70
Impact on total equity	0.47	0.46

b) Interest rate risk management

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. 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.

Interest rate sensitivity analysis

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

Notes forming part of the Standalone Financial Statements

15) Financial Instruments (Contd..)

(₹ in Lakhs)

If increase by 50 basis point	**Interest impact**	
Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Impact on profit or loss for the year	(270.06)	(370.24)
Impact on total equity	(175.69)	(240.86)

(₹ in Lakhs)

If decrease by 50 basis point	**Interest impact**	
Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Impact on profit or loss for the year	270.06	370.24
Impact on total equity	175.69	240.86

c) Other price risks

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

d) Credit risk management

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

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

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

Expected credit loss on financial assets other than trade receivables:

Company carries other financial assets such as balances with banks, advances, security deposits, loans to body corporates and interest accrued on such loans etc. Company monitors the credit exposure on these financial assets on a case-to-case basis. Loans to subsidiaries are assessed for credit risk based on the underlying valuation of the entity and their ability to repay within the contractual repayment terms. Company creates loss allowance wherever there is an indication that credit risk has increased significantly.

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

(₹ in Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Balance at the beginning of the year	5,063.97	5,030.18
Loss allowance recognised	77.63	33.79
Balance at the end of the year	5,141.60	5,063.97

e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes forming part of the Standalone Financial Statements

15) Financial Instruments (Contd..)

Note given below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk

As at March 31, 2022:

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (term loan)	29,903.24	652.26
HSBC Bank (overdraft facility)	6,800.00	4,718.47
DBS Bank (term loan)	4,433.69	2,213.91
DBS Bank (overdraft facility)	300.00	298.10
Axis Bank Limited (term loan)	20,000.00	–
Axis Bank Limited (Working Capital / overdraft facility)	2,000.00	1,500.00
Other financial institutions (Vehicle loan)	123.02	–

As at March 31, 2021:

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (term loan)	66,486.66	403.51
HSBC Bank (overdraft facility)	10,000.00	8,324.38
DBS Bank (term loan)	5,909.91	3,792.19
DBS Bank (overdraft facility)	300.00	297.78
Other financial institutions (Vehicle loan)	128.04	–

Liquidity and interest risk tables

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

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

(₹ in Lakhs)

Particulars	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount
As at March 31, 2022					
Lease liabilities	11,702.14	12,123.62	62,717.30	86,543.06	55,028.16
Working Capital Demand loan	500.00	–	–	500.00	500.00
Term loan	3,862.32	16,594.42	42,775.40	63,232.14	51,429.67
Bank Overdraft	2,082.49	–	–	2,082.49	2,082.49
Trade payables	27,661.85	–	–	27,661.85	27,661.85
Security Deposit	30.06	–	–	30.06	30.06
Interest accrued and due on borrowings	176.81	–	–	176.81	176.81
Capital creditors	616.39	–	–	616.39	616.39
Technology renewal fund	132.41	–	–	132.41	132.41
Loans from subsidiary companies	3,094.00	7,953.00	–	11,047.00	10,221.03
Employee payable	1,368.40	–	–	1,368.40	1,368.40
Other Liabilities	300.32	–	–	300.32	300.32
Financial guarantee Liability	165.93	–	–	165.93	165.93
Total	**51,693.12**	**36,671.04**	**105,492.70**	**193,856.86**	**149,713.52**

Notes forming part of the Standalone Financial Statements

15) Financial Instruments (Contd..)

(₹ in Lakhs)

Particulars	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount
As at March 31, 2021					
Lease liabilities	11,385.60	11,702.14	74,840.93	97,928.67	59,971.88
Short term loan from Bank	4,098.15	–	–	4,098.15	4,000.00
Term loan	8,231.31	17,588.02	60,127.26	85,946.59	66,060.35
Bank Overdraft	1,735.45	–	–	1,735.45	1,735.45
Trade payables	21,444.71	–	–	21,444.71	21,444.71
Security Deposit	24.81	–	–	24.81	24.81
Interest accrued and due on borrowings	96.24	–	–	96.24	96.24
Capital creditors	309.65	–	–	309.65	309.65
Technology renewal fund	105.91	–	–	105.91	105.91
Loans from subsidiary companies	2,800.00	3,452.03	–	6,252.03	6,252.03
Payable to related parties	2,060.14	–	–	2,060.14	2,060.14
Employee payable	1,338.28	–	–	1,338.28	1,338.28
Other Liabilities	267.63	–	–	267.63	267.63
Financial guarantee Liability	256.58	–	–	256.58	256.58
Total	**54,154.46**	**32,742.19**	**134,968.19**	**221,864.84**	**163,923.66**

16) Fair value measurement

Financial assets measured at amortised cost

31 March 2022

(₹ in Lakhs)

Particulars	Note	Carrying value*		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial assets				
Investment in non-convertible bonds of subsidiaries	(b)	–	100,597.30	100,597.30
Loans (Non-current)	(b)	–	22,493.41	22,493.41
Other financial assets (Non-current)	(b)	–	216.72	216.72
Trade receivables	(a)	–	7,568.62	7,568.62
Cash and cash equivalents	(a)	–	107.19	107.19
Other bank balances	(a)	–	–	–
Loans (current)	(a)	–	–	–
Other financial assets (current)	(a)	–	30,518.92	30,518.92
Total		**–**	**161,502.16**	**161,502.16**

Notes forming part of the Standalone Financial Statements

16) Fair value measurement (Contd..)

(₹ in Lakhs)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial Liabilities				
Borrowings	(c)	–	58,552.25	58,552.25
Borrowings (current)	(a)	–	5,680.94	5,680.94
Lease liabilities	(d)	–	48,991.70	48,991.70
Lease liabilities (current)	(d)	–	6,036.46	6,036.46
Trade payables (current)	(a)	–	27,661.85	27,661.85
Other financial liabilities (non current)	(b)	–	140.81	140.81
Other financial liabilities (current)	(a)	–	2,649.51	2,649.51
Total		**–**	**149,713.52**	**149,713.52**

31 March 2021

(₹ in Lakhs)

Particulars	Note	Carrying value*		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial assets				
Investment in non-convertible bonds of subsidiaries	(b)	–	104,290.00	104,290.00
Loans (Non-current)	(b)	–	30,815.57	30,815.57
Other financial assets (Non-current)	(b)	–	260.11	260.11
Trade receivables	(a)	–	7,371.05	7,371.05
Cash and cash equivalents	(a)	–	319.66	319.66
Other bank balances	(a)	–	31.05	31.05
Loans (current)	(a)	–	1,336.66	1,336.66
Other financial assets (current)	(a)	–	27,592.15	27,592.15
Total		**–**	**172,016.25**	**172,016.25**

(₹ in Lakhs)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortized cost	Total
Financial Liabilities				
Borrowings	(c)	–	66,378.45	66,378.45
Borrowings (current)	(a)	–	11,669.38	11,669.38
Lease liabilities	(d)	–	54,832.67	54,832.67
Lease liabilities (current)	(d)	–	5,139.21	5,139.21
Trade payables (current)	(a)	–	21,444.71	21,444.71
Other financial liabilities (non current)	(b)	–	206.96	206.96
Other financial liabilities (current)	(a)	–	4,252.28	4,252.28
Total		**–**	**163,923.66**	**163,923.66**

Notes forming part of the Standalone Financial Statements

16) Fair value measurement (Contd..)

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

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

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

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

(d) Fair value measurement of lease liabilities is not required.

The fair value is determined by using the valuation model/technique with observable/ non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2022 and March 31, 2021.

**excludes investment in subsidiaries of ₹ 783,931.20 lacs (Previous year ₹ 785,557.25 lacs) which are shown at carrying value (net of impairment) in balance sheet as per Ind AS 27 "Separate Financial Statements".*

Financial instruments measured at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

17) Reclassification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the financial statements were reclassified for consistency.

(₹ in Lakhs)

Particulars	Classification as per Previous year financials	Classification as per Current year financials	Amount
Balance Sheet			
Reclassification of current maturity of term loans	Other Financial Liabilities - Current Maturities of term loans	Short Term borrowings - Current Maturities of term loans	3,133.93
Reclassification of security deposits (Non-Current)	Loans (Non Current) - Security deposits	Other financial Assets (Non Current) - Security Deposits	535.07
Reclassification of security deposits (Current)	Loans (Current) - Security deposits	Other financial Assets (Current) - Security Deposits	19.14

18) Exceptional items (Also refer note 20)

(a) The Company had an investment aggregating to ₹ 15,105.47 lacs in Fortis Healthcare International Limited. During the year, the enterprise value of Fortis Healthcare International Limited has been determined based on the quoted market value (Level 1 fair value) of its underlying asset (Lanka Hospitals Corporation PLC). Based on this value, the management has recorded an impairment loss of ₹ 1,626.05 for the year ended March 31, 2022 (₹ 694.60 lacs as at March 31, 2021) towards the amount invested in Fortis Healthcare International Limited.

(b) During the year, the Company has invested ₹ 2 lacs in redeemable preference shares of Fortis La femme. An allowance has been created of ₹ 2 lacs due to inability to pay by the subsidiary.

Notes forming part of the Standalone Financial Statements

19) Segment information

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

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

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	86,261.37	63,287.35
Outside India	–	–
Total	**86,261.37**	**63,287.35**

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
India	88,359.22	92,082.62
Outside India	–	–
Total	**88,359.22**	**92,082.62**

Major customer

The Company does not derive revenue from any customer which would amount to 10 per cent or more of the Company's revenue.

20) During the early part of the previous year, the COVID – 19 pandemic impacted the revenues and profitability of the Company. The Company took various initiatives to support operations and optimize the cost. With a slew of these measures, the Company was able to significantly reduce the negative impact on its business and moved towards its normalization.

The Company has a well- capitalized Balance Sheet and has managed its liquidity position via cost efficiency initiatives, better working capital management and external funding.

As a part of its strategy to counter the impact of COVID-19 pandemic, with cost saving measures the Company got approval from its shareholders to seek waiver of fixed service fee payable to its certain subsidiaries under the Hospital & Medical Service Agreements (HMSA) entered with the said subsidiaries for at least two quarters (April-June 2020 and July-Sep 2020) assuming that the hospital operations, occupancy and footfall will return to normalcy by October 2020. However, if the business did not recover to normal levels by October 2020, then the waiver period could be extended until business became normal with the consent of both the Company and its subsidiaries. Accordingly, 50% waiver of fixed service fee for the third quarter (Oct-Dec 2020) was approved by the subsidiaries keeping in view the continued exceptional and unforeseen circumstances. In line with guidance on accounting for such concessions that are a direct consequence of the COVID-19 pandemic, the Company has recognised an exceptional gain of ₹ 6,340 lacs for the year ended March 31, 2021.

Going forward, the actual impact of the Covid-19 pandemic may still be different from that what has been estimated. However, the Company is and will continue to closely monitor any material changes to future economic conditions.

Notes forming part of the Standalone Financial Statements

21) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

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

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
– Principal amount due to micro and small enterprises*	1,234.40	1,429.10
– Interest due on above	–	–
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	–	–
The amount of interest accrued and remaining unpaid at the end of each accounting year	–	–
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	–	–

**Note: Including payable ₹ 122.19 lacs for the year ended March 31, 2022 (As at March 31, 2021 ₹ 36.81 lacs) to micro enterprises and small enterprises included in other financial liabilities [refer note 5(xvii)]*

22) Details of loans given to subsidiaries and associates and firms/ companies in which directors are interested

(₹ in Lakhs)

Particulars	Fortis Hospitals Limited	Hiranandani Healthcare Private Limited	Fortis La Femme Limited	Escorts Heart Institute and research center limited	Hospitalia Eastern Private Limited	Birdie & Birdie Realtors Private Limited	Fortis Health staff Limited	Total
March 31, 2022								
Amount (gross)	14,744.19	–	63.73	7,579.22	165.00	–	5.00	22,557.14
Provision for loan	–	–	(63.73)	–	–	–	–	(63.73)
Amount (net)	14,744.19	–	–	7,579.22	165.00	–	5.00	22,493.41
Maximum Amount Outstanding	26,969.19	–	63.73	7,579.22	165.00	42.96	5.00	34,825.10
March 31, 2021								
Amount (gross)	23,864.28	–	63.73	6,741.29	165.00	40.00	5.00	30,879.30
Provision for loan	–	–	(63.73)	–	–	–	–	(63.73)
Amount (net)	23,864.28	–	–	6,741.29	165.00	40.00	5.00	30,815.57
Maximum Amount Outstanding	97,502.27	3,136.46	63.73	12,781.29	165.00	40.00	5.00	113,693.75

Notes forming part of the Standalone Financial Statements

22) Details of loans given to subsidiaries and associates and firms/ companies in which directors are interested (Contd..)

The loans have been given to the subsidiaries to acquire property, plant and equipment or meet the working capital requirements of these companies. The particulars of loans given as required to be disclosed by Section 186 (4) of Companies Act 2013 are as below:

Name of the Party	Rate of Interest	Due date	Secured / unsecured	As at March 31, 2022	As at March 31, 2021
Fortis Hospitals Limited*	7.95% p.a.	31-Mar-23	Unsecured	14,744.19	23,864.28
Escorts Heart Institute & Research center Limited*	7.95% p.a.	31-Mar-23	Unsecured	7,579.22	6,741.29
Hospitalia Eastern Private Limited*	7.95% p.a.	31-Mar-23	Unsecured	165.00	165.00
Birdie & Birdie Realtors Private Limited*	8.85% p.a.	31-Mar-22	Unsecured	–	40.00
Fortis Healthstaff Limited*	7.95% p.a.	31-Mar-23	Unsecured	5.00	5.00
Fortis La femme Limited	7.95% p.a.	31-Mar-23	Unsecured	–	–
TOTAL				**22,493.41**	**30,815.57**

**Considering that the Management has intention to extend the repayment period of these inter-company loans, these have been classified as non-current in standalone financial statements.*

Note : The above does not include loans given to body corporates which have been fully provided for in earlier years. Also refer note 5(vii).

23) During the year, the Company has transferred Nil (Previous year ₹ 6.83 lacs) to the cost of capital work in progress (CWIP).

24) Corporate social responsibility

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

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
(i) Amount required to be spent by the Company during the year,	533.11	509.42
(ii) Amount of expenditure incurred,	533.11	509.42
(iii) Shortfall at the end of the year,	–	–
(iv) Total of previous years shortfall,	–	–
(v) Reason for shortfall,	–	–
(vi) Nature of CSR activities undertaken by the Company	Donation to PM Cares Fund (Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund).	Donation to Bharat Ke Veer fund to support Armed Police forces.
(vii) details of related party transactions, e.g, contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard,	–	–

Notes forming part of the Standalone Financial Statements

25) Recoverability of certain advances / capital work-in-progress

(Also refer to Note 27 of the Standalone Financial Statements)

The Company had paid security deposits and advances aggregating to ₹ 2,173.57 lacs in the financial year 2013-14 to a private company ("Lessor") towards lease of office space. Due to delays in obtaining occupancy certificate (OC), the lease agreement / MOUs were either terminated by the Company or expired during the financial year 2017-18. The amounts outstanding from the Lessor as on March 31, 2018 aggregated to ₹ 2,173.57 lacs. Additionally, expenditure aggregating to ₹ 2,569.90 lacs was incurred towards capital work-in-progress on the premises proposed to be taken on lease from the Lessor, which is also being claimed from the Lessor pursuant to the aforesaid termination. The Company has issued legal notice demanding the outstanding. Lessor responded to the notice of the Company for amicable resolution, which have not yet yielded any results. Further, Company has filed claim before Interim Resolution Professional (IRP) appointed by NCLT in a matter filed by one of creditors of Lessor. IRP is currently adjudicating the claims of various creditors of the Lessor including that of the Company.

In view of the facts stated above and the uncertainty in the ultimate recovery of the aforesaid balances, the Company had recorded provisions aggregating to ₹ 4,743.47 lacs in the Standalone Financial Statements for the year ended March 31, 2018.

26) The The Board of Directors, after seeking inputs from reputed investment bankers, had approved an equity infusion of ₹ 400,000 lacs at a price of ₹ 170 per equity share into the Company by Northern TK Venture Pte Ltd Singapore (NTK) ("Acquirer"), a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia through a preferential allotment ("Preferential Issue"), subject to approval of the shareholders and other regulatory approvals which constituted 31.1% share capital of the Company. The shareholders of the Company approved the Preferential Issue by requisite majority at their Extra Ordinary General Meeting dated August 13, 2018. The Acquirer had received the approval from Competition Commission of India (CCI) on October 30, 2018 and the preferential allotment was made on November 13, 2018. Pursuant to the consummation of the same, Northern TK Venture Pte Ltd, had appointed 2/3 of the directors on the Board of Directors of the Company, thereby acquiring control over the Company. Consequently, the Company has become a subsidiary of Northern TK Venture Pte Ltd. Further, pursuant to the Preferential Issue, Northern TK Venture Pte. Ltd is under an obligation to make a mandatory open offer to the public shareholders of the Company and Fortis Malar Hospitals Limited in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. However, in view of order dated December 14, 2018 passed by Hon'ble Supreme Court wherein it was specified that status quo with regard to sale of the controlling stake in Fortis Healthcare Limited to Malaysian IHH Healthcare Berhad be maintained, the Mandatory Open offer was kept in abeyance and continues to be in abeyance as on date, and remains subject to further orders by the Hon'ble Court. The Company had accordingly filed an application seeking for modification of the said order.

Vide its judgement dated November 15, 2019, the Hon'ble Supreme Court has issued suo- moto contempt notice to, among others, the Company and directed its Registry to register a fresh contempt petition in regard to alleged violation of its order dated December 14, 2018. In this respect, the Hon'ble Supreme Court has sought an enquiry, into (i) whether the subscription by the Acquirer to the shares of the Company was undertaken after the status quo order was issued by the Hon'ble Court on December 14, 2018 and accordingly, if such subscription was in violation of this status quo order; and (ii) the consummation of the acquisition of healthcare assets from RHT Health Trust by the Company.

The Company has filed a detailed reply to the show cause notice issued in the suo- moto contempt, praying inter alia, that the suo- moto contempt proceedings be dropped and ex- parte status quo order dated December 14, 2018 be modified/ vacated such that Open Offer may proceed.

Further, at the request of SEBI by way of an application seeking impleadment, the Hon'ble Supreme Court of India has impleaded SEBI as a party in the petition pending before it. SEBI has prayed for allowing the Mandatory Open Offer. Further, the Hon'ble Supreme Court of India has issued notice on application filed by a public shareholder of the Company seeking impleadment. NTK has also filed an application for impleadment, modification of the status quo order and for proceeding with Mandatory Open Offer.

While the matter is currently sub-judice and we await the orders/ directions of the Hon'ble Supreme Court in this

Notes forming part of the Standalone Financial Statements

26) (Contd..)

regard, in view of the legal positions/claim(s) made and defence(s) raised by the Company, basis external legal advice, the management believes that it has a strong case on merits. It is the view of the Company these transactions were, at all times, conducted in a fair and transparent manner after obtaining all relevant regulatory and shareholder's approval and only after making all due disclosures to public shareholders of the Company and to the regulatory authorities, in a timely manner. As per the current position of the case, liability, if any, arising out of this contingency cannot be determined at this stage. Accordingly, at present, no adjustment is required in the audited Standalone Financial Statements.

Further during the quarter ended September 30, 2020, in view of the aforesaid suo moto contempt notice, for abundant caution, an application was filed by the Company before the Hon'ble Supreme Court of India, praying for permission to it and its subsidiaries for changing their respective names, brands and logos; and for continued usage of the same if the said application was not disposed of prior to expiry of the term of the Brand License Agreements to allow adequate time for smooth Brand transition without any disruption to business. During the year ended March 31, 2022, the Brand License Agreements have expired. The Company is awaiting order(s) of the Hon'ble Supreme court.

27) Investigation initiated by the erstwhile Audit and Risk Management Committee:

A. Background

(i) As disclosed in the financial statements for the years ended March 31, 2018, March 31, 2019 and March 31, 2020, during the year ended March 31 2018, there were reports in the media and enquiries from, inter alia, the stock exchanges received by the Company about certain inter- corporate loans given by a wholly owned subsidiary of the Company. The erstwhile Audit and Risk Management Committee of the Company decided to carry out an independent investigation through an external legal firm on this matter. The terms of reference of the investigation, inter alia, comprised: (i) ICDs amounting to a total of ₹ 49,414 lacs (principal), placed by the Company's wholly-owned subsidiary, FHsL, with three borrowing companies as on July 1, 2017 ; (ii) the assignment of these ICDs to a third party and the subsequent cancellation thereof as well as evaluation of legal notice (now a civil suit) received from such third party ; (iii) review of intra-group transactions for the period commencing FY 2014-15 and ending on December 31, 2017; (iv) investments made in certain overseas funds by the overseas subsidiaries of the Company (i.e. Fortis Asia Healthcare Pte. Ltd, Singapore and Fortis Global Healthcare (Mauritius) Limited) ; (v) certain other transactions involving acquisition of Fortis Healthstaff Limited ("Fortis Healthstaff") from an erstwhile promoter group company, and subsequent repayment of loan by said subsidiary to the erstwhile promoter group company. The investigation report of which was submitted to the re-constituted Board in June 2018.

The investigation noted certain significant findings in relation to past transactions concerning FHL and its subsidiaries with companies whose current and/ or past promoters/ directors were known to/ connected with the erstwhile promoters of the Company. All such identified transactions were provided for by the Company in the financial statements for the year ended March 31, 2018.

The investigation was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers as described in their investigation report. It did not cover all related party transactions during the period under investigation. It was observed in internal correspondence within the Company that transactions with certain other entities have been referred to as related party transactions. However, no further conclusions could be drawn in this regard.

(ii) Related party relationships as required under Ind AS 24 – Related Party Disclosures and the Companies Act, 2013 were as identified by the Management taking into account the findings and limitations in the Investigation Report and the information available with the Management. In this regard, in the absence of specific declarations from the erstwhile directors on their compliance with disclosures of related parties, especially considering the substance of the relationship

Notes forming part of the Standalone Financial Statements

27) Investigation initiated by the erstwhile Audit and Risk Management Committee: (Contd..)

rather than the legal form, the related parties were identified based on the declarations by the erstwhile directors and the information available through the known shareholding pattern in the entities up to March 31, 2018. Therefore, the possibility could not have been ruled out that there may have been additional related parties whose relationship may not have been disclosed and, hence, not known to the Management. While such references could not be fully analyzed during the initial investigation, the nature of these references raised certain concerns.

In order to overcome the above, additional procedures/ enquiries were initiated as below.

B. Additional procedures/enquiries by the reconstituted Board

(i) The Company's Board of Directors initiated additional procedures/ enquiries of certain entities in the Group that were impacted in respect of the matters investigated by the external legal firm. Pending the additional procedures/ enquiries ("Additional Procedures/ Enquiries") and since the investigation was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers as described in their investigation report, as disclosed in the audited financial statements for the years ended March 31, 2018, March 31, 2019 and March 31, 2020, certain audit qualifications were made in respect of Company's financial statements for those financial years, as the statutory auditors were unable to comment on the nature of those matters, the provisions established thereof, or any further potential impact on the financial statements. In order to resolve the same, the Board mandated the management to undertake review of certain areas in relation to historical transactions for the period April 1, 2014 to September 30, 2018 involving additional matters by engaging independent experts with specialized forensic skills to assist with the Additional Procedures/Enquiries and provide inputs and expert advice in connection therewith. The independent experts submitted their report which was discussed and considered by the Board in its meeting held on September 16, 2020.

(ii) The Board noted that the Additional Procedures/ Enquiries, prima facie, revealed further instances of payments made to the erstwhile promoter or to their directly or indirectly related parties including erstwhile promoter group entities which were potentially improper However, all of the amounts identified in the Additional Procedures/ Enquiries had been previously provided for or expensed in the financial statements of Company or its subsidiaries. There are no other improper transactions identified by the Additional Procedures/Enquiries or the management, which had not been expensed or provided.

(iii) In connection with the potentially improper transactions, the Company has undertaken a detailed review of each case to assess the Company's legal rights and has initiated necessary action.

C. Key findings during the investigation by the external legal firm and during the Additional Procedures/Enquiries by independent experts

(i) Fortis Hospitals Limited (FHsL), a wholly owned subsidiary of the Company, had placed secured Short-Term Investments in the nature of Inter Corporate Deposits (ICDs) with three companies ('borrowers') aggregating to ₹ 49,414 lacs on July 1, 2017 for a term of 90 days. Further, FHsL received intimation that the borrowers became a part of the erstwhile Promoter Group with effect from December 15, 2017. These borrowers continued to be related parties until February 16, 2018. subsequent to which the shareholding of the erstwhile Promoter Group in the Company was reduced to 0.77%. In terms of agreements dated September 30, 2017, FHsL assigned the outstanding ICDs to a third party. Such assignment was subsequently terminated on January 5, 2018. On February 28, 2018, these ICDs were secured by way of a duly registered charge on the present and future assets of the Borrowers. ICDs aggregating to ₹ 44,503 lacs including interest accrued thereon of ₹ 4,260 lacs calculated up to March 31, 2018 remained outstanding. In view of the uncertainty in realisability of the security and/ or collection of the amounts, the outstanding amount was fully provided during the year ended March 31, 2018.

Notes forming part of the Standalone Financial Statements

27) Investigation initiated by the erstwhile Audit and Risk Management Committee: (Contd..)

The Investigation Report indicated that the placement of the ICDs, including the method of such placement, their subsequent assignment and the cancellation of such assignment were done without following the normal treasury operations and treasury mandate; and without specific authorization by the Board of FHsL. (Also refer note 28 on SEBI Order).

As per the Additional Procedures/Enquiries by independent experts, the borrowers were potentially linked to the erstwhile promoters and also potentially linked to each other. FHsL has filed a civil suit on August 26, 2019 for recovery of ₹ 52,019 lacs before Hon'ble Delhi High Court against the Borrowers and few other entities. Further, in the complaint filed with the Economic Offence Wing, New Delhi (EOW) in November 2020 for certain other matters as mentioned subsequently, reference has been made of certain queries being put by SFIO in relation to this transaction, and the Company having responded thereto. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(ii) The Company had paid security deposits and advances aggregating to ₹ 2,173 lacs in the financial year 2013-14 to a private company ("Lessor") towards lease of office space. Due to delays in obtaining occupancy certificate (OC), the lease agreement / MOUs were either terminated by the Company or expired during the financial year 2017-18. The amounts outstanding from the Lessor as on March 31, 2018 aggregated to ₹ 2,173 lacs. Additionally, expenditure aggregating to ₹ 2,570 lacs was incurred towards capital work-in-progress on the premises proposed to be take on lease from the Lessor, which is also being claimed from the Lessor pursuant to the aforesaid termination. The Company has issued legal notice demanding the outstanding. Lessor responded to the notice of the Company for amicable resolution, which has not yet yielded any results. Further, Company has filed claim before Interim Resolution Professional (IRP) appointed by NCLT in a matter filed by one of creditors of Lessor. IRP is currently adjudicating the claims of various creditors of the Lessor including that of the Company.

In view of the facts stated above and the uncertainty in the ultimate recovery of the aforesaid balances, the Company had recorded provisions aggregating to ₹ 4,743 lacs in the Standalone Financial Statements for the year ended March 31, 2018.

SFIO has sought information in respect of this transaction and the same has been duly provided by the Company. Further, as stated above, a complaint has been filed with the EOW in November 2020 by the Company for certain other matters in which a reference has been made to such SFIO enquiries as well as to the Company's responses thereto and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(iii) FHsL, a wholly owned subsidiary of the Company, had advanced moneys to an entity towards acquisition of property in Mumbai in financial year 2013-14 which did not materialize. Of the total advance of ₹ 10,000 lacs, balance of ₹ 2,375 lacs was outstanding to be received back. Post-dated cheques received from the entity were dishonoured, and FHsL initiated legal proceedings in this regard. FHsL had accrued for the interest amounting to ₹ 174 lacs up to March 31, 2018 on the advance for the purpose of including the same in the legal claim on the entity. However, in line with applicable accounting norms, interest thereon for the period subsequent to March 31, 2018 was not accrued considering the uncertainties around ultimate realization of the amounts.

In view of the facts stated above and the uncertainty in the ultimate recovery of the aforesaid balances, the Group had recorded provisions aggregating to ₹ 2,549 lacs towards the amounts due, including interest, in the year ended March 31, 2018

One of the directors of the entity, post summoning in the legal proceedings initiated by the Company has settled disputes for himself and the entity by paying ₹ 2,300 lacs during the year ended March 31, 2020 towards full and final settlement.

Notes forming part of the Standalone Financial Statements

27) Investigation initiated by the erstwhile Audit and Risk Management Committee: (Contd..)

Considering full and final settlement already done and the transaction having been legally concluded no further action is being taken.

(iv) During the year ended March 31, 2018, the Company through its subsidiary (i.e. Escorts Heart Institute and Research Centre Limited ("EHIRCL")), purchased further 71% equity interest in Fortis Healthstaff Limited("Healthstaff") at an aggregate consideration of ₹ 3.46 lacs from erstwhile promoter group companies. Subsequently, EHIRCL advanced a loan to Healthstaff which was used to repay the outstanding unsecured loan amount of ₹ 794.50 lacs to an erstwhile promoters group company. Certain documents suggest that the loan repayment by Healthstaff and some other payments to the erstwhile promoter group company may have been ultimately routed through various intermediary companies and used for repayment of the ICDs /vendor advance to FHsL / Company. Further, Healthstaff was not in a position to repay loan to the erstwhile promoter group company. EHIRCL also could not directly takeover the loan, as EHIRCL (holding 29%) could not have taken over the burden of the entire debt of Healthstaff. Therefore, this transaction was in a way to help the erstwhile promoter group companies (71% shareholders) to avoid making payment for its share, and place EHIRCL in a situation where it would find it hard to recover from its own now wholly owned subsidiary. Further, the said loan advanced by EHIRCL to Healthstaff was impaired in the books of account of EHIRCL due to anticipated chances of non-recovery during the year ended March 31, 2019.

Complaint has been filed in this regard, with the EOW in November 2020 against erstwhile promoters / erstwhile promoters Group Company and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(v) During the year ended March 31, 2018, the Company through its subsidiary (i.e. Fortis Hospitals Limited ("FHsL")), purchased further 51% equity interest in Fortis Emergency Services Limited (FESL) at an aggregate consideration of ₹ 0.255 lacs from erstwhile promoter group company. Subsequently, FHsL advanced a loan to FESL, which was used to repay the outstanding unsecured loan amount of ₹ 215 lacs to an erstwhile promoter group company. Certain documents suggest that the loan repayment by FESL and some other payments to the erstwhile promoter group company may have been ultimately routed through various intermediary companies and used for repayment of the ICDs /vendor advance to FHsL / Company. Further, FESL was not in a position to repay loan to the erstwhile promoter group company. FHsL also could not directly takeover the loan, as FHsL (holding 49%) could not have taken over the burden of the entire debt of FESL. Therefore, this transaction was in a way to help the erstwhile promoter group company (51% shareholders) to avoid making payment for its share, and place FHsL in a situation where it would find it hard to recover from its own now wholly owned subsidiary Further, the said loan advanced by FHsL to FESL was impaired in the books of account of FHsL due to anticipated chances of non-recovery.

Complaint has been filed with the EOW in November 2020 against erstwhile promoters / erstwhile promoters group company and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(vi) Remuneration to ex-chairman

The Company having considered all necessary facts and taking into account external legal advice, had on June 27, 2018 decided to treat as non-est the Letter of Appointment dated September 27, 2016, as amended, ("LoA") issued to the erstwhile Executive Chairman of the Company in relation to his role as 'Lead: Strategic Initiatives' in the Strategy Function. Since the LoA was treated as non-est, the Company received legal advice from its counsels that the amount paid under the aforesaid LoA (amounting to ₹ 1,768 lacs) appears to be an arrangement designed to circumvent the managerial remuneration limits under Section 197 of the Companies Act, 2013 read with relevant Central Government approvals

Notes forming part of the Standalone Financial Statements

27) Investigation initiated by the erstwhile Audit and Risk Management Committee: (Contd..)

and thus was wrongfully paid. Thus, as per the legal advice, the payments made to him under this LoA for the role of 'Lead: Strategic Initiatives' ought to be considered and characterized as payments which are in the nature of managerial remuneration, as regulated and governed in section 197 of the Companies Act, 2013. An amount of ₹ 234 lacs that was reimbursed in relation to expenses incurred was in excess of the amounts approved by the Central Government under Section 197 of the Companies Act, 2013. Accordingly, the Company sent a letter to the erstwhile Executive Chairman seeking refund of the excess amounts paid to him over and above the managerial remuneration limit, as specified under the Companies Act, 2013 read with the relevant government approvals in this regard. The erstwhile Executive Chairman sent a notice to the Company claiming ₹ 4,610 lacs as allegedly due to him under the employment agreement. The Company replied to the same through its legal counsel denying any liability and stated that the demand was not payable being illegal. Subsequently, Company filed a complaint against the erstwhile Executive Chairman before EOW. The Company has received back vehicles which were being used by him. However, IT assets and excess amounts paid are yet to be received.

In view of the above, the amounts paid to him under the aforesaid LoA and certain additional amounts reimbursed in relation to expenses incurred (in excess of the amounts approved by the Central Government under section 197 of the Companies Act 2013 for remuneration & other reimbursements), aggregating to ₹ 2,002 lacs was recognized as recoverable in the Standalone Financial Statements of the Company for the year ended March 31, 2018. However, considering the uncertainty involved on recoverability of the said amounts, a provision of ₹ 2,002 lacs was made in the Standalone Financial Statements for the year ended March 31, 2018. The Company has filed a complaint against the erstwhile Executive Chairman before EOW on account of both of the above payments and EOW is investigating the matter.

An addendum to the complaint already filed with the EOW has been filed in November 2020 with the EOW including certain other findings during Additional Procedures/Enquiries by independent experts as below:

(a) Payments were made to the erstwhile Executive Chairman from a foreign wholly owned subsidiary of the Company as one-time bonus in February 2016 of equivalent ₹ 846 lacs and managerial remuneration was paid for the period January 2016 to May 2016, amounting to equivalent ₹ 349 lacs. Further, remuneration paid in excess of Central Govt. approval by the Company for FY 2014-15 & FY 2015-16 amounting to ₹ 528 lacs was refunded by erstwhile executive chairman in March 2016 to FHL. It is possible that the amounts recovered towards excess remuneration paid from the company to erstwhile executive chairman of ₹ 528 lacs was compensated through the foreign wholly owned subsidiary.

(b) Payments were made to an ex-promoter entity from another foreign wholly owned subsidiary of the Company under an investment advisory agreement amounting to equivalent ₹ 344 lacs for the period June 2016 to September 2016. However, there was nothing on record to suggest that any services were rendered by the ex- promoter entity under this agreement.

(vii) During the financial year 2014-15, the Company through its subsidiary (i.e. Fortis Hospitals Limited ("FHsL")), acquired 100% stake in Birdie & Birdie Realtors Pvt; Ltd. ("Birdie") from certain persons related to the erstwhile promoters, wherein ₹ 12,275 lacs were paid towards ICDs at a rate of interest of 14% per annum and ₹ 7,725 lacs were paid for the shares acquired. The total enterprise value of Birdie was projected at ₹ 20,000 lacs based on the valuation report of land and building by an independent valuer. However, the equity valuation of ₹ 7,725 lacs was arrived based on a land and building valuation report by another valuer of ₹ 23,700 lacs and on assumption that the Land has to be sold in 6-8

Notes forming part of the Standalone Financial Statements

27) Investigation initiated by the erstwhile Audit and Risk Management Committee: (Contd..)

months, which in reality did not happen. Also, the "subject property photographs" used in the mentioned two valuation reports were identical. Also, the ICD's of ₹ 12,275 lacs were utilized to repay/replace the then existing debts including that of erstwhile promoters and person/entities related/known to the erstwhile promoters. It is possible that the erstwhile promoters acted in order to make excess money to repay the loans availed by Birdie from them, persons related to them and entities related/known to them.

There have been certain queries raised on this transaction by the SFIO. The Company has responded to the said queries. Further, in the above referred Complaint filed with the EOW in November 2020 against erstwhile promoters, SFIO enquiries and the Company's responses have been mentioned and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(viii) The Company through its overseas subsidiaries [i.e. Fortis Asia Healthcare Pte. Ltd, Singapore and Fortis Global Healthcare (Mauritius) Limited] made investments in Global Dynamic Opportunity Fund, an overseas fund. It was observed in the earlier investigation that there were significant fluctuations in the NAV of the investments during a short span of time. Further, in the internal correspondence within the Company, investments in the overseas funds have been referred to as related party transactions. During year ended March 31, 2018, investments held in the Global Dynamic Opportunity Fund were sold at a discount of 10%.

There is no further finding in additional procedures/enquiries by independent experts on this matter. Further, the investigation by the external legal firm done also mentioned that it appeared that GDOF was not related to Fortis based on the procedures performed by them. Accordingly, no further action was taken.

(ix) In respect of certain other matters found during the Additional Procedures/Enquiries by independent experts no actions were recommended since there were no sufficient evidences on those matters. However, there is no impact of those matters on the financials.

(D) Based on investigation carried out by the external legal firm and the additional procedures/enquiries by independent experts, all identified/required adjustments/provisions/disclosures have been made in the standalone financial statements of the Company. The Company has also submitted findings of the Investigation Report of the external legal firm and the additional procedures/ enquiries by independent experts to the relevant regulatory authorities. Further, on relevant aspects, the Company has also filed a complaint with the EOW against the erstwhile promoters/ erstwhile promoter group companies and EOW is investigating the matter. Recovery /claim proceedings have also been initiated in the matters where action was recommended by the legal counsels. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

Therefore, with this conclusion, the initial investigation, which was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers has been addressed through the additional procedures/enquiries by independent experts. In addition, the current Board had initiated specific improvement projects to strengthen the process and control environment. The projects included revision of authority levels, both operational and financial and oversight of the Board, review of Financial Reporting processes, assessment of secretarial documentation w.r.t compliance with regulatory requirements and systems design & control enhancement for which the assessment work was done and corrective action plans were implemented.

Accordingly, the Board has taken necessary actions in consultation with the legal counsels in this regard. The investigations in so far as these issues involving the erstwhile promoters/ erstwhile promoter group companies is concerned are still pending with the regulatory authorities. The management of the Company also believes that if any action is initiated by regulatory authorities against the Company, the same should not have a significant material impact on the Company as all items which may have financial impact have already been provided for in earlier years. The Company would fully co-operate with the regulatory authorities in this regard.

Notes forming part of the Standalone Financial Statements

28) Matters in relation to Regulatory Authorities:

(a) In the above backdrop, during financial year 2017-18 the Company received a communication from the Securities and Exchange Board of India (SEBI), confirming that an investigation has been instituted by SEBI in the matter of the Company. In the aforesaid letter, SEBI required the Company under section 11C (3) of the SEBI Act, 1992 to furnish certain information and documents relating to the short-term investments of ₹ 473 Crores reported in the media. SEBI had appointed forensic auditors to conduct a forensic audit, of collating information from the Company and certain of its subsidiaries. The Company / its subsidiaries furnished requisite information and documents requested by SEBI.

In furtherance of the above, subsequently on October 17, 2018 SEBI passed an ex-parte Interim Order ("Order") whereby it observed that certain transactions were structured by some identified entities over a certain duration, and undertaken through the Company, which were prima facie fictitious and fraudulent in nature and which resulted in inter alia diversion of funds from the Company for the ultimate benefit of erstwhile promoters (and certain entities controlled by them) and misrepresentation in financial statements of the Company. Further, it issued certain interim directions that inter alia directed the Company to take all necessary steps to recover ₹ 40,300 lacs along with due interest from erstwhile promoters and various other entities, as mentioned in the Order. More importantly, the said entities had also been directed to jointly and severally repay ₹ 40,300 lacs along with due interest to Company within three months of the order. Incidentally, the order also included FHsL as one of the entities directed to repay the due sums. Pursuant to this, FHsL's beneficial owner account had been suspended for debits by the National Securities Depository Limited and Central Depository Services (India) Limited. Further, SEBI had also directed the said entities that pending completion of investigation and till further order, they shall not dispose of or alienate any of their assets or divert any funds, except for the purposes for meeting expenses of day-to-day business operations, without the prior permission of SEBI. Erstwhile-promoters were also directed not to associate themselves with the affairs of the Company in any manner whatsoever, till further directions. Parties named in the Order had been granted opportunity for filing their respective replies/ objections within 21 days.

The Company and its wholly owned subsidiary i.e. Fortis Hospitals Limited (FHsL) had then filed applications for modification of the order, for deletion of name of FHsL from the list of entities against whom the directions were issued. Pursuant to this SEBI, vide order dated December 21, 2018, modified its previous order dated October 17, 2018 deleting FHsL from the list of entities against whom the Order was directed. Pursuant to this, the suspension order by National Securities Depository Limited for debits in beneficial owner account of FHsL was accordingly removed. Vide Order dated March 19, 2019, ("Confirmatary Order") SEBI confirmed the directions issued vide ad interim ex-parte order dated October 17, 2018 read with order dated December 21, 2018, till further orders. SEBI also directed the Company and FHsL to take all necessary steps to recover ₹ 40,300 lacs along with due interest from erstwhile-promoters and various other entities, as mentioned in the Order.

Company and FHsL had filed necessary applications in this regard including an application with the Recovery Officer, SEBI, under Section 28A of the Securities and Exchange Board of India Act 1992, for the recovery of the amounts owed by the erstwhile-promoters and various other entities to the Company and FHsL. SEBI vide its letter dated June 14, 2019 has stated that provisions of Section 28A of SEBI Act, 1992 cannot be invoked at this stage hence, Company and FHsL may take necessary steps to comply with SEBI's direction. Accordingly, FHsL has filed a civil suit for recovery of ₹ 52,019 lacs before Hon'ble Delhi High Court against the parties, named in the orders passed by SEBI.

The Investigation Report of the external legal firm was submitted by the Company to the SEBI and SFIO on June 12, 2018. Further, the Company has submitted a copy of the complaint filed with the EOW and a copy of the report of the additional procedures/ enquiries done by the independent expert to SEBI and SFIO on November 10, 2020.

By an order dated November 12, 2020, SEBI revoked its Interim orders read with Confirmatory Order qua Best Healthcare Pvt. Ltd., Fern Healthcare Pvt. Ltd. and Modland Wears Pvt. Ltd. and directed that the ongoing proceedings against them be substituted with adjudication proceedings. The order expressly clarified

Notes forming part of the Standalone Financial Statements

28) Matters in relation to Regulatory Authorities: (Contd..)

that the Company and FHsL were at liberty to pursue remedies under law, as deemed appropriate by them, against the abovementioned entities in respect of their role in the diversion of funds. A Show-Cause Notice (SCN) was issued by SEBI to various entities including the Company and FHsL on November 20, 2020. In the SCN, it was inter-alia alleged that the consolidated financials of the Company at the relevant period were untrue and misleading for the shareholders of the Company and the Company had circumvented certain provisions of the SEBI Act, Securities Contracts (Regulation) Act, 1956, and certain SEBI regulations. In response, a joint representation/reply was filed by the Company and FHsL on December 28, 2020 praying for quashing of the SCN by inter alia reiterating that the Company and FHsL, were in fact victims of the schemes of the Erstwhile Promoters (Malvinder Mohan Singh and Shivinder Mohan Singh) and justice, equity and fairness demands that the victim ought not be punished for the offences of the wrongdoers. All acts impugned in the SCN relate to the period when the Erstwhile Promoters controlled the affairs of Company and FHsL and the erstwhile Promoters are no longer involved in the affairs of the Company and FHsL. The Erstwhile Promoters were responsible for financial misrepresentation and not the Company and FHsL. Post resignation of the Erstwhile Promoters in February 2018, the Board of Directors of the Company, solely comprising independent Directors looked after its welfare until a new promoter, invested and took control of the Company, till such time as the new promoters of the Company (i.e. NTK Venture Pte. Ltd.) assumed control of the Company pursuant to a preferential allotment which was approved by the Competition Commission of India and SEBI which approved the open offer which was triggered by such preferential allotment. Any adverse orders against the Company and FHsL would harm their existing shareholders, employees and creditors. The Company and FHsL have taken substantial legal actions against the Erstwhile Promoters and significant steps to recover the diverted amounts. Oral submissions in response to the SCN were made in a personal hearing before the SEBI Whole Time Member on January 20, 2021 and written submissions were filed. SEBI has passed an order dated April 19, 2022 w.r.t SCN -1 and directed the Company & FHsL to pursue the measures taken to recover the amount of INR 397.12 Crores (approx.) along with the interest from Erstwhile Promoters; & Audit Committee to regularly monitor the progress of such measures and report the same to board of directors at regular intervals. SEBI has imposed a penalty of ₹ 1 Crore and ₹ 50 lakh on Company and FHsL respectively. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated April 19, 2022.

On April 09, 2021, SEBI issued another Show cause notice (SCN-2) to various noticees including Escorts Heart Institute and Research Centre Limited (“EHIRCL”). In the said SCN-2, with respect to EHIRCL, it has been alleged that ₹ 567 crore was lent by the Company to EHIRCL in 2011, which was subsequently transferred by EHIRCL to Lowe Infra and Wellness Private Limited (“Lowe”) in multiple transactions for the purchase of a land parcel. This land parcel, which was allegedly indirectly to be acquired by the Company through its subsidiary EHIRCL and another entity Lowe, was then transferred to RHC Holdings Private Limited (“RHC Holdings”). It has been stated in the said SCN-2, that a structured rotation of funds was carried out to portray that the loan extended by the Company for the purchase of land had been paid back with interest in the year 2011. It is alleged that the Company was actually paid back by RHC Holding over a period of four years ending on July 31, 2015. In this respect, the Company and FHsL funds were allegedly routed through various layers in order to camouflage the transactions, and to circumvent legal provisions with respect to related party transactions.

In the SCN-2, EHIRCL has been clubbed along with the other noticees, and has been painted with the same brush as the other notices in alleging that certain noticees, including EHIRCL, were part of a fraudulent and deceptive device wherein they acted in fraudulent manner which led to the misuse and/ or diversion of funds from a listed company i.e. FHL, amounting to approximately ₹ 397.12 crore for the ultimate benefit of RHC Holdings and the erstwhile promoters. Thereby, it is alleged, that EHIRCL has aided and abetted the routing of funds from the Company, ultimately to RHC Holdings, for the benefit of the promoter entities.

SEBI w.r.t SCN-2 has passed an order dated 18.5.2022 imposing penalty against several ex-promoters entities

Notes forming part of the Standalone Financial Statements

28) Matters in relation to Regulatory Authorities: (Contd..)

and certain individuals. Based on the aforesaid allegations and actions taken by the Company against the ex-promoters and related entities, has also imposed a penalty of ₹ 1 Crore on EHIRCL. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated May 18, 2022.

The Board of Directors continue to be fully committed to fully co-operating with the relevant regulatory authorities to enable them to make a determination on these matters and to undertake remedial action, as may be required, and to ensure compliance with applicable laws and regulations. In the aforesaid context, proper and sufficient care has also been taken for the 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 fraud and other irregularities on a going forward basis.

(b) During year ended March 31, 2018, the Registrar of Companies (ROC) under section 206(1) of the Companies Act, 2013, inter alia, had also sought information in relation to the Company. All requisite information in this regard has been duly shared by the Company with the ROC.

(c) The Serious Fraud Investigation Office (SFIO) of the Ministry of Corporate Affairs, under section 217(1) (a) of the Companies Act, 2013, inter alia, initiated an investigation and sought information in relation to the Company, its subsidiaries, joint ventures and associates. The Company has submitted requisite information in this regard with SFIO, as requested from time to time. The outcome of the SFIO investigation cannot be ascertained as of now keeping in view the present stage of the investigation.

The Company is fully co-operating with the regulators in relation to the ongoing investigations to enable them to make their determination on these matters.

Based on management's analysis, a provision has been made and recognised in the year ended March 31, 2021 for any contingency that may arise from the aforesaid issues. The Company being a parent entity for EHIRCL, FHsL has undertaken that it will reimburse such penalty/fine which shall finally payable by EHIRCL and/or FHsL, if required after exhausting available legal remedies. This is not to be regarded as admission in any manner whatsoever by the Company of any of the violations, as alleged by any of the authorities or otherwise, against it. Further, as per the management and in consultation with external legal counsel it is believed that the likelihood of additional impact, if any, is low and is not expected to be material.

29) The Company has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under section 92D for its international transactions as well as specified domestic transactions if applicable. Based on the transfer pricing regulations/ policy, the transfer pricing study for the year ended March 31, 2022 is to be conducted on or before due date of the filing of return and the company will further update above information and records based on the same and expects these to be in existence latest by that date. Management believes that all the above transactions are at arm's length price and the aforesaid legislations will not have impact on the financial statement, particularly on the amount of tax expense and provision for taxation.

30) Going Concern

During the year, the operational performance of the Company further improved as compared to previous year. As at March 31, 2022, the Company has funds available of ₹ 107.19 lacs and unutilized borrowing facilities sanctioned by banks amounting to ₹ 9,382.74 lacs. Further, in respect of the cash put option issued to minority shareholder of subsidiary, in accordance with the amendment agreement to the shareholders' agreement entered between the parties which also incorporated the new proposed exit rights, the minority shareholders of subsidiary have agreed not to exercise the cash put option for a further period of 36 months from the relevant date (February 5, 2021) as defined in the amendment agreement in lieu of the new proposed exit rights. The Company's current liabilities are higher than its current assets by ₹ 5,705.01 lacs. Further, the Company also has sufficient unencumbered assets that can be utilized for any additional funding requirements in future. Additionally, as explained in note 26, the ongoing litigation at the Hon'ble Supreme Court has delayed the ability of the Group to carry out planned restructuring activities, which could further strengthen the financial position of the Company.

Notes forming part of the Standalone Financial Statements

30) (Contd..)

Considering the above factors, continuous improved business performance and expected positive cash flows in foreseeable future periods, the management believes that the going concern assumption in these audited standalone financial statements is appropriate. In view of the aforesaid, the management has considered it appropriate to prepare these audited standalone financial statements on a going concern basis.

31) The main object of the Company is to carry on the business of healthcare and other related activities either directly or through its subsidiaries. During the year ended March 31, 2020, due to significant amount of dividend received by the Company from a wholly owned overseas subsidiary, the Company's 'income from financial assets' constituted more than 50 per cent of the gross income for the financial year ended March 31, 2020. Further, the 'financial assets' of the Company were also more than 50 per cent of its total assets as at March 31, 2020 (mainly investment and financing in wholly owned subsidiaries). Accordingly, the Company technically met 'Principal business' test as per the press release by Reserve Bank of India ("RBI") vide No. 1998-99/1269 dated April 8, 1999 for being classified as a Non-Banking Financial Company (NBFC) from April 1, 2020. However, the significant amount of dividend in the year ended March 31, 2020 was largely on account of a one-off transaction which led to dividend payment and the Company does not expect dividend of such a significant amount to be recurring in future. The Board has also noted and confirmed that such dividend does not represent income from ordinary activities of the Company and that the Company does not intend to carry on the business as an NBFC. The Company has made a representation to the RBI in November 2019 that while the Company technically would meet the Principal Business Test due to this significant dividend on account of the one-off transaction, it does not, and does not intend to, carry on the business as an NBFC and hence keeping in view the objective behind the test, its registration as a NBFC should not be required. As per the RBI's 'Master Direction- Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016', on the issue of NBFC registration, the statutory auditor is to examine whether the Company has obtained a Certificate of Registration from the RBI when the "company is engaged in the business of nonbanking financial institution as defined in section 45-I(a) of the RBI Act and meeting the Principal Business Criteria (Financial Asset/ income pattern)". Subsequent to the completion of audit of the financial statements of the Company for the year ended March 31, 2020, the statutory auditor of the Company has also intimated the RBI regarding the Company technically meeting the Principal Business Test and regarding the above referred representation by the Company to the RBI which inter alia stated that the Company is primarily engaged in the healthcare business and that the Company has represented to the RBI that it does not presently or in future intend to undertake the business of non-banking financial institution. Further, during the quarter ended September 30, 2020 the Company wrote a letter to RBI with a request to confirm that no such registration as a NBFC is required. It also requested for a meeting to give an opportunity to the Company to explain its position on the matter. During the quarter ended March 31, 2021, RBI advised the Company to submit to it the financial results for the quarter ended June 30 2020, September 30, 2020 and December 31, 2020 which was duly submitted. Further, as evident from those financial results, the criteria for principal business test is not met as at March 31, 2021 and also as at March 31, 2022.

32) Corporate Social Responsibility (CSR) activities of the Company and its subsidiaries during earlier years were carried out through Fortis Charitable Foundation (FCF) (erstwhile promoter entity) with whom dealings have been stopped.

Amounts were paid by the Company and its subsidiaries to FCF for CSR activities. FCF was required to utilize the money so received strictly in various CSR programs.

However, there are unutilized amounts lying with FCF which have not been spent and neither refunded by FCF despite several reminders and notices. Accordingly, civil recovery action has been initiated for recovery of unutilized amount of ₹ 61 lacs.

33) During the current year ended March 31 2022, THR Infrastructure Pte. Ltd. (THRIPL), one of the subsidiaries of RHT (an associate of the Company) received a draft assessment order from Indian tax authorities. The Company is a sponsor to RHT and holds approx. 27.82% of units in RHT through its subsidiaries. The Company's wholly owned subsidiary, RHT Health Trust Manager PTE Limited (RHTTM) is the Trustee Manager of the RHT. The above draft assessment order relates to disposal of 51% of Compulsory Convertible Debentures (CCDs) of Fortis Hospotel Limited

Notes forming part of the Standalone Financial Statements

33) (Contd..)

(FHTL) to the Company in 2016. In the said transaction, THRIPL has claimed a capital gains tax exemption of ₹ 65,608 lacs under the India-Singapore Double Taxation Avoidance Agreement. THRIPL has subsequently filed objections to the Draft Assessment Order and the matter is currently pending for adjudication before the Dispute Resolution Panel. Based on tax advisors view received by THRIPL, it has a strong case on merits.

THRIPL may not have sufficient funds required to meet its legal and other operational costs, accordingly, based on THRIPL's request, the Company's wholly owned subsidiary - Fortis Healthcare International Pte Ltd. has proposed to provide a financial support upto a maximum amount of Singapore $ 3 million (₹ 1,681.80 lacs). This is subject to approval of shareholders of the Company.

34) Ratio Analysis and its elements

S No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Remarks
1	Current Ratio (in times)	Total current assets	Total current liabilities	0.88	0.82	7%	
2	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.13	0.16	(13%)	
3	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Finance costs + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.45	1.32	(66%)	Due to higher debt repayments in the current year as compared to previous year where there were more drawdowns.
4	Return on Equity Ratio (in %)	Net (Loss) / Profit after taxes (before OCI and Exceptional items) less Preference dividend (if any)	Average total equity	0.03%	–0.59%	(106%)	Improvement in operations during the year
5	Inventory turnover Ratio (in times)	Cost of goods sold	Average Inventory	18.08	15.88	14%	
6	Trade Receivables Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Average trade receivable	11.47	7.90	45%	Due to increase in operations.
7	Trade Payables Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	0.85	0.70	22%	
8	Net Capital Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Working capital (i.e. Total current assets less Total current liabilities)	(15.01)	(7.24)	107%	Due to increase in operations and better working capital management

Notes forming part of the Standalone Financial Statements

34) Ratio Analysis and its elements (Contd..)

S No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Remarks
9	Net Profit Ratio (in %)	Net (loss) / Profit before exceptional items	Revenue from operations (excluding liabilities no longer required written back)	0.35%	–8.29%	(104%)	Due to improvement in operations
10	Return on Capital Employed (in %)	(Loss) / Profit before tax and finance costs	Capital employed = Tangible Net worth + Lease liabilities + Debt + Deferred tax liabilities	1.20%	1.62%	(26%)	Due to decrease in profit on account of exceptional gain in previous year
11	Return on Investment (%)	Income generated from Invested funds	Average Invested funds	10.53%	10.14%	4%	

35) Other Statutory Information

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

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

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

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

(vii) The Company has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Notes forming part of the Standalone Financial Statements

35) Other Statutory Information (Contd..)

(₹ in Lakhs)

Name of company	Sunrise Medicare Private Limited
Reason for continuous transactions	Not applicable
Nature of transactions along with amounts	Not applicable
Outstanding balance	
(i) Investments in equity instruments - at cost*	0.31
(ii) Trade receivable*	1.00

**provision for impairment of investment and provision for doubtful receivables have been created in books of accounts.*

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

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

36) The Board of Directors of SRL Limited, a subsidiary of the Company, at its meeting on 20 May 2022, has recommended a dividend at the rate of ₹ 4.75 per equity share for the financial year ended March 31, 2022. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of SRL limited.

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of Fortis Healthcare Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Fortis Healthcare Limited (hereinafter referred to as "the Company" or the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive loss), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiary and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31 March 2022, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of matter

We draw attention to the following matters in the Notes forming part of the consolidated financial statements:

a) Note 27 and 28 of the consolidated financial statements which deals with various matters including the ongoing investigation by Serious Fraud Investigation Office ("SFIO") on Fortis Healthcare Limited and its subsidiaries regarding alleged improper transactions and non-compliances with laws and regulations including Companies Act, 2013 (including matters relating to remuneration paid to managerial personnel). These transactions and non-compliances relate to or originated prior to take over of control by reconstituted board of directors of Fortis in the year ended 31 March 2018. As mentioned in the note, the Group has been submitting information required by SFIO and is also cooperating in the regulatory investigations.

   As explained in the said note, the Group had recorded significant adjustments/ provisions in its books of account during the year ended 31 March 2018. The Company has launched legal proceedings and has also filed a complaint with the Economic Offences Wing ('EOW') against erstwhile promoters and their related entities based on the findings of the investigation conducted by the Group. Further, based on management's detailed analysis and consultation with external legal counsel, a further provision has been made and recognised in the previous year for any contingency that may arise from the aforesaid issues. As per the management, any further additional impact, to the extent it can be reliably estimated as at present, is not expected to be material.

b) Note 29 of the consolidated financial statements relating to the order dated 15 November 2019 of the Hon'ble Supreme Court, where it is stated that the Hon'ble Supreme Court has issued suo- moto contempt notice to, among others, the Company and directed its Registry to register a fresh contempt petition in regard to alleged violation of its order dated 14 December 2018. In this respect, the Hon'ble Supreme Court has sought an enquiry, into (i) whether the subscription by Northern TK Venture Pte Ltd., Singapore, a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, to the shares of the Company was undertaken after the status quo order was issued by the Hon'ble Court on December 14, 2018 and accordingly,

Independent Auditors' Report (Contd..)

if such subscription was in violation of this status quo order; and (ii) the consummation of the acquisition of healthcare assets from RHT Health Trust by the Company. As also explained in the said note, the management believes that it has a strong case on merits and as per the current position of the case, the liability, if any, arising out of this contingency cannot be determined at this stage. Accordingly, at present, no adjustment is required in the consolidated financial statements.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, 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.

Description of Key Audit Matter:

The key audit matter	How the matter was addressed in our audit
Goodwill	
The Group is required to annually test the amount of Goodwill for impairment. There are inherent uncertainties involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability. Accordingly, this is one of the key judgmental areas in our audit.	In this area our audit procedures included testing of the Groups' budgeting procedures upon which the forecasts are based; and the principles and integrity of the Group's discounted cashflow model. We used our valuation specialist to assist us in evaluating the assumptions and methodologies used by the Group. In particular this included those relating to the forecast revenue growth, profit margins and discount rates. We compared the Group's assumptions to externally derived data as well as our own assessment in relation to key inputs such as projected economic growth, cost inflation and discount rates. We also performed sensitivity analysis of the key assumptions. We also assessed the adequacy of related disclosures in note 6(ii) of the consolidated financial statements and sensitivities of key assumptions. Also refer note 2(g)(ii) of the consolidated financial statements for the related accounting policy.
Legal matters	
The Group is involved in a several legal proceedings. In some of these cases, the Group has counter claims against the other party. Management judgement is involved in assessing the accounting for claims, and in particular considering the probability of a claim being successful. The risk related to the claims is mainly associated with the adequacy of disclosure, and the completeness of the provisions in the consolidated financial statements. Accordingly, we have designated this as key audit matter.	Our audit procedures included, on all significant legal cases, assessment of correspondence with the Group's legal counsel (internal and / or external) accompanied by discussions and formal confirmations from that legal counsel. We read the minutes of the board meetings, enquired with the management and inspected the Group's legal expenses. We also assessed whether the Group's provisions and disclosures in note 6(xix), 13, 14, 15, 27, 28 and 29 of the consolidated financial statements detailing significant legal proceedings adequately disclose the potential liabilities of the Group. Also refer note 2(m) of the consolidated financial statements for the related accounting policy.
Recoverability of Deferred tax assets	
The Group has significant deferred tax assets in respect to carry forward tax losses. There is an inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are or are not recognized.	In this area our audit procedures included using our work on Group's forecasts described in our response to the Goodwill key audit matter above. We then assessed the recoverability of the deferred tax assets recognized against the forecast of future taxable profits taking into account the timing of taxable profits/ expiry of carry forward tax losses. We also assessed whether the Group's disclosure in note 6(ix) and 6(xxxii) of the consolidated financial statements reflect the associated inherent risks. Also refer note 2(t) of the consolidated financial statements for the related accounting policy.

Independent Auditors' Report (Contd..)

The key audit matter	How the matter was addressed in our audit
Valuation of put option liability	
As described in Note 12(b) and 20 to the Consolidated financial statements, the Company has recognised a financial liability in respect of put option available with certain non-controlling shareholders of SRL Limited, a subsidiary of the Company. The determination of fair value for this liability is inherently subjective on account of significant judgments related to the inputs used to determine fair value.	Our audit procedures included evaluation of valuation methodology (which is a combination of market and income approach); significant unobservable inputs used; testing of the Groups' budgeting procedures upon which the forecasts are based; and the principles and integrity of the discounted cashflow model. We evaluated the Company's historical estimates of fair value at prior period end to actual results. With the assistance of our valuation specialists, we assessed the methodology used including (1) market multiples of EBITDA; (2) discount rate used; and (3) future cash flows.
Migration to new Information Technology (IT) system	
The Group used Oracle EBS as its primary ERP for its Healthcare Segment which was upgraded to Oracle Fusion in December 2021. The audit approach relies on the effectiveness of automated controls of these applications and controls around interface of systems. While transitioning to new information system, robustness of IT general and application controls is critical to assess changes to applications and underlying data are made in an appropriate manner.	Our audit procedures performed with the assistance of our IT specialists included: • Identification of the IT risks based on our understanding of the IT environment. • Determination whether each general IT control, individually or in combination with other controls, is designed to address the associated IT risk. • Testing of the design, implementation and operating effectiveness of the relevant general IT controls. We reviewed the management's processes around system migration in order to ascertain the accuracy of balances migrated to the new information system. We obtained and tested the mitigating manual controls to address the IT control deficiencies noted around the Oracle Fusion application.

Other Information

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

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

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

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and

Independent Auditors' Report (Contd..)

joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures is responsible for overseeing the financial reporting process of each company.

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures 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 statements of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other

Independent Auditors' Report (Contd..)

entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the 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 one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 3,348.15 lacs as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ 3,780.30 lacs and net cash outflow (before consolidation adjustments) amounting to ₹ 575.99 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) (before consolidation adjustments) of ₹ 30.66 lacs for the year ended 31 March 2022, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the audit report of the other auditors.

The above entities are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiary and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The financial information of fifteen subsidiaries, whose financial information reflect total assets (before consolidation adjustments) of ₹ 42,495.03 lacs as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ 11,894.42 lacs and net cash inflows (before consolidation adjustments) amounting to ₹ 115.70 lacs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit after tax and other comprehensive income (before consolidation adjustments) of ₹ 2,353.83 lacs for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of four associates and two joint ventures, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given

Independent Auditors' Report (Contd..)

to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiary and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 loss), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) The matters described in the "Emphasis of Matters" paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies, and joint ventures incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and 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 on separate financial statements of the subsidiary and joint venture, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 6(xix), 13, 14, 15, 27, 28 and 29 to the consolidated financial statements.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 12(b) to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

Independent Auditors' Report (Contd..)

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2022.

iv. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 41(iii) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint venture companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures as 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 (iv)(i) and (iv)(ii) of Rule 11(e) contain any material mis-statement.

v. The dividend declared or paid during the year by a subsidiary company and a joint venture company incorporated in India is in compliance with section 123 of the Act. The Holding Company and its other subsidiary companies, joint venture and associate incorporated in India have neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

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

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPNTQ1051

Place: Gurugram
Date: 25 May 2022

Independent Auditors' Report (Contd..)

Annexure A to the Independent Auditors' report on the consolidated financial statements of Fortis Healthcare Limited for the year ended 31 March 2022

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Fortis Healthcare Limited	L85110PB1996PLC045933	Holding Company	3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), 3(xi)(a)
2	Fortis Hospitals Limited	U93000DL2009PLC222166	Subsidiary	3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), 3(xi)(a)
3	Escorts Heart Institute and Research Centre Limited	U85110CH2000PLC023744	Subsidiary	3(i)(c), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), 3(ix)(d), 3(xi)(a)
4	SRL Limited	U74899PB1995PLC045956	Subsidiary	3 (vii)(a)
5	SRL Diagnostics Private Limited	U85195DL1999PTC217659	Subsidiary	3 (vii)(a)
6	SRL Reach Limited	U85100DL2015PLC279712	Subsidiary	3 (vii)(a), (xvii)
7	Escort Heart and Super Speciality Hospital Limited	U85110DL2003PLC120016	Subsidiary	3(ix)(a)
8	International Hospital Limited	U74999HR1994PLC048225	Subsidiary	3(i)(c), 3(iii)(e), 3(ix)(a)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Sr. No.	Name of the entities	CIN	Subsidiary/ JV/ Associate
1	Fortis Healthstaff Limited	U85194DL1984PLC205390	Subsidiary
2	Fortis Cancer Care Limited	U85110DL2011PLC217420	Subsidiary
3	Fortis La Femme Limited	U85100DL2011PLC217500	Subsidiary
4	Fortis Health Management (East) Limited	U85190DL2011PLC217462	Subsidiary
5	Hiranandani Healthcare Private Limited	U85100MH2005PTC154823	Subsidiary
6	Birdie and Birdie Realtors Private Limited	U45400DL2008PTC173959	Subsidiary
7	Stellant Capital Advisory Services Private Limited	U31300MH2005PTC153134	Subsidiary
8	Hospitalia Eastern Private Limited	U45202DL1988PTC033270	Subsidiary
9	Fortis Health Management Limited	U85110DL2008PLC176412	Subsidiary
10	Fortis Emergency Services Limited	U93000DL2009PLC189866	Subsidiary
11	Fortis C- Doc Healthcare Limited	U85110DL2010PLC208379	Joint Venture
12	Sunrise Medicare Private Limited (Struck off on 17 August 2021)	U74899DL1983PTC014923	Associate

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPNTQ1051

Place: Gurugram
Date: 25 May 2022

Independent Auditors' Report (Contd..)

Annexure B to the Independent Auditors' report on the consolidated financial statements of Fortis Healthcare Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Fortis Healthcare Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies (together referred to as "the Group"), and its associate and joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies associate and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements 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 the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Independent Auditors' Report (Contd..)

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls 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 controls 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 controls 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.

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

Rajesh Arora
Partner
Membership No. 076124
UDIN: 22076124AJPNTQ1051

Place: Gurugram
Date: 25 May 2022

Consolidated Balance Sheet

as at March 31, 2022

(₹ in Lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	6(i)(a)	3,83,231.67	3,90,957.09
(b) Capital work-in-progress	6(i)(b)	19,342.61	16,313.98
(c) Right-of-use assets	10	1,11,794.31	1,10,579.73
(d) Goodwill	6(ii)	4,12,320.75	3,72,171.10
(e) Other intangible assets	6(iii)(a)	34,222.82	6,200.19
(f) Intangible assets under development	6(iii)(b)	5.58	178.12
(g) Investments accounted for using the equity method	6(iv)	10,359.99	18,603.44
(h) Financial assets			
(i) Loans	6(vi)	29.49	21.85
(ii) Other financial assets	6(vii)	4,963.34	3,485.27
(i) Non-current tax assets (net)	6(viii)(a)	54,267.49	50,754.59
(j) Deferred tax assets (net)	6(ix)	36,910.79	37,022.92
(k) Other non-current assets	6(x)	7,699.48	5,500.15
Total non-current assets (A)		**10,75,148.32**	**10,11,788.43**
B. Current assets			
(a) Inventories	6(xi)	12,290.03	7,676.32
(b) Financial assets			
(i) Trade receivables	6(v)	51,217.06	45,775.57
(ii) Cash and cash equivalents	6(xii)	14,323.27	26,123.48
(iii) Bank balances other than (ii) above	6(xiii)	26,946.72	15,534.58
(iv) Loans	6(vi)	148.62	130.73
(v) Other financial assets	6(vii)	2,112.93	2,383.62
(c) Other current assets	6(x)	5,996.70	5,696.00
(d) Assets classified as held for sale	6(xiv)	291.22	360.17
Total current assets (B)		**1,13,326.55**	**1,03,680.47**
Total assets (A+B)		**11,88,474.87**	**11,15,468.90**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	6(xv)	75,495.81	75,495.81
(b) Other equity		5,42,328.40	5,36,485.31
Equity attributable to owners of the Company		**6,17,824.21**	**6,11,981.12**
Non-controlling interests		83,001.28	59,800.00
Total equity (A)		**7,00,825.49**	**6,71,781.12**
B. Liabilities			
I Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	6(xvii)	77,910.09	96,772.78
(ii) Lease liabilities	10	25,363.63	23,158.40
(iii) Other financial liabilities	6(xviii)	2,07,839.16	1,62,811.83
(b) Provisions	6(xix)	11,471.48	8,761.37
(c) Deferred tax liabilities (net)	6(ix)	38,121.66	28,872.87
(d) Other non-current liabilities	6(xx)	–	6.63
Total non-current liabilities (B)		**3,60,706.02**	**3,20,383.88**
II Current liabilities			
(a) Financial liabilities			
(i) Borrowings	6(xxi)	18,657.17	30,303.42
(ii) Lease liabilities	10	3,562.14	2,820.66
(iii) Trade payables			
– Total outstanding dues of micro enterprises and small enterprises	6(xxii)	6,364.80	5,771.45
– Total outstanding dues of creditors other than micro enterprises and small enterprises	6(xxii)	59,727.70	49,048.72
(iv) Other financial liabilities	6(xviii)	16,525.53	12,237.87
(b) Provisions	6(xix)	6,839.30	9,311.88
(c) Current tax liabilities (net)	6(viii)(b)	244.58	603.30
(d) Other current liabilities	6(xxiii)	14,893.93	13,078.39
(e) Liabilities directly associated with assets classified as held for sale	6(xiv)	128.21	128.21
Total current liabilities (C)		**1,26,943.36**	**1,23,303.90**
Total liabilities (B+C)		**4,87,649.38**	**4,43,687.78**
Total equity and liabilities (A+B+C)		**11,88,474.87**	**11,15,468.90**
See accompanying notes forming integral part of the consolidated financial statements	1 - 42		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	6(xxiv)	5,71,761.17	4,03,012.00
II Other income	6(xxv)	2,733.65	4,655.65
III Total Income (I+II)		**5,74,494.82**	**4,07,667.65**
IV Expenses			
(i) Purchases of medical consumable and drugs		1,40,337.01	97,447.97
(ii) Changes in inventories of medical consumable and drugs	6(xxvi)	(4,613.71)	141.59
(iii) Employee benefits expense	6(xxvii)	97,293.97	84,900.57
(iv) Finance costs	6(xxviii)	14,684.52	16,588.15
(v) Depreciation and amortisation expense	6(xxix)	30,084.22	29,060.06
(vi) Other expenses	6(xxx)	2,31,848.16	1,80,076.83
Total expenses (IV)		**5,09,634.17**	**4,08,215.17**
V (Loss)/ profit from continuing operations before share of profit of equity accounted investees and tax (III-IV)		**64,860.65**	**(547.52)**
VI Share of profit of equity accounted investees (net of tax)	26	2,414.73	4,755.88
VII Profit before exceptional item and tax (V+VI)		**67,275.38**	**4,208.36**
Exceptional gain	6(xxxi)	31,503.31	121.18
VIII Profit before tax		**98,778.69**	**4,329.54**
IX Tax expense			
(i) Current tax	6(xxxii)	17,191.40	10,019.01
(ii) Deferred tax credit (net)	6(xxxii)	2,592.75	(72.60)
Total tax expense		**19,784.15**	**9,946.41**
X (Loss) / profit for the year (VIII+IX)		**78,994.54**	**(5,616.87)**
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit liabilities		186.36	628.83
(b) Income tax (charge)/ credit relating to items that will not be subsequently reclassified to profit or loss		(35.33)	(49.83)
(ii) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(4,801.20)	454.65
XI Total other comprehensive (loss)/ income for the year		**(4,650.17)**	**1,033.65**
XII Total comprehensive (loss)/ income for the year(X+XI)		**74,344.37**	**(4,583.22)**
Profit/ (loss) for the year attributable to:			
(i) Owners of the Company		55,511.85	(10,976.18)
(ii) Non-controlling interests		23,482.69	5,359.31
		78,994.54	**(5,616.87)**
Other comprehensive (loss)/ income for the year attributable to:			
(i) Owners of the Company		(4,640.22)	1,002.40
(ii) Non-controlling interests		(9.95)	31.25
		(4,650.17)	**1,033.65**
Total comprehensive (loss)/ income for the year attributable to:			
(i) Owners of the Company		50,871.63	(9,973.78)
(ii) Non-controlling interests		23,472.74	5,390.56
		74,344.37	**(4,583.22)**
Earnings/ (loss) per equity share of ₹ 10 each:	6(xxxiii)		
(i) Basic (in ₹)		7.35	(1.45)
(ii) Diluted (in ₹)		7.35	(1.45)
See accompanying notes forming integral part of the consolidated financial statements	1 - 42		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Consolidated Statement of Cash Flow

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities			
Profit before tax for the year		98,778.69	4,329.54
Adjustments for:			
Exceptional gain (net)		(31,503.31)	(121.18)
Finance cost		14,684.52	16,588.15
Interest income		(2,154.77)	(4,201.30)
Profit on disposal of property, plant and equipment (net)		(352.17)	(176.85)
Allowance for bad and doubtful trade receivables		3,446.55	4,018.67
Allowance for bad and doubtful advances		1,171.08	245.49
Depreciation and amortisation expense		30,084.22	29,060.06
Provision for contingencies and litigation		–	1,461.70
Bad debts written off		374.41	10.83
Expense recognised in respect of equity-settled share-based payments		–	(94.29)
Share of profit of equity accounted investees (net of tax)		(2,414.73)	(4,755.88)
Provisions/ liabilities no longer required written back		(3,262.46)	(2,099.34)
Unrealised foreign exchange (gain)/ loss		(153.13)	806.92
Operating profit before changes in following assets and liabilities		**1,08,698.90**	**45,072.52**
Changes in operating assets and liabilities			
(Increase)/ decrease in trade and other receivables		(8,463.86)	97.39
(Increase)/ decrease in inventories		(3,822.10)	141.59
(Increase)/ decrease in loans, other assets and other financial assets		(1,291.67)	310.55
Increase/ (decrease) in trade payables		13,830.40	(2,843.52)
(Decrease)/ increase in provisions		(139.55)	1,770.60
Decrease in other liabilities and other financial liabilities		(1,135.94)	(745.48)
Cash generated from operations		**1,07,676.18**	**43,803.65**
Income taxes (paid)/ refund (net)		(21,136.99)	4,745.55
Net cash generated by operating activities	(A)	**86,539.19**	**48,549.20**
Cash flows from investing activities			
Interest received		2,058.70	4,144.16
(Investment)/ maturity in bank deposits (net)		(11,273.81)	786.36
Payments for property, plant and equipment & intangible assets		(21,548.93)	(21,850.61)
Proceeds from disposal of property, plant and equipment		10,021.62	697.93
Proceeds from repayment of loan by body corporate		54.47	17.39
Dividends received from associates		1,750.44	2,800.00
Payment on acquisition of business operations (refer note 39)		(32,500.00)	(105.00)
Net cash used in investing activities	(B)	**(51,437.51)**	**(13,509.77)**

Consolidated Statement of Cash Flow (Contd..)

(₹ in Lacs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from financing activities (refer note 6(xvi))			
Proceeds from long-term borrowings		30,643.31	33,546.44
Repayment of lease liabilities		(3,065.79)	(2,374.90)
Repayments of long-term borrowings		(60,155.46)	(23,576.43)
Repayments of short-term borrowings (net)		(4,449.06)	(5,028.41)
Interest paid (including interest on lease liabilities of ₹ 2,954.77 lacs (March 31, 2021 ₹ 2,670.32 lacs)		(14,704.14)	(16,859.56)
Net cash used in financing activities	(C)	**(51,731.14)**	**(14,292.86)**
Effect of exchange rate changes	(D)	**5.50**	**454.65**
Net (decrease)/ increase in cash and cash equivalents	(A+B+C+D)	**(16,623.96)**	**21,201.22**
Cash and cash equivalents at the beginning of the year		21,912.52	711.30
Add: Cash and cash equivalents on acquisition of DDRC (refer note 39)		1,371.48	–
Cash and cash equivalents at the end of the year	6(xii)	**6,660.04**	**21,912.52**

Note

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

2. During the year, the Group has paid ₹ 1,303.74 lacs (March 31, 2021 ₹ 1,425.45 lacs) towards corporate social responsibility expenditure (refer note 23).

See accompanying notes forming integral part of the consolidated financial statements	1 - 42		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Consolidated Statement of Change in Equity

for the year ended March 31, 2022

A. Equity share capital

Particulars	No. in lacs	₹ in lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid	No. in lacs	₹ in lacs
At April 1, 2020	7,549.58	75,495.81
Issue of share capital (refer note 6 (xv))	–	–
At March 31, 2021	**7,549.58**	**75,495.81**
Issue of share capital (refer note 6 (xv))	–	–
At March 31, 2022	**7,549.58**	**75,495.81**

B. Other equity

Particular	Other equity								Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	Reserves and Surplus							Items of other comprehensive income			
	Securities premium*	Retained earnings	Share options outstanding Account ****	Amalgamation reserve **	General reserve ***	Capital reserve *****	Other Reserves ******	Exchange difference on translation of foreign operations			
Balance at April 1, 2020 (A)	7,21,519.40	(1,63,981.69)	372.01	156.00	44,913.75	337.50	(1,432.06)	(11,271.90)	5,90,613.01	54,449.81	6,45,062.82
Profit for the year	–	(10,976.18)	–	–	–	–	–	–	(10,976.18)	5,359.31	(5,616.87)
Other comprehensive income for the year (net of income tax)	–	547.75	–	–	–	–	–	454.65	1,002.40	31.25	1,033.65
Total comprehensive income for the year (B)	**–**	**(10,428.43)**	**–**	**–**	**–**	**–**	**–**	**454.65**	**(9,973.78)**	**5,390.56**	**(4,583.22)**
Non controlling interest adjustments	–	40.37	–	–	–	–	–	–	40.37	(40.37)	–
Put option (refer note 12 (b))	–	(44,100.00)	–	–	–	–	–	–	(44,100.00)	–	(44,100.00)
Recognition of share-based payments expense (refer note 16)	–	–	(94.29)	–	–	–	–	–	(94.29)	–	(94.29)
Stock options lapsed/cancelled during the year (refer note 16)	–	–	(85.45)	–	85.45	–	–	–	–	–	–
Balance at March 31, 2021 (C)	**7,21,519.40**	**(2,18,469.75)**	**192.27**	**156.00**	**44,999.20**	**337.50**	**(1,432.06)**	**(10,817.25)**	**5,36,485.31**	**59,800.00**	**5,96,285.31**
Profit for the year	–	55,511.85	–	–	–	–	–	–	55,511.85	23,482.69	78,994.54
Other comprehensive income for the year (net of income tax)	–	160.98	–	–	–	–	–	(4,801.20)	(4,640.22)	(9.95)	(4,650.17)
Total comprehensive income for the year (D)	**–**	**55,672.83**	**–**	**–**	**–**	**–**	**–**	**(4,801.20)**	**50,871.63**	**23,472.74**	**74,344.37**
Non controlling interest adjustments	–	271.46	–	–	–	–	–	–	271.46	(271.46)	–
Put option (refer note 12 (b))	–	(45,300.00)	–	–	–	–	–	–	(45,300.00)	–	(45,300.00)
Stock options lapsed/cancelled during the year (refer note 16)	–	–	(17.09)	–	17.09	–	–	–	–	–	–
Balance at March 31, 2022 (E)	**7,21,519.40**	**(2,07,825.46)**	**175.18**	**156.00**	**45,016.29**	**337.50**	**(1,432.06)**	**(15,618.45)**	**5,42,328.40**	**83,001.28**	**6,25,329.68**

Consolidated Statement of Change in Equity (Contd..)

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

*** Amalgamation reserve was created on amalgamation of Escorts Heart Institute Research Centre, Delhi (Delhi Society) with a Society at Chandigarh with a similar name (Chandigarh Society) and later on, registration of the amalgamated Society as Company.*

**** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.*

***** The fair value of the equity settled share based payment transactions with employees is recognized in Statement of Profit and Loss with corresponding credit to share options outstanding account.*

****** Capital reserve represents the equity and reserves of SRL Diagnostics FZ-LLC acquired during the year 2016-17 through common control business combination.*

******* This represents the loss on dilution of shareholding in a subsidiary (SRL Limited) company during the year ended March 31, 2012.*

See accompanying notes forming integral part of the consolidated financial statements	1-42		

In terms of our report attached

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

Notes forming part of the Consolidated Financial Statements

1. Corporate information

Fortis Healthcare Limited ("the Company" or the "Parent Company"), a public limited company, was incorporated in 1996. Its equity shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is situated at Fortis Hospital Sector-62 Phase-VIII, Mohali 160062, Punjab and the corporate office of the Company is situated at Tower A, Unitech Business Park, Block - F South City - 1, Sector-41 Gurugram 122001, Haryana.

As a part of its business activities, the Company holds interests in its subsidiaries (the Company and its subsidiaries hereinafter referred to as the 'Group') and the Group's interest in associates and joint ventures through which it manage and operate a network of multi-specialty hospitals and diagnostics centers.

On November 13, 2018, IHH Healthcare Berhad acquired 31.10% stake in the Company and appointed majority of board of directors, thereby, becoming the controlling shareholder of the Company.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements ("financial statements"). The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

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

(ii) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Group's functional currency. However, the functional currency of the following foreign subsidiaries, joint venture and associates is as follows:

Subsidiaries:

– SRL Diagnostics FZ – LLC- Arab Emirate Dirham (AED)

– Fortis Asia Healthcare Pte Limited- United States Dollar (USD)

– Fortis Healthcare International Limited- United States Dollar (USD)

– Fortis Global Healthcare (Mauritius) Limited- United States Dollar (USD)

– Fortis Healthcare International Pte Limited- Singapore Dollar (SGD)

Joint Venture:

– SRL Diagnostics (Nepal) Private Limited - Nepalese Rupees (NPR)

Associates:

– Lanka Hospitals Corporate Plc- Sri Lankan Rupee (LKR)

– RHT Health Trust Trustee Manager- Singapore Dollar (SGD)

(iii) Historical cost convention

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

(b) Principles of consolidation

The financial statements comprise the financial statement of the Group and its interest in associates and joint ventures. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

Notes forming part of the Consolidated Financial Statements

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee.

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when the Group obtains control over that entity and ceases when the Group loses control over the entity. Assets, liabilities, income and expenses of an entity acquired or disposed of during the year are included in these financial statements from the date the Group gains control until the date the Group ceases to control the entity.

These financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in these financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing these financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a member of the Group, the member prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

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.

The details of the consolidated entities are provided in note 7 to these financial statements.

(c) Consolidation procedure

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries

b) Investment in associate companies and joint ventures have been accounted under the equity method as per Ind AS 28 - "Investment in Associates and Joint Ventures"

c) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

d) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interest in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

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The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(d) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

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 for the purpose of current-non-current classification of assets and liabilities.

(e) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

When measuring the fair value of an asset or a liability, the 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.

(f) Business combination

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business

Notes forming part of the Consolidated Financial Statements

combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as Goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as Capital Reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Group in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to Capital Reserve.

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

(i) Property, plant and equipment

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

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

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

(ii) Goodwill and Intangible assets

- For measurement of Goodwill that arises from business combination, refer to accounting policy thereon above. Subsequent measurement is at cost less any accumulated impairment losses.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets that are acquired (including goodwill recognized for business combinations) are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization (for finite lives intangible assets) and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

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

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

The details of useful life are as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	10-60 years	60 years
Plant and machinery	3-20 years	15 years
Medical equipment	2-16 years	13 years
Computers	3-6 years	3 years
Furniture and fittings	4-16 years	10 years
Office equipment	4-5 years	5 years
Vehicles	4-8 years	8 years

Freehold land is not depreciated.

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

Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

Estimated useful lives of the intangible assets are as follows:

Category of assets	Management estimate of Useful Life
Computer software	3-6 years
User license agreement	3-5 years
License fees	3-10 years
Trademarks	Indefinite
Trademarks and Non-Compete	3-10 years
Technical Know-how	3-5 Years
Customer relationships	15 Years

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

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

(iv) Derecognition

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

(h) Assets held for sale

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit or Loss.

Once classified as held-for sale, property, plant and equipment and intangible assets are no longer amortised or depreciated.

Notes forming part of the Consolidated Financial Statements

(i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) 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 is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

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

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

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

(j) Financial instrument

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs

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that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

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

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

Debt instrument at FVTPL

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

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

Equity investments

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

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

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

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

Dividend income from investments is recognised in statement of profit and loss on the date that the right to receive payment is established.

Impairment of financial assets

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

Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred

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substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Write-off of financial assets

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

Financial liabilities

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

Put option

Put options granted to non-controlling shareholders of subsidiaries are accounted as liability with a corresponding adjustment to equity (if recognition criteria are met), on a fair value basis.

Compound financial instruments

The components of compound financial instruments (comprising instruments convertible into equity shares) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Derecognition of financial liabilities

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

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Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

(k) Inventories

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

The Group uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost and other direct costs incurred. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

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

(l) Cash and cash equivalents

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

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

(m) Contingent Liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are reviewed by the management at each balance sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(n) Provisions

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

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

A contract is considered to be onerous when the expected economic benefits to be derived by the 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.

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

(o) Government grants

Government grants are not recognised until there is reasonable assurance that the entity will comply with the conditions attached to them and the grant will be received.

Government grants are recognised on accrual basis as and when performance obligation is met and it is certain that economic benefits will flow to the Group.

Government grants whose primary condition is that the entity should purchase, construct or otherwise acquire non-current assets and non-monetary grants are recognised and disclosed as “deferred income” in the Balance Sheet and transferred to the statement of Profit and Loss on a systematic basis over the useful lives of the related assets.

(p) Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services, sale of medical and non-medical items and medical testing charges. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. Medical testing charges consists of fees received for various tests conducted in the field of pathology and radiology.

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

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

Revenue from medical tests is recognized on accrual basis when the reports are generated and released to customers, net of discounts, if any.

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

‘Unbilled revenue’ represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/ observation on the balance sheet date and is not billed as at the balance sheet date. Unearned and deferred revenue (“contract liability”) is recognised as other current liability when there is billings in excess of revenues.

Other operating revenue comprises revenue from various ancillary revenue generating activities like operations and maintenance agreements, satellite centers, clinical research activities, sponsorship arrangements and academic services. The revenue in respect of such arrangements is recognized as and when services are performed.

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

(q) Employee benefits

Short-term employee benefits

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

Post-employment benefits

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

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a) **Gratuity:**

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

b) **Superannuation:**

Certain employees of the Group are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Group to the plan during the year is charged to Statement of Profit and Loss.

c) **Provident fund:**

(i) The Group makes contribution to the recognised provident fund - "Escorts Heart Institute and Research Centre Employees Provident Fund Trust " and "Fortis Healthcare Limited Provident Fund Trust" for most of its employees in India, which is a defined benefit plan to the extent that the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

(ii) Group's contribution to the provident fund is charged to Statement of Profit and Loss in the periods during which the related services are rendered by the employees.

Other long-term employee benefits:

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

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

Actuarial valuation

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

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

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately

Notes forming part of the Consolidated Financial Statements

in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(r) Share-based payments

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Group is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "share options outstanding account". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

Corresponding balance of share options outstanding account is transferred to General Reserve upon expiry of grants or upon exercise of stock options by an employee.

(s) Finance costs

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

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

(t) Income tax

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current taxes

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 payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

Deferred taxes

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

– temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

– temporary differences related to investments in subsidiaries, associates or joint arrangements, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

– taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that

Notes forming part of the Consolidated Financial Statements

are expected to be applied 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 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.

(u) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

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

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

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

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

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

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non- lease components and account for the lease and non-lease components as a single lease component.

(i) As a lessee

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

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

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in

Notes forming part of the Consolidated Financial Statements

profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

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

(ii) As a lessor

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

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

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

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

(v) Foreign currency translation

(i) Transactions and balances

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

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

(ii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Equity share capital and opening other equity are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at Balance Sheet date.
- Profit and Loss items are translated at the respective quarterly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- All resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated cumulative exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

The items of consolidated statement of cash flow are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

(w) Statement of Cash flow

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers

Notes forming part of the Consolidated Financial Statements

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

(x) Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). CODM of the Group is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be. The group has two reportable segments i.e Health Care and Diagnostic business which are the Group's strategic business units.

(y) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

3. Critical estimates and judgments

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

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

Judgements

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

- Leasing arrangement (classification) – Note 10
- Business Combination - Note 2(f) and 39
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 6 (xix), 13, 14, 15, 27, 28 and 29
- Recognition and estimation of tax expense including deferred tax– Note 6(ix), 6(xxxii)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes:

- Leasing arrangement (accounting) – Note 10
- Financial instruments - Note 19
- Fair value measurement – Note 20
- Estimated impairment of financial assets and non-financial assets – Note 6(v), 6(vi), 6(vii) and 6(x)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 6 (xix), 13, 14, 15, 27, 28 and 29
- Recognition and estimation of tax expense including deferred tax– Note 6(xxxii) and 6(ix)

Notes forming part of the Consolidated Financial Statements

- Assessment of useful life and residual value of property, plant and equipment and intangible asset – Note 2(g)(iii)
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 17
- Share-based payments – Note 16

4. Recent Pronouncements but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

5. The financial statements have been authorized for issue by the Company's Board of Directors on May 25, 2022.

Notes forming part of the Consolidated Financial Statements

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

(₹ in Lacs)

Particulars	Land (refer note a below)	Buildings (refer note 10 (b))	Leasehold improvements	Plant & machinery	Medical equipment (refer note b below)	Furniture & fittings	Computers	Office equipment	Vehicles	Total
Gross carrying value										
As at April 1,2020	**1,92,195.85**	**1,26,104.44**	**13,201.63**	**29,409.08**	**1,04,888.45**	**7,558.82**	**4,772.09**	**3,310.24**	**2,641.48**	**4,84,082.08**
Additions	433.77	1,174.94	776.31	1,205.63	16,453.01	173.89	923.19	347.83	416.12	21,904.69
Disposals	–	–	(73.13)	(112.47)	(1,773.03)	(80.64)	(72.83)	(90.49)	(363.40)	(2,565.99)
Classified as assets held for sale (refer note d below)	–	(371.65)	–	–	–	–	–	–	–	(371.65)
Exchange translation adjustments	–	–	(40.80)	–	(24.62)	(0.50)	(2.72)	(0.04)	(0.31)	(68.99)
As at March 31,2021	**1,92,629.62**	**1,26,907.73**	**13,864.01**	**30,502.24**	**1,19,543.81**	**7,651.57**	**5,619.73**	**3,567.54**	**2,693.89**	**5,02,980.14**
Additions	–	1,234.80	571.17	1,261.14	14,233.89	337.68	1,436.66	346.09	242.56	19,663.99
Acquisition of subsidiary (refer note 39)	–	–	1,571.52	145.01	2,192.69	308.37	121.00	60.87	25.91	4,425.37
Disposals	(8,744.60)	(419.18)	(29.28)	(248.52)	(1,339.32)	(248.34)	(136.07)	(46.10)	(209.39)	(11,420.80)
Exchange translation adjustments	–	–	82.11	–	48.64	1.00	5.70	0.07	0.62	138.14
As at March 31,2022	**1,83,885.02**	**1,27,723.35**	**16,059.53**	**31,659.87**	**1,34,679.71**	**8,050.28**	**7,047.02**	**3,928.47**	**2,753.59**	**5,15,786.84**
Accumulated depreciation										
As at April 1,2020	**–**	**13,012.09**	**6,283.71**	**11,685.49**	**48,716.32**	**4,149.95**	**3,575.41**	**2,385.88**	**2,050.34**	**91,859.19**
Charge for the year	–	5,625.06	1,255.05	1,905.81	11,350.16	860.58	707.78	404.35	229.68	22,338.47
Disposals	–	–	(69.83)	(73.32)	(1,352.14)	(61.81)	(57.01)	(82.15)	(348.66)	(2,044.92)
Classified as assets held for sale (refer note d below)	–	(61.35)	–	–	–	–	–	–	–	(61.35)
Exchange translation adjustments	–	–	(40.30)	–	(24.57)	(0.41)	(2.71)	(0.04)	(0.31)	(68.34)
As at March 31,2021	**–**	**18,575.80**	**7,428.63**	**13,517.98**	**58,689.77**	**4,948.31**	**4,223.47**	**2,708.04**	**1,931.05**	**1,12,023.05**
Charge for the year	–	5,550.40	2,147.53	1,919.34	10,109.83	843.95	963.90	362.79	249.30	22,147.04
Disposals	–	(133.06)	(27.63)	(159.70)	(827.58)	(237.33)	(127.56)	(42.87)	(195.62)	(1,751.35)
Exchange translation adjustments	–	–	80.62	–	48.66	0.91	5.55	0.07	0.62	136.43
As at March 31,2022	**–**	**23,993.14**	**9,629.15**	**15,277.62**	**68,020.68**	**5,555.84**	**5,065.36**	**3,028.03**	**1,985.35**	**1,32,555.17**
Carrying value (As at March 31,2021)	**1,92,629.62**	**1,08,331.93**	**6,435.38**	**16,984.26**	60,854.04	**2,703.26**	**1,396.26**	**859.50**	**762.84**	**3,90,957.09**
Carrying value (As at March 31,2022)	**1,83,885.02**	**1,03,730.21**	**6,430.38**	**16,382.25**	**66,659.03**	**2,494.44**	**1,981.66**	**900.44**	**768.24**	**3,83,231.67**

a. The original title deeds for certain freehold lands included in above are in the possession of banks against outstanding loans.

b. Above block includes certain assets leased pursuant to operating lease agreement [refer note 10(b)].

c. Certain assets included under Property, plant and equipment, are held as pledge against loans taken by the Group [refer note 11].

d. During previous year, building included certain flats ("buildings") for which sale has been approved by Board of Directors of Hiranandani Healthcare Private Limited (subsidiary).

e. The Group has not revalued its property, plant and equipment during the current and previous financial year.

f. The Group do not have any benami property or there are no proceeding that has been initiated or are pending against the Group for holding any benami property.

Notes forming part of the Consolidated Financial Statements

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

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	16,313.98	18,883.78
Additions during the year*	22,692.62	19,334.89
Transfer to property, plant and equipment*	(19,663.99)	(21,904.69)
Closing balance (net of provision for impairment ₹ 2,843.00 lacs (March 31, 2021 ₹ 2,843.00 lacs))	**19,342.61**	**16,313.98**

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

(a) Ageing Schedule for Capital-work-in progress is as follows:

CWIP	Amount in CWIP for the year March 31, 2022				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	4,596.79	1,252.84	901.80	12,591.18	19.342.61
Projects temporarily suspended	-	-	-	-	-
Total	**4,596.79**	**1,252.84**	**901.80**	**12,591.18**	**19.342.61**

(b) Capital-work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan.

31 March 2022

CWIP	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Heart transplant ICU	270.34	–	–	–
Ludhiana hospital project	6,492.86	–	–	–
Mulund hospital project	234.36	–	–	–
Ludhiana hospital project	–	93.37	–	–
Amritsar hospital project	–	–	–	155.09
Bannerghatta Road hospital project	8,194.55	–	–	–
Mulund hospital project	1,682.40	–	–	–
Noida hospital project	266.81	–	–	–

(a) Ageing Schedule for Capital-work-in progress is as follows:

CWIP	Amount in CWIP for the year March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,228.08	1,148.11	1,529.52	11,408.27	16,313.98
Projects temporarily suspended	–	–	–	–	–
Total	**2,228.08**	**1,148.11**	**1,529.52**	**11,408.27**	**16,313.98**

Notes forming part of the Consolidated Financial Statements

6(i)(b) Capital work-in-progress (Contd..)

(b) Capital-work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan.

31 March 2021

CWIP	To be completed in			
	Less than1 year	1-2 years	2-3 years	More than 3 years
Ludhiana hospital project	–	6,492.86	–	–
Mulund hospital project	34.52	36.36	–	–
Noida hospital project	360.08	–	–	–
Ludhiana hospital project	–	–	93.37	–
Amritsar hospital project	–	–	–	132.81
Bannerghatta Road hospital project	–	6,775.15	–	–
Mulund hospital project	–	783.67	–	–
Noida hospital project	–	240.45	–	–

Notes forming part of the Consolidated Financial Statements

6(ii) Goodwill

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

(₹ in Lacs)

Particulars	31-Mar-21				31-Mar-22			
	As at April 1, 2020	Addition	Impairment	As at March 31, 2021	As at April 1, 2021	Addition	Impairment	As at March 31, 2022
Cost								
Fortis Hospitals Limited (Gurgaon hospital)	13,379.62	–	–	13,379.62	13,379.62	–	–	13,379.62
Fortis Healthcare Limited (Shalimar Bagh Hospital)	11,621.00	–	–	11,621.00	11,621.00	–	–	11,621.00
Escorts Heart Institute and Research Center Limited	24,782.69	–	–	24,782.69	24,782.69	–	–	24,782.69
Hiranandani Healthcare Private Limited	4,984.38	–	–	4,984.38	4,984.38	–	–	4,984.38
Fortis Malar Hospital Limited	2,044.12	–	–	2,044.12	2,044.12	–	–	2,044.12
Fortis Hospitals limited (Banergatta Road Hospital)	55,602.29	–	–	55,602.29	55,602.29	–	–	55,602.29
Fortis Hospitals Limited (Cunningham Road Hospital)	2,704.57	–	–	2,704.57	2,704.57	–	–	2,704.57
Fortis Hospitals Limited (Mulund Hospital)	50,082.28	–	–	50,082.28	50,082.28	–	–	50,082.28
Fortis Hospitals Limited (Kalyan Hospital)	7,085.55	–	–	7,085.55	7,085.55	–	–	7,085.55
Fortis Hospitals Limited (Fortis Heart and Kidney Institute)	1,984.82	–	–	1,984.82	1,984.82	–	–	1,984.82
Fortis Hospitals Limited (Anandpur Hospital)	25,668.91	–	–	25,668.91	25,668.91	–	–	25,668.91
Fortis Hospitals Limited (Jaipur Hospital)	404.32	–	–	404.32	404.32	–	–	404.32
Fortis Hospitals Limited (Faridabad Hospital)	6,053.13	–	–	6,053.13	6,053.13	–	–	6,053.13
Fortis Hospitals Limited (Noida Hospital)	33,024.49	–	–	33,024.49	33,024.49	–	–	33,024.49
Fortis Hospitals Limited (Amritsar Hospital)	10,675.20	–	–	10,675.20	10,675.20	–	–	10,675.20
Escorts Heart and Super Speciality Hospitals Limited (Mohali Hospital)	21,862.24	–	–	21,862.24	21,862.24	–	–	21,862.24
Fortis Health Management Limited (Nagarbavi Hospital)	2,979.40	–	–	2,979.40	2,979.40	–	–	2,979.40
International Hospital Limited (Rajaji Nagar Hospital)	2,564.44	–	–	2,564.44	2,564.44	–	–	2,564.44
Birdie & Birdie Relators Private Limited (refer note 22)	1,231.10	–	–	1,231.10	1,231.10	–	1,231.10	–
Fortis Healthcare International Limited	17.33	–	–	17.33	17.33	–	–	17.33
Hospital business - Total (A)	**2,78,751.88**	**–**	**–**	**2,78,751.88**	**2,78,751.88**	**–**	**1,231.10**	**2,77,520.78**
Diagnostic business								
SRL Limited (refer note 37 and 39)	93,324.08	95.14	–	93,419.22	93,419.22	41,380.74	–	1,34,799.97
Diagnostic business - Total (B)	**93,324.08**	**95.14**	**–**	**93,419.22**	**93,419.22**	**41,380.74**	**–**	**1,34,799.97**
Grand Total (A+B)	**3,72,075.96**	**95.14**	**–**	**3,72,171.10**	**3,72,171.10**	**41,380.74**	**1,231.10**	**4,12,320.75**

Notes forming part of the Consolidated Financial Statements

6(ii) Goodwill (Contd..)

The Group's goodwill is tested for impairment annually at the year-end or more frequently if there are indications that goodwill might be impaired.

The Group made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management except for Birdie & Birdie Realtors Private Limited and Fortis Heathcare International Limited, where the valuation has been determined based on the fair value of net assets.

Cash flow projections were developed covering seven year period as at March 31, 2022 (As at March 31, 2021) which reflects a more appropriate indication/trend of future track of business of the Group. Cash flows beyond the seven year period were extrapolated using estimate rates stated below.

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

Key assumptions used for value in use calculations are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Compound average net sales growth rate (p.a.)	5% - 11%	4% - 12%
Growth rate used for extrapolation of cash flow projections (p.a.)	4.0%	4.0%
Discount rate	12% - 14%	12% - 13%

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

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

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

Notes forming part of the Consolidated Financial Statements

6(iii)(a) Other Intangible Assets

(₹ in Lacs)

Particulars	Technical know how fees	User license agreement	License fee	Software	Trademark and Non compete	Trademark (indefinite useful life)	Customer relation-ships	Total
Gross Carrying value								
As at April 1, 2020	**974.88**	**420.00**	**1,104.41**	**16,219.91**	**5,858.20**	**–**	**–**	**24,577.40**
Additions	–	–	93.99	2,344.73	40.50	–	–	2,479.22
Disposals	–	–	–	(0.41)	–	–	–	(0.41)
As at March 31,2021	**974.88**	**420.00**	**1,198.40**	**18,564.23**	**5,898.70**	**–**	**–**	**27,056.21**
Additions	–	–	41.60	741.37	2,124.00	–	–	2,906.97
Additions on acquisition of subsidiary (refer note 39)	–	–	–	73.20	746.21	21,500.00	5,733.06	28,052.47
Disposals	–	–	–	(491.30)	–			(491.30)
As at March 31,2022	**974.88**	**420.00**	**1,240.00**	**18,887.50**	**8,768.91**	**21,500.00**	**5,733.06**	**57,524.35**
Amortisation								
As at April 1, 2020	**968.77**	**420.00**	**861.35**	**12,227.87**	**3,993.59**	**–**	**–**	**18,471.58**
Charge for the year	4.66	–	90.75	1,846.07	443.37	–	–	2,384.85
Disposals	–	–	–	(0.41)	–	–	–	(0.41)
As at March 31,2021	**973.43**	**420.00**	**952.10**	**14,073.53**	**4,436.96**	**–**	**–**	**20,856.02**
Charge for the year	1.45	–	116.47	1,549.18	887.48	–	382.20	2,936.78
Disposals	–	–	–	(491.27)	–	–	–	(491.27)
As at March 31,2022	**974.88**	**420.00**	**1,068.57**	**15,131.44**	**5,324.44**	**–**	**382.20**	**23,301.53**
Carrying value as at March 31,2021	**1.45**	**–**	**246.30**	**4,490.70**	**1,461.74**	**–**	**–**	**6,200.19**
Carrying value as at March 31,2022	**–**	**–**	**171.43**	**3,756.06**	**3,444.47**	**21,500.00**	**5,350.86**	**34,222.82**

6(iii)(b) Intangible assets under development

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	178.12	1,491.04
Additions during the year*	2,734.43	1,166.30
Transfer to other intangible assets*	(2,906.97)	(2,479.22)
Closing balance	**5.58**	**178.12**

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

(a) Ageing Schedule for Intangible assets under development:

(₹ in Lacs)

Intangible assets under development	Amount in Intangible assets under development for a period of March 31, 2022				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	5.58	–	–	–	5.58
Projects temporarily suspended	–	–	–	–	–
Total	**5.58**	**–**	**–**	**–**	**5.58**

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

(₹ in Lacs)

Intangible assets under development	Amount in Intangible assets under development for a period of March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	178.12	–	–	–	178.12
Projects temporarily suspended	–	–	–	–	–
Total	**178.12**	**–**	**–**	**–**	**178.12**

(b) There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021

6(iv) Investments accounted for using the equity method

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non current		
A. Quoted investments (fully paid)		
(a) Investments in equity instruments		
Investment in associate companies		
(i) RHT Health Trust, Singapore		
225,747,944 (225,747,944 as at March 31, 2021) units of SGD 0.90 each, fully paid up	60,853.75	60,853.75
Less: Share in post acquisition losses (net of dividend)	(54,809.37)	(54,721.26)
Less: Share in loss for the year	(92.18)	(88.11)
Less: Other adjustments	(3,610.82)	(3,595.67)
Add: Exchange translation adjustments	106.47	19.53
	2,447.85	**2,468.24**
(ii) Lanka Hospitals Corporate PLC, Srilanka		
64,120,915 (64,120,915 as at March 31, 2021) Equity Shares of Lankan Rupees (LKR) 62 each (including goodwill of Rupees 16,102.33 lacs)	19,762.82	19,762.82
Add: Share in pre acquisition profits upto the date of acquisition	568.70	568.70
Add: Share in post acquisition profits (net of dividend)	4,714.23	4,227.21
Add: Share in profits for the year	2,416.64	487.02
Less: Dividend received during the year	(645.89)	–
Less: Impairment	(10,491.65)	(10,491.65)
Add: Exchange translation adjustments	(8,731.75)	(4,006.37)
	7,593.10	**10,547.73**
Aggregate carrying value of quoted investments (A)	**10,040.95**	**13,015.97**

Notes forming part of the Consolidated Financial Statements

6(iv) Investments accounted for using the equity method (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
B. Unquoted Investments (fully paid)		
(a) Investments in equity instruments		
Investment in associate companies		
(i) Sunrise Medicare Private Limited	–	0.31
Nil (3,126 as at March 31, 2021) Equity Shares of ₹ 10 each, fully paid up)] (struck off w.e.f. 17 August, 2021)		
Less: impairment of investment	–	(0.31)
Investment in joint ventures		
(i) DDRC SRL Diagnostics Private Limited		
250,000 (250,000 as at March 31, 2021) Equity Shares of ₹ 10 each fully paid-up	950.88	950.88
Add: Share in post acquisition profits	3,506.57	1,967.27
Add: Share in profits for the year	59.63	4,339.30
Less: Dividend received during the year	(1,104.55)	(2,800.00)
Add: Share of reserve	841.64	841.64
	4,254.17	**5,299.09**
Less: Acquisition (refer note 39)	(4,254.17)	–
	–	**5,299.09**
(ii) SRL Diagnostics (Nepal) Private Limited		
240,000 (240,000 as at March 31, 2021) equity shares of Nepalese ₹ 100 each fully paid-up	150.00	150.00
Add: Share in post acquisition profits	142.99	125.33
Add: Share in profits for the year	30.66	17.66
Add: Share of reserve	(4.61)	(4.61)
	319.04	**288.38**
(iii) Fortis C-Doc Healthcare Limited	–	–
[4,060,637 (4,060,637 as at March 31, 2021) Equity Shares of ₹ 10 each, fully paid up)]		
Aggregate carrying value of unquoted investment in equity instrument (a)	**319.04**	**5,587.47**
(b) Investments in 0.01% Optionally Convertible Redeemable Preference Shares		
Investment in joint venture		
(i) Fortis C-Doc Healthcare Limited		
[43,333,333 (as at 31 March, 2021 Nil) preference shares of ₹3 each fully paid-up]	1,300.00	–
Less: Impairment (refer note 22 (b))	(1,300.00)	–
	–	**–**
Aggregate carrying value of unquoted investment in preference shares (b)	**–**	**–**
Unquoted investment in joint venture (a+b)	**319.04**	**5,587.47**
Investments in associates/joint venture - Total (A+B)	**10,359.99**	**18,603.44**
Aggregate carrying value of investment in associates and joint ventures	**10,359.99**	**18,603.44**
Gross investments in associates/joint ventures (accounted under equity method)	**22,151.64**	**29,095.40**
Impairment of investment in associate and joint venture	**11,791.65**	**10,491.96**

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

NOTES:

A INVESTMENT IN ASSOCIATES

A.1 Break-up of investment in associates (carrying amount determined using the equity method of accounting)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Aggregate book value of quoted investments	10,040.95	13,015.97
(ii) Aggregate market value of quoted investments	10,814.12	12,796.64
(iii) Aggregate gross value of unquoted investments	–	0.31
(iv) Aggregate amount of impairment in value of investments in associates	10,491.65	10,491.96

A.2 Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below.

(i) RHT Health Trust (formerly known as Religare Health Trust) ('RHT')

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current assets	–	–
(b) Current assets	9,580.65	9,543.84
(c) Non-current liabilities	–	–
(d) Current liabilities	781.80	671.66
Net assets	**8,798.85**	**8,872.18**

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Revenue	–	–
(b) Loss from continuing operations	(331.38)	(316.72)
(c) Loss for the year	(331.38)	(316.72)
(d) Other comprehensive income for the year	258.07	463.93
(e) Total comprehensive (loss)/ income for the year	(73.31)	147.21
(f) Dividends received from the associate during the year	–	–
(g) Group share of loss for the year	(92.18)	(88.11)
(h) Group share of (loss)/ profit and other comprehensive income for the year	(20.39)	40.95
(i) Share of (loss)/ profit and other comprehensive income for the year recognized	(20.39)	40.95
The above profit for the year includes the following:		
(a) Depreciation and amortisation	–	–
(b) Interest income	18.17	15.36
(c) Interest expense	–	–
(d) Income tax expense (income)	2.30	7.77

Reconciliation of the above summarised financial information to the carrying amount of the interest in RHT Health Trust recognised in the consolidated financial statements:

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Net assets of the associate	8,798.85	8,872.18
(b) Proportion of the Group's ownership interest in RHT	27.82%	27.82%
Carrying amount of the Group's interest in RHT	**2,447.85**	**2,468.24**

During the current year ended March 31 2022, THR Infrastructure Pte. Ltd. (THRIPL), one of the subsidiaries of RHT (an associate of the Company) received a draft assessment order from Indian tax authorities. The Company is a sponsor to RHT and holds approx. 27.82 % units in RHT. The Company's wholly owned subsidiary, RHT Health Trust Manager PTE Limited (RHTTM) is the Trustee Manager of the RHT. The above draft assessment order relates to disposal of 51% of Compulsory Convertible Debentures (CCDs) of Fortis Hospotel Limited (FHTL) to the Company in 2016. In the said transaction, THRIPL has claimed a capital gains tax exemption of ₹ 65,608 lacs under the India-Singapore Double Taxation Avoidance Agreement. THRIPL has subsequently filed objections to the Draft Assessment Order and the matter is currently pending for adjudication before the Dispute Resolution Panel. Based on tax advisors view received by THRIPL, it has a strong case on merits.

THRIPL may not have sufficient funds required to meet its legal and other operational costs, accordingly, based on THRIPL's request, the Company's wholly owned subsidiary - Fortis Healthcare International Pte Ltd. has proposed to provide a financial support upto a maximum amount of Singapore $ 3 million (equivalent INR 1,681.80 lacs). This is subject to approval of shareholders of the Company.

(ii) Lanka Hospitals Corporate PLC, Srilanka

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current assets	13,820.93	19,640.45
(b) Current assets	17,339.78	16,533.33
(c) Non-current liabilities	2,443.80	5,662.52
(d) Current liabilities	4,657.87	4,267.27

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Revenue	36,685.70	26,853.93
(b) Profit from continuing operations	8,086.05	1,519.56
(c) Profit for the year	8,086.05	1,519.56
(d) Other comprehensive income for the year	1,205.79	610.84
(e) Total comprehensive income for the year	9,291.84	2,130.39
(f) Dividends received from the associate during the year	645.89	–
The above profit for the year includes the following:		
(a) Depreciation and amortisation	1,768.52	1,712.66
(b) Interest income	1,485.44	984.94
(c) Interest expense	119.19	137.82
(d) Income tax expense (income)	943.87	100.12

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate carrying amount of the Group's interests in 'Lanka Hospitals Corporate PLC, Srilanka	7,593.10	10,547.73

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

B INVESTMENT IN JOINT VENTURES

B.1 Break-up of investment in joint ventures (carrying amount determined using the equity method of accounting)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Aggregate book value of quoted investments	–	–
(ii) Aggregate market value of quoted investments	–	–
(iii) Aggregate carrying value of unquoted investments	319.04	5,587.47
(iv) Aggregate amount of impairment in value of investments in Joint Ventures	1,300.00	–

B.2 Summarised financial information of material joint ventures

Summarised financial information in respect of each of the Group's material Joint Ventures is set out below. The summarised financial information below represents amounts shown in the Joint Venture's financial statements prepared in accordance with Ind ASs adjusted by the Group for equity accounting purposes.

(i) DDRC SRL Diagnostics Private Limited*

(₹ in Lacs)

Particulars	As at April 4, 2021	As at March 31, 2021
(a) Non-current assets	7,207.34	7,218.02
(b) Current assets	3,223.24	4,736.14
(c) Non-current liabilities	1,051.87	998.83
(d) Current liabilities	1,768.75	1,255.53
(e) Goodwill arising on acquisition of joint venture	898.38	898.38
Net assets	**8,508.35**	**10,598.18**

(₹ in Lacs)

Particulars	Period ended April 4, 2021	Year ended March 31, 2021
(a) Revenue	344.65	30,174.22
(b) Profit from continuing operations	119.26	8,678.61
(c) Profit for the year	119.26	8,678.61
(d) Other comprehensive income for the year	–	12.08
(e) Total comprehensive income for the year	119.26	8,690.69
(f) Group share of profit for the year	59.63	4,339.30
(g) Dividends received from the Joint Venture during the year	(1,104.55)	(2,800.00)
(h) Group share of profit and other comprehensive income for the year	(1,044.92)	1,545.35
The above profit for the year include the following:		
(a) Depreciation and amortisation	12.01	1,182.00
(b) Other income	0.09	85.47
(c) Interest expense	0.74	150.92
(d) Income tax expense (income)	39.59	2,864.46

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

Reconciliation of the above summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:

(₹ in Lacs)

Particulars	As at April 4, 2021	As at March 31, 2021
(a) Net assets of joint venture	8,508.35	10,598.18
(b) Net assets as per consolidation	8,508.35	10,598.18
(c) Proportion of Group's ownership interest in joint venture	50%	50%
(d) Carrying amount of Group's interest in the joint venture	4,254.17	5,299.09

**Refer note 39.*

(ii) SRL Diagnostics (Nepal) Private Limited

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current assets	275.56	120.60
(b) Current assets	602.52	687.97
(c) Non-current liabilities	22.16	26.49
(d) Current liabilities	217.84	205.31
Net assets	**638.08**	**576.77**

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Revenue	805.56	562.11
(b) Profit from continuing operations	61.31	35.30
(c) Profit for the year	61.31	35.30
(d) Other comprehensive income for the year	–	–
(e) Total comprehensive income for the year	61.31	35.30
(f) Dividends received from the Joint Venture during the year	–	–
(g) Group share of profit and other comprehensive income for the year	30.66	17.66
The above profit for the year include the following:		
(a) Depreciation and amortisation	43.41	22.75
(b) Other income	10.05	17.88
(c) Interest expense	–	0.96
(d) Income tax expense (income)	23.57	8.73

Reconciliation of the above summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements:

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Net assets of joint venture	638.08	576.77
(b) Proportion of company's ownership interest in joint venture	50.00%	50.00%
(c) Carrying amount of company's interest in the joint venture	319.04	288.38

Notes forming part of the Consolidated Financial Statements

6(iii)(b)Intangible assets under development (Contd..)

Contingent liabilities: (DDRC)

Claims against the Joint venture, not acknowledged as debt (Group's share of liabilities):

(₹ in Lacs)

Particulars	As at March 31, 2021
i. Disputed income tax demands	427.05
ii. Disputed VAT demands	1.51
iii. Payment of bonus as per the payment of bonus (amendment) Act, 2015 (stayed by Honourable high court of Kerala)	15.54
iv. Others	10.16
	454.26

B.3 Unrecognised share of loss of joint venture

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
The unrecognised share of loss of Joint Venture (Fortis C-Doc Healthcare Limited) for the year	230.40	289.34
Cumulative share of unrecognised loss of Joint Venture	1,539.26	1,308.86

6(v) Trade receivables*

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Unsecured, unless stated otherwise		
(a) Considered good		
– From Others		
Billed	65,007.58	55,544.42
Unbilled	6,840.93	6,786.25
– From related parties [refer note 9]	606.96	501.87
(b) Credit Impaired		
– From Others	3,245.63	3,139.23
– From Related Party	–	1.00
Less: Loss allowance	(24,484.04)	(20,197.20)
	51,217.06	**45,775.57**
Break-up of security details		
(a) Trade receivables considered good - Unsecured	72,455.47	62,832.54
(b) Credit impaired or increase in credit risk - Unsecured	3,245.63	3,140.23
Less: Loss allowance	(24,484.04)	(20,197.20)
Total	**51,217.06**	**45,775.57**

** Trade receivables includes receivables of certain entities hypothecated against borrowing (refer note 11).*

Notes forming part of the Consolidated Financial Statements

6(v) Trade receivables* (Contd..)

Notes:

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

Ageing	Expected Credit Allowance %	
	As at March 31, 2022	As at March 31, 2021
0 - 1 year	0%-49%	0% - 74%
1 - 2 year	1%-78%	1% - 78%
2 - 3 year	4% - 100%	1% - 95%
More than 3 years	100%	100%

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	20,197.20	19,745.95
Addition / (Utilisation) (net)	4,286.84	451.25
Balance at the end of the year	**24,484.04**	**20,197.20**

Trade Receivables ageing schedule

Particulars	Not due	Outstanding for the period March 31 2022 from the due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	7,530.94	5,087.43	21,768.25	16,030.28	4,419.32	10,771.97	65,608.19
(ii) Undisputed Trade Receivables – credit impaired	1.61	31.86	62.52	85.68	172.17	1,963.64	2,317.48
(iii) Disputed Trade Receivables– considered good	-	-	-	-	6.35	-	6.35
(iv) Disputed Trade Receivables – credit impaired	-	1.42	0.21	95.05	102.70	728.77	928.15
	7,532.55	**5,120.71**	**21,830.98**	**16,211.01**	**4,700.54**	**13,464.38**	**68,860.17**
Less: Loss allowance for doubtful trade receivables - billed							(24,484.04)
							44,376.13
Trade receivables - unbilled							6,840.93
							51,217.06

Notes forming part of the Consolidated Financial Statements

6(v) Trade receivables* (Contd..)

Particulars	Not due	Outstanding for the period March 31 2021 from the due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	17,366.56	15,831.70	5,399.50	5,069.29	4,172.37	7,300.49	55,139.91
(ii) Undisputed Trade Receivables – credit impaired	-	25.41	43.83	203.88	440.63	1,506.23	2,219.98
(iii) Disputed Trade Receivables– considered good	-	-	18.33	241.68	167.20	479.17	906.38
(iv) Disputed Trade Receivables – credit impaired	-	33.87	11.20	98.74	285.38	491.06	920.25
	17,366.56	**15,890.98**	**5,472.86**	**5,613.59**	**5,065.58**	**9,776.95**	**59,186.52**
Less: Loss allowance for doubtful trade receivables - billed							(20,197.20)
							38,989.32
Trade receivables - unbilled							6,786.25
							45,775.57

6(vi) Loans

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current - at amortised cost		
Unsecured, Considered good		
(a) Loans to body corporates and others	8.74	8.74
(b) Loans to employees	20.75	13.11
Total (A)	**29.49**	**21.85**
Credit impaired		
(a) Loans to body corporates and others*	294.66	410.73
(b) Loans to joint venture	–	1,367.72
Total (B)	**294.66**	**1,778.45**
Less: Loss allowance	(294.66)	(1,778.45)
Total (C)	**(294.66)**	**(1,778.45)**
Total (A+B+C)	**29.49**	**21.85**
Current - at amortised cost		
Unsecured, Considered good		
(a) Loans to body corporates and others	148.62	130.73
Total (A)	**148.62**	**130.73**
Credit impaired		
(a) Inter-corporate deposits [refer note 27 (C) (i)]*	40,243.00	40,243.00
(b) Loans to body corporates and others*	2,571.76	2,571.76
Total (B)	**42,814.75**	**42,814.75**
Less: Loss allowance	(42,814.75)	(42,814.75)
Total (C)	**(42,814.75)**	**(42,814.75)**
Total (A+B+C)	**148.62**	**130.73**

**This represents loans given to body corporates which have been fully provided for in earlier years.*

Notes forming part of the Consolidated Financial Statements

6(vii) Other financial assets (unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current		
Considered good		
(a) Deposit accounts with banks (refer note 1 below)	365.73	504.05
(b) Security deposits	4,547.14	2,967.91
(c) Interest accrued on loans and bank deposits	4.92	9.64
(d) Advances others - recoverable in cash	45.55	3.67
Total (A)	**4,963.34**	**3,485.27**
Credit impaired		
(a) Interest accrued on loan to Joint venture	168.33	180.61
(b) Security deposits [refer note 27 (C) (ii)]	415.22	416.47
Total (B)	**583.55**	**597.08**
Less: Loss allowance	(583.55)	(597.08)
Total (C)	**(583.55)**	**(597.08)**
Total (A+B+C)	**4,963.34**	**3,485.27**
Current		
Considered good		
(a) Interest accrued on loans and bank deposits	265.50	164.70
(b) Security deposits	1,250.11	1,238.71
(c) Earnest money deposit	16.51	15.52
(d) Advances others	580.81	964.69
Total (A)	**2,112.93**	**2,383.62**
Credit impaired		
(a) Full and final settlement recoverable from employees	1,425.24	1,419.71
(b) Security deposits [refer note 27 (C) (ii)]	417.49	413.43
(c) Interest accrued on inter-corporate deposits [refer note 27 (C) (i)]	4,259.62	4,259.62
(d) Advance others [refer note 27 (C) (ii)]	1,913.34	1,913.34
(e) Amount recoverable for salary & reimbursement of expenses [refer note 27 (C) (vi)]	2,002.39	2,002.39
(f) Other recoverables	680.93	440.16
Total (B)	**10,699.01**	**10,448.65**
Less: Loss allowance	(10,699.01)	(10,448.65)
Total (C)	**(10,699.01)**	**(10,448.65)**
Total (A+B+C)	**2,112.93**	**2,383.62**

Notes:

1. Including fixed deposits under lien with bank and is restricted from being exchanged for more than 12 months from the Balance Sheet date.

6(viii) Tax assets & liabilities

(a) Non-current tax assets

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income-tax*	54,267.49	50,754.59
	54,267.49	**50,754.59**

** Net of provision for tax*

Notes forming part of the Consolidated Financial Statements

6(viii) Tax assets & liabilities (Contd..)

(b) Current tax liabilities

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income-tax*	244.58	603.30
	244.58	**603.30**

** Net of advance tax*

Note: Including refund adjusted by tax authorities against demand orders of earlier years which are being contested by the Company under various forums.

6(x) Other assets (unsecured)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Considered good		
(a) Capital advances	2,332.47	394.25
(b) Prepaid expenses	249.61	272.04
(c) Balances with government authorities		
– Amount paid under protest to Income-tax authorities	4,066.07	3,814.94
(d) Balance with government authorities- goods and service tax and other taxes recoverable	1,051.33	1,018.92
Total (A)	**7,699.48**	**5,500.15**
Credit impaired		
(a) Capital advances (refer note 27 (C) (ii))	766.81	604.50
	766.81	**604.50**
Less: Loss allowance	(766.81)	(604.50)
Total (B)	**(766.81)**	**(604.50)**
Total (A+B)	**7,699.48**	**5,500.15**
Current		
Considered good		
(a) Balances with government authorities - Goods and service tax recoverable	256.14	220.47
(b) Advance to vendors	1,722.90	1,261.57
(c) Prepaid expenses	3,202.21	2,471.01
(d) SEIS licenses in hand	757.92	1,742.95
(e) Unamortized finance charges	57.53	–
Total (A)	**5,996.70**	**5,696.00**
Credit impaired		
(a) Balances with government authorities - customs excise and other authorities	54.34	67.03
(b) Deposits with income tax authorities	8.81	8.81
(c) Advance to vendors	12.69	151.76
	75.84	**227.60**
Less: Loss allowance	(75.84)	(227.60)
Total (B)	**(75.84)**	**(227.60)**
Total (A+B)	**5,996.70**	**5,696.00**

Notes forming part of the Consolidated Financial Statements

6(xi) Inventories

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realisable value)		
(a) Medical consumables and drugs (including reagents and chemicals)	12,201.73	7,570.98
(b) Stores and spares	88.30	105.34
	12,290.03	**7,676.32**

6(xii) Cash and cash equivalents

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks		
– on current accounts	6,749.71	17,057.02
– deposits with original maturity of less than three months	7,154.78	8,547.10
(b) Cheques, drafts on hand	4.00	20.70
(c) Cash on hand	414.78	498.66
Cash and cash equivalents as per balance sheet	**14,323.27**	**26,123.48**
Bank overdrafts [refer note 6(xxi)]	(7,663.23)	(4,210.96)
Cash and cash equivalents as per statement of cash flows	**6,660.04**	**21,912.52**

6(xiii) Other bank balances

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unpaid dividend account	13.52	13.52
(b) Deposits with original maturity of more than 3 months but less than 12 months	26,028.01	15,216.62
(c) Deposits with original maturity of more than 12 months	905.19	304.44
	26,946.72	**15,534.58**

6(xiv) Assets/Liabilities classified as held for sale

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Assets held for sale		
(a) Assets related to Escorts Heart Institute & Research Centre Limited* and Hiranandani Healthcare Private Limited** (HHPL)	291.22	360.17
	291.22	**360.17**

** Represent one flat ("buildings") (March 31, 2021 one flat) for which registration of transfer is pending with the authorities.*

*** Represent Seven flats ("buildings") (March 31, 2021 nine flats) for which sale has been approved by Board of Directors of HHPL. The disposal is expected to be executed in the next twelve months following the date of financial statements.*

Notes forming part of the Consolidated Financial Statements

6(xiv) Assets/Liabilities classified as held for sale (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities associated with assets held for sale		
(b) Liabilities related to assets held for sale	128.21	128.21
	128.21	**128.21**

6(ix) Deferred tax

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Deferred tax assets (net) (A)	36,910.79	37,022.92
(b) Deferred tax liabilities (net) (B)	(38,121.66)	(28,872.87)
Deferred tax (A-B)	**(1,210.87)**	**8,150.05**

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

(₹ in Lacs)

Deferred tax assets/(liabilities) in relation to:	As at April 1, 2021	Credit / (Charge) to Profit or loss	Business combination (refer note 39)	Credit / (Charge) Other Comprehensive Income	Creation / (Utilisation) of MAT credit	As at March 31, 2022
Deferred tax liabilities						
(a) Property, plant and equipment	(36,079.61)	363.50	146.39	–	–	(35,569.72)
(b) Intangible assets	(11,578.53)	(5.20)	–	–	–	(11,583.73)
(c) Others	(803.94)	(22.23)	–	–	–	(826.16)
(d) Undistributed profits of subsidiaries	(982.83)	982.83	–	–	–	–
(e) Right-of-use assets	(3,791.46)	(443.17)	(143.45)	–	–	(4,378.09)
	(53,236.37)	**874.21**	**2.94**	**–**	**–**	**(52,359.23)**
Deferred tax assets in relation to:						
(a) Provision for contingency	419.05	37.04	–	–	–	456.09
(b) Allowances for doubtful advances	3,247.62	31.49	–	–	–	3,279.11
(c) Allowance for expected credit loss	5,670.83	363.01	0.44	–	–	6,034.28
(d) Defined benefit obligation	4,117.37	(83.79)	141.75	(35.33)	–	4,140.00
(e) Unabsorbed losses and depreciation	37,573.13	(3,452.21)	–	–	–	34,120.92
(f) MAT credit entitlement	4,284.44	–	–	–	(1,185.18)	3,099.26
(g) Others	1,931.67	13.57	–	–	–	1,945.24
(h) Lease liabilities	4,142.31	650.31	163.85	–	–	4,956.47
	61,386.42	**(2,440.59)**	**306.04**	**(35.33)**	**(1,185.18)**	**58,031.37**
Deferred tax asset (Net)	**8,150.05**	**(1,566.38)**	**308.98**	**(35.33)**	**(1,185.18)**	**5,672.14**
Deferred tax liability						
Brand	–	–	(5,411.11)	–	–	(5,411.11)
Customer relationships	–	96.20	(1,442.90)	–	–	(1,346.70)
Trademark	–	62.61	(187.81)	–	–	(125.20)
Total deferred tax liability	**–**	**158.81**	**(7,041.82)**	**–**	**–**	**(6,883.01)**
Deferred tax liabilities (Net)	**8,150.05**	**(1,407.57)**	**(6,732.84)**	**(35.33)**	**(1,185.18)**	**(1,210.87)**

Notes forming part of the Consolidated Financial Statements

6(ix) Deferred tax (Contd..)

(₹ in Lacs)

Deferred tax assets/(liabilities) in relation to:	As at April 1, 2020	Credit / (Charge) to Profit or loss	Credit / (Charge) Other Comprehensive Income	As at March 31, 2021
Deferred tax liabilities				
(a) Property, plant and equipment	(36,116.00)	36.39	–	(36,079.61)
(b) Intangible assets	(10,653.58)	(924.95)	–	(11,578.53)
(c) Others	(723.29)	(80.65)	–	(803.94)
(d) Undistributed profits of subsidiaries	(1,227.25)	244.42	–	(982.83)
(e) Right-of-use assets	(3,973.51)	182.05	–	(3,791.46)
	(52,693.63)	**(542.74)**	**–**	**(53,236.37)**
Deferred tax assets/(liabilities) in relation to:				
(a) Provision for contingency	415.14	3.91	–	419.05
(b) Allowances for doubtful advances	3,234.31	13.31	–	3,247.62
(c) Allowance for expected credit loss	5,290.07	380.76	–	5,670.83
(d) Defined benefit obligation	3,922.65	244.55	(49.83)	4,117.37
(e) Unabsorbed losses and depreciation	36,037.93	1,535.20	–	37,573.13
(f) MAT credit entitlement	5,978.22	(1,693.79)	–	4,284.44
(g) Other	1,817.67	114.00	–	1,931.67
(h) Lease liabilities	4,124.91	17.40	–	4,142.31
	60,820.90	**615.35**	**(49.83)**	**61,386.42**
Deferred tax asset (Net)	**8,127.27**	**72.60**	**(49.83)**	**8,150.05**

DTA has not been recognized on*

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to vendors	4,743.47	4,743.47
Inter-corporate deposits (refer note 6(vi))	40,243.00	40,243.00
Interest accrued on inter-corporate deposits	4,259.62	4,259.62
Loans and advances	3,366.31	12,823.09
Interest accrued on loan	168.33	180.61
	52,780.73	**62,249.79**

**In addition to the above temporary differences, DTA has not been recognised on losses, unabsorbed depriciation and MAT credit as stated in note 6 (xxxii). Further, in case of certain subsidiaries, DTA has been recognised only to the extent it is considered probable that future taxable profits will be available.*

Notes forming part of the Consolidated Financial Statements

6(xv) Share capital

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital:		
850,000,000 (850,000,000 as at March 31, 2021) Equity shares of ₹ 10 each	85,000.00	85,000.00
200 Class 'A' (200 as at March 31, 2021) Non- Cumulative Redeemable Preference Shares of ₹ 100,000 each	200.00	200.00
11,498,846 Class 'B' (11,498,846 as at March 31, 2021) Non- Cumulative Redeemable Preference Shares of ₹ 10 each	1,149.88	1,149.88
64,501,154 Class 'C' (64,501,154 as at March 31, 2021) Cumulative Redeemable Preference Shares of ₹ 10 each	6,450.12	6,450.12
Total authorised share capital	**92,800.00**	**92,800.00**
Issued, subscribed and fully paid up shares		
754,958,148 (754,958,148 as at March 31, 2021) Equity shares of ₹ 10 each	75,495.81	75,495.81
Total issued, subscribed and fully paid up share capital	**75,495.81**	**75,495.81**

Notes :

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

Equity Shares

Particulars	March 31, 2022		March 31, 2021	
	Number	₹ in Lacs	Number	₹ in Lacs
At the beginning of the year	75,49,58,148	75,495.81	75,49,58,148	75,495.81
Issued during the year	–	–	–	–
Outstanding at the end of the year	**75,49,58,148**	**75,495.81**	**75,49,58,148**	**75,495.81**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Equity shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	₹ in Lacs	No. of Shares held	₹ in Lacs
Northern TK Venture Pte Ltd (refer note 29) (Holding Company)	23,52,94,117	23,529.41	23,52,94,117	23,529.41

Notes forming part of the Consolidated Financial Statements

6(xv) Share capital (Contd..)

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

Equity Shares

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Northern TK Venture Pte Ltd	23,52,94,117	31.17%	23,52,94,117	31.17%

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 16.

(f) For the period of five years immediately preceding the date of the balance sheet, there were no share allotment made for consideration other than cash and also no bonus shares were issued. Further, there has been no buyback of shares during the period of five years preceding the date of balance sheet.

(g) Details of shares held by the promoters

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	23,52,94,117	–	23,52,94,117	31.17%	–

As at 31 March 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	23,52,94,117	–	23,52,94,117	31.17%	–
Total	**23,52,94,117**	**–**	**23,52,94,117**	**31.17%**	**–**

Notes forming part of the Consolidated Financial Statements

6(xvi) Changes in liabilities arising from financing activities

(₹ in Lacs)

Particulars	Equity shares (including premium)	Non-Current Borrowings**	Current borrowings (net)***	Interest accrued	Lease liabilities
As at April 1, 2020	**7,97,015.21**	**99,142.86**	**36,255.41**	**522.14**	**24,029.34**
Non Cash items (refer note 6(xxxi))	–	–	–	–	(121.18)
Proceeds from borrowings	–	33,546.44	–	–	–
Repayment of borrowings	–	(23,576.43)	(5,028.41)	–	–
Reclassification of bank overdraft*	–	–	(13,263.67)	–	–
Finance cost	–	–	–	13,917.83	2,670.32
Finance cost paid	–	–	–	(14,189.24)	(2,670.32)
Addition of lease contracts	–	–	–	–	5,083.78
Deletion of lease contracts	–	–	–	–	(628.45)
Lease liabilities paid	–	–	–	–	(2,374.90)
Exchange translation	–	–	–	–	(9.53)
As at March 31, 2021	**7,97,015.21**	**1,09,112.87**	**17,963.33**	**250.73**	**25,979.06**
As at April 1, 2021	**7,97,015.21**	**1,09,112.87**	**17,963.33**	**250.73**	**25,979.06**
Proceeds from borrowings	–	30,643.31	–	–	–
Repayment of borrowings	–	(60,155.46)	(4,449.06)	–	–
Reclassification of bank overdraft*	–	–	3,452.27	–	–
Finance cost	–	–	–	11,729.75	2,954.77
Finance cost paid	–	–	–	(11,749.37)	(2,954.77)
Addition of lease contracts (including addition on acquisition of DDRC ₹ 651.01 lacs)	–	–	–	–	6,056.15
Deletion of lease contracts	–	–	–	–	(38.46)
Lease liabilities paid	–	–	–	–	(3,065.79)
Exchange translation	–	–	–	–	(5.19)
As at March 31, 2022	**7,97,015.21**	**79,600.72**	**16,966.54**	**231.11**	**28,925.77**

**Bank overdraft have been reclassified from current borrowings to cash and cash equivalent for the purpose of preparation of statement of cash flow.*

*** Including Current maturities of non-current borrowings*

**** Excluding Current maturities of non-current borrowings*

6(xvii) Non-Current Borrowings

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured [refer note 11(I)]		
(a) Term loan from banks	77,403.69	96,162.98
(b) Deferred payment liabilities	96.38	158.24
(c) Vehicle loans	293.69	244.33
(d) Term loan from body corporates	–	95.08
	77,793.76	**96,660.63**
Unsecured [refer note 11(I)]		
(a) Term loan from a body corporate	116.33	112.15
	116.33	**112.15**
Non-current borrowings - Total	**77,910.09**	**96,772.78**

Notes forming part of the Consolidated Financial Statements

6(xviii) Other financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured		
(a) Security deposits	42.67	50.07
(b) Payables on purchase of property, plant and equipment*	396.49	661.76
(c) Put option [refer note 12(b)]	2,07,400.00	1,62,100.00
	2,07,839.16	**1,62,811.83**
Current		
Unsecured		
(a) Security deposits	2,255.94	2,226.11
(b) Interest accrued but not due on borrowings	231.11	250.73
(c) Unpaid equity dividend	13.52	13.52
(d) Payables on purchase of property, plant and equipment*	7,036.18	3,061.99
(e) Deferred purchase consideration (refer note 39)	1,249.03	–
(f) Employees Payable	5,033.14	5,792.10
(g) Liability against indemnification (refer note 1 below)	74.70	74.70
(h) Derivative Liabilities (refer note 19)	6.93	–
(i) Other liabilities	624.98	818.71
	16,525.53	**12,237.87**
	16,525.53	**12,237.87**

** This also includes amount payable to micro and small enterprises amounting to ₹ 496.62 lacs (March 31, 2021 ₹ 352.94 lacs).*

Notes:

1 At the time of acquisition of Piramal labs (SRL Diagnostics Private Limited) by SRL Limited (Subsidiary), it was agreed that any charge relating to tax litigations before the date of acquisition shall be indemnified to SRL Limited. Accordingly, the amount paid by Piramal to SRL Limited, has been shown under liability against indemnification till the litigations are settled.

6(xix) Provisions

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
(a) Provision for gratuity (refer note 17)	8,960.37	7,852.24
(b) Provision for compensated absences	2,511.11	909.13
	11,471.48	**8,761.37**
Current		
Provision for employee benefits		
(a) Provision for gratuity (refer note 17)	1,274.81	1,260.74
(b) Provision for compensated absences	633.75	3,756.36
Others		
(a) Provision for litigations (refer note (iii) below and note 15)	947.97	942.72
(b) Provision for contingencies [refer note (i) below]	3,882.77	3,252.06
(c) Provision against vendor claim [refer note (ii) below]	100.00	100.00
	6,839.30	**9,311.88**

Notes forming part of the Consolidated Financial Statements

6(xix) Provisions (Contd..)

Notes

(i) Provision for contingencies

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for Indemnification [refer note 12]	205.03	205.03
(b) Others		
Opening balance	3,047.03	995.18
Add: provision created during the year (refer note (iv) and (v) below)	630.71	2,087.25
Less: utilisation during the year	–	(35.40)
Closing balance	**3,677.74**	**3,047.03**
Total - Provision for contingencies	**3,882.77**	**3,252.06**

(ii) Includes provision of ₹ 100 lacs against a claim made by a body corporate against the Group in respect of certain electrical work done at Gurugram unit.

(iii) Provision for litigations

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	942.72	937.07
Add: provision made during the year	5.25	5.65
Closing balance	**947.97**	**942.72**

(iv) Provision created during the year ended March 31, 2021 includes ₹ 1,460.00 lacs in respect of any contingencies emanating from regulatory matters, which will be settled when the outcome is known. (refer note 28)

(v) Provision for contingency is made against clinical research studies and amount due as refund to the patients.

6(xx) Other non-current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Contract liabilities - advances from customers	–	6.63
	–	**6.63**

Notes forming part of the Consolidated Financial Statements

6(xxi) Current borrowings

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - at amortised cost [refer note 11(II)]		
(a) Bank overdraft	7,663.23	4,210.96
(b) Working capital demand loan	9,180.76	13,636.44
(c) Current maturities of non-current borrowings [refer note 11(I)]	1,690.63	12,340.09
	18,534.62	**30,187.49**
Unsecured - at amortised cost [refer note 11(II)]		
(a) Loan from body corporate	122.55	115.93
	122.55	**115.93**
	18,657.17	**30,303.42**

6(xxii) Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 33)	6,364.80	5,771.45
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	59,727.70	49,048.72
	66,092.50	**54,820.17**

Ageing schedule

As at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	–	4,343.08	1,968.65	28.52	0.41	24.14	6,364.80
(ii) Others	16,715.39	13,201.56	21,884.53	2,693.14	1,960.18	3,272.90	59,727.70
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–

As at March 31, 2021

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	–	4,719.72	961.78	31.87	9.14	48.94	5,771.45
(ii) Others	13,593.14	10,932.41	12,890.61	3,827.34	2,892.25	4,062.37	48,198.12
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	124.59	726.01	850.60

Notes forming part of the Consolidated Financial Statements

6(xxiii) Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Contract liabilities - advances from customers	6,030.32	6,164.31
(b) Statutory dues payable	8,445.33	6,666.59
(c) Liability towards customer loyalty program*	247.18	151.93
(c) Others	171.10	95.56
	14,893.93	**13,078.39**

*The movement during the year is as below :

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	151.93	125.27
Deferred during the year	370.04	386.50
Released to the Statement of Profit and Loss	(274.79)	(359.84)
Closing balance	**247.18**	**151.93**

6(xxiv) Revenue from operations

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Sale of services		
i) Healthcare services		
– Revenue from in patient department	3,66,805.40	2,71,351.17
– Revenue from out patient department	67,523.97	46,613.48
– Income from medical services	2,546.41	601.56
– Management fees from hospital	1,525.70	422.64
– Income from satellite centers	2.27	2.36
– Income from clinical research	140.30	115.20
– Trustee management fees	–	48.97
	4,38,544.05	**3,19,155.38**
Less: Trade discounts	21,383.38	13,700.40
	4,17,160.67	**3,05,454.98**
ii) Diagnostic services*	1,43,677.01	89,300.87
Revenue from contract with customers	5,60,837.68	3,94,755.85
**Disaggregation of revenue from diagnostic services as per Ind AS 115:*		
– Owned labs	1,06,247.58	63,486.85
– Collection centers	35,540.61	24,411.24
– Franchisees	1,888.82	1,402.78
	1,43,677.01	**89,300.87**

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 8). The revenue recognized during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenue and liabilities.

Notes forming part of the Consolidated Financial Statements

6(xix) Provisions (Contd..)

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(b) Sale of products - trading		
(i) Out patient pharmacy and others	3,027.03	1,377.61
	3,027.03	**1,377.61**
(c) Other operating revenues		
(i) Income from academic services	170.98	218.46
(ii) Income from rent (refer note 10 (b))	2,166.24	2,137.88
(iii) Equipment lease rental (refer note 10 (b))	660.41	811.99
(iv) Provisions/ liabilities no longer required written back	3,262.46	2,099.34
(v) Miscellaneous income	1,636.37	1,610.87
	7,896.46	**6,878.54**
Total revenue from operations (a+b+c)	**5,71,761.17**	**4,03,012.00**

6(xxv) Other income

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest income		
i) Interest income		
– on bank deposits	1,047.60	1,170.33
– on Income-tax refund	859.92	2,785.14
– others	–	3.39
ii) Interest on financial assets carried at amortised cost	247.25	242.44
(b) Other non-operating income		
i) Profit on disposal of property, plant and equipment	352.17	176.85
ii) Gain on foreign currency fluctuation (net)	158.98	–
iii) Miscellaneous income	67.73	277.50
Total other income (a+b)	**2,733.65**	**4,655.65**

6(xxvi) Changes in inventories of medical consumable and drugs

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Inventory at the beginning of the year	7,676.32	7,817.91
(b) Inventory at the end of the year	12,290.03	7,676.32
Changes in inventories [(a)-(b)]	**(4,613.71)**	**141.59**

Notes forming part of the Consolidated Financial Statements

6(xxvii) Employee benefits expense

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Salaries, wages and bonus	88,445.04	77,022.12
(b) Gratuity expense (refer note 17)	1,283.56	1,276.63
(c) Compensated absences	370.23	576.47
(d) Contribution to provident and other funds	5,022.15	4,427.27
(e) Staff welfare expenses	2,172.99	1,924.24
(f) Share based payment to employees (refer note 16)	–	(94.29)
	97,293.97	**85,132.44**
Less: Expenses capitalized (refer note 21)	–	231.87
	97,293.97	**84,900.57**

6(xxviii) Finance costs

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense		
– on term loans	8,243.39	10,390.24
– on cash credit	369.85	689.00
– on others	369.24	325.47
– on defined benefit plan	790.16	773.97
– interest on lease liabilities (refer note 10)	2,954.77	2,670.32
(b) Other borrowing cost	1,957.11	1,739.15
	14,684.52	**16,588.15**

6(xxix) Depreciation and amortisation expense

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Depreciation of property, plant and equipment (refer note 6(i)(a))	22,147.04	22,338.47
(b) Amortisation of intangible assets (refer note 6(iii)(a))	2,936.78	2,384.85
(c) Amortisation of Right-of-use assets (refer note 10)	5,000.40	4,336.74
	30,084.22	**29,060.06**

Notes forming part of the Consolidated Financial Statements

6(xxx) Other expenses

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Contractual manpower	10,587.61	8,658.13
(b) Power and fuel	11,106.61	10,217.00
(c) Housekeeping expenses including consumables	7,411.38	6,746.21
(d) Patient food and beverages	4,200.58	3,685.79
(e) Pathology laboratory expenses	1,442.80	1,244.27
(f) Radiology expenses	3,627.31	3,945.48
(g) Cost of medical services	1,004.26	726.66
(h) Professional and consultation fees to doctors	1,10,129.97	80,896.72
(i) Repairs and maintenance		
– Building	744.84	389.61
– Plant and machinery (including medical equipments)	13,140.07	10,887.13
– Others	1,541.94	1,283.79
(j) Rent		
– Hospital buildings, offices and labs	3,807.19	2,585.84
– Equipments	1,270.51	873.33
– Others	1,376.53	1,231.09
(k) Donations	0.20	0.10
(l) Independent Director remuneration	354.00	41.74
(m) Legal and professional fee	7,491.72	7,496.97
(n) Travel and conveyance	2,461.39	1,799.27
(o) Rates and taxes	1,319.62	2,893.46
(p) Printing and stationary	6,569.92	4,847.64
(q) Recruitment and trainings	105.05	107.77
(r) Communication expenses	1,261.68	1,099.16
(s) Directors' sitting fees	379.50	427.08
(t) Insurance	4,567.64	3,251.62
(u) Marketing and business promotion	16,191.64	8,518.32
(v) Fees to collection centers	12,329.81	6,902.26
(w) Loss on derivative assets (forward contract)	6.93	–
(x) Net loss on foreign currency transactions	–	1,209.98
(y) Bad debts written off	374.41	10.83
(z) Allowance for bad and doubtful trade receivables (refer note 6(v))	3,446.55	4,018.67
(aa) Allowance for bad and doubtful advances	1,171.08	245.49
(ab) Provision for contingencies (net of advances from customers written back) (also refer note 28)	–	1,461.70
(ac) Provision for litigations [refer note 6(xix)]	5.25	5.65
(ad) Expenditure on corporate social responsibility (refer note 23)	1,303.74	1,425.45
(ae) Miscellaneous expenses	1,116.43	943.98
	2,31,848.16	**1,80,078.19**
Less: Expenses capitalized (refer note 21)	–	1.36
	2,31,848.16	**1,80,076.83**

Notes forming part of the Consolidated Financial Statements

6(xxxi) Exceptional items

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Expenses/(Income):		
(a) Lease concessions received due to Covid-19	–	121.18
(b) Gain on remeasurement of previously held equity interest (refer note 22 (a) and 39)	30,614.26	–
(c) Reversal of allowance for loan given to C-Doc Healthcare Limited and interest thereon [refer note 22 (b)]	80.00	–
(d) Profit on sale of land & building (net of goodwill written off ₹ 1,231.10 lacs) (refer note 22 (c))	809.05	–
	31,503.31	**121.18**

6(xxxii) Income tax

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Recognised in Statement of Profit or loss		
Current tax		
Current income tax charge for the year	17,191.40	10,019.01
	17,191.40	**10,019.01**
Deferred tax credit		
Deferred tax credit/ (charge) for the year	2,592.75	(72.60)
	2,592.75	**(72.60)**
	19,784.15	**9,946.41**
Recognised in Other Comprehensive Income		
Deferred tax (Credit)/ Charge		
Tax related to item that will not be subsequently reclassified to profit and loss	(35.33)	(49.83)
Income tax charge recognised to other comprehensive income	**(35.33)**	**(49.83)**
The income-tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	98,778.69	4,329.54
Enacted income-tax rate in India (%)	34.94	34.94
Income tax rate calculated	**34,517.22**	**1,512.90**
Effect of profit of equity accounted investee not considered in determining taxable profit	(843.80)	(1,661.89)
Current year losses for which no deferred tax has been recognized	4,312.76	9,081.78
Income chargeable at lower/ Nil tax rate	(10,660.02)	(1,929.06)
Effect of expenses not considered in determing taxable profits	163.60	1,181.44
Recognition of DTA on past brought forward losses	–	(115.09)
Recognition of DTL due to change in law	–	893.50
Gain on remeasurement of equity interest	(7,705.61)	–
Undistributed profits	–	982.83
Income-tax expense reported in the Consolidated Statement of profit and loss	**19,784.15**	**9,946.41**

Notes forming part of the Consolidated Financial Statements

6(xxxii) Income tax (Contd..)

No deferrred tax asset has been recognised on below:

(₹ in Lacs)

Particulars	As on 31 March 2022		As on 31 March 2021	
	Gross Amount	Tax effect	Gross Amount	Tax effect
Expiry in assessment year				
Unabsorbed depreciation				
No expiry	26,631.56	8,664.92	19,314.26	6,606.86
Total				
Unused long term and short term capital loss				
2024-25	951.32	221.62	951.32	221.62
2026-27	1,026.31	239.09	1,026.31	239.09
2027-28	944.52	220.04	944.52	220.04
2028-29	88.63	20.65	88.63	20.65
2030-31	7,871.57	1,833.76	–	–
	10,882.35	**2,535.16**	**3,010.78**	**701.40**
Business loss				
2022-23	–	–	1,617.31	560.85
2023-24	188.33	52.39	31.39	7.90
2024-25	7,256.54	2,512.59	7,256.54	2,503.98
2025-26	389.84	108.45	389.84	98.12
2026-27	5,773.45	1,938.26	5,773.72	1,909.08
2027-28	33,014.80	11,154.64	32,663.91	10,936.97
2028-29	36,619.45	12,439.69	37,028.31	12,426.08
2029-30	14,747.02	4,578.94	15,467.25	4,804.92
2030-31	4,863.74	1,353.09	–	–
	1,02,853.17	**34,138.05**	**1,00,228.27**	**33,247.90**

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Minimum Alternate Tax		
2028-29	7,414.11	7,414.11
2030-31	127.26	127.26
2031-32	159.13	159.13
2032-33	239.49	239.49
2033-34	52.49	52.49
	7,992.48	**7,992.48**

6(xxxiii) Earnings per share

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Profit/ (Loss) after tax as per statement of profit and loss (₹ in lacs)	55,511.85	(10,976.18)
(b) Weighted average number of equity shares outstanding	75,49,58,148	75,49,58,148
(c) Basic earnings/ (Loss) per share in ₹ (face value – ₹ 10 per share)	7.35	(1.45)
(d) Diluted (loss)/ earnings per share in ₹ (face value – ₹ 10 per share)*	7.35	(1.45)

**Diluted earnings per share*

Notes forming part of the Consolidated Financial Statements

6(xxxiii) Earnings per share (Contd..)

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

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit/ (Loss) attributable to owners (diluted)	55,511.85	(10,976.18)
Weighted average number of equity shares (diluted)		
Weighted average number of equity shares (basic)**	75,49,58,148	75,49,58,148
Effect of exercise of share options	–	–
Weighted average number of equity shares (diluted) for the year	**75,49,58,148**	**75,49,58,148**
Diluted (loss)/ earnings per share in ₹	**7.35**	**(1.45)**

*** During the previous year, all outstanding stock options were cancelled/ forfieted, hence no dilutive potential shares exist as on March 31, 2022 or March 31, 2021.*

7. Composition of the Group

The list of Subsidiaries, Associates and Joint Ventures considered in the preparation of the consolidated financial statements are as follows:

Name of the Group Company	Place of incorporation and principal place of business	Principal activity	Proportion of effective interest/ voting power ownership held by Group	
			March 31, 2022	March 31, 2021
a) Subsidiaries				
Hiranandani Healthcare Private Limited (HHPL)	India	Operates a multi-specialty hospital	100.00%	100.00%
Fortis Hospotel Limited (FHTL)	India	Operates clinical establishment	100.00%	100.00%
Fortis Health Management Limited	India	Operates clinical establishment & hospital	100.00%	100.00%
Hospitalia Eastern Private Limited	India	Operates clinical establishment	100.00%	100.00%
International Hospital Limited	India	Operates clinical establishment & hospital	100.00%	100.00%
Escorts Heart & Super Speciality Hospital Limited	India	Operates clinical establishment	100.00%	100.00%
Fortis Lafemme Limited (FLFL)	India	Investment company	100.00%	100.00%
Fortis Health Management (East) Limited (FHM(E)L)	India	Non-operation	100.00%	100.00%
Fortis Cancer Care Limited (FCCL)	India	Investment company	100.00%	100.00%
Fortis Healthcare International Limited (FHIL)	Mauritius	Investment company	100.00%	100.00%
Escorts Heart Institute and Research Centre Limited (EHIRCL)	India	Operates a multi-specialty hospital	100.00%	100.00%
Fortis Malar Hospitals Limited (FMHL)	India	Operates a multi-specialty hospital	62.71%	62.71%
Fortis Hospitals Limited (FHsL)	India	Operates a network of multi-specialty hospitals	100.00%	100.00%

Notes forming part of the Consolidated Financial Statements

7. Composition of the Group (Contd..)

Name of the Group Company	Place of incorporation and principal place of business	Principal activity	Proportion of effective interest/ voting power ownership held by Group	
			March 31, 2022	March 31, 2021
Fortis Global Healthcare (Mauritius) Limited (FGHL)	Mauritius	Investment company	100.00%	100.00%
Malar Stars Medicare Limited (MSML)	India	Investment company	62.71%	62.71%
Fortis Asia Healthcare Pte. Limited (FAHPL)	Singapore	Investment company	100.00%	100.00%
Birdie & Birdie Realtors Private Limited	India	Renting of immovable property	100.00%	100.00%
Fortis Emergency Services Limited (FESL)	India	Operates ambulance services	100.00%	100.00%
Stellant Capital Advisory Services Private Limited	India	Merchant banker	100.00%	100.00%
RHT Health Trust Manager Pte Limited	Singapore	Managing RHT Health Trust	100.00%	100.00%
Fortis Health Staff Limited	India	Operates a network of heart command centres	100.00%	100.00%
SRL Limited	India	Operates a network of diagnostics centres	57.11%	56.93%
SRL Diagnostics Private Limited	India	Operates a network of diagnostics centres	57.11%	56.93%
SRL Reach Limited	India	Operates a network of diagnostics centres	57.11%	56.93%
SRL Diagnostics FZ-LLC (formerly known as Super Religare Laboratories International FZ LLC)	United Arab Emirates	Operates a network of diagnostics centres	57.11%	56.93%
DDRC SRL Diagnostics Private Limited (DDRC) (w.e.f. Apr 5, 2021) (refer note 2)	India	Operates a network of diagnostics centres	57.11%	–
Fortis Healthcare International Pte Limited (FHIPL)	Singapore	Investment company	100.00%	100.00%
Mena Healthcare Investment Company Limited	British Virgin Islands	Investment company	82.54%	82.54%
Medical Management Company Limited	British Virgin Islands	Operates a clinic	82.54%	82.54%
Fortis CSR Foundation (refer note 1 below)	India	Carrying out corporate social responsibilities	100%	100%
b) Associates				
Sunrise Medicare Private Limited (strike off w.e.f Aug 17, 2021)	India	Provides healthcare consultancy services	–	31.26%
Lanka Hospitals Corporation Plc	Sri Lanka	Operates a multi-specialty hospital	28.60%	28.60%
Fortis Global Healthcare Infrastructure Pte. Limited (FGHIPL)	Singapore	Investment holding company	27.82%	27.82%
RHT Health Trust (formerly known as Religare Health Trust) (RHT)	Singapore	Investment holding company	27.82%	27.82%

Notes forming part of the Consolidated Financial Statements

7. Composition of the Group (Contd..)

Name of the Group Company	Place of incorporation and principal place of business	Principal activity	Proportion of effective interest/ voting power ownership held by Group	
			March 31, 2022	March 31, 2021
c) Joint Ventures				
Fortis Cauvery (Partnership firm)	India	Operates a hospital	51.00%	51.00%
Fortis C-Doc Healthcare Limited (C-Doc)	India	Operates a hospital	60.00%	60.00%
DDRC SRL Diagnostics Private Limited (DDRC) (upto Apr 4, 2021) (refer note 2)	India	Operates a network of diagnostics centres	–	28.47%
SRL Diagnostics Nepal Private Limited	Nepal	Operates a network of diagnostics centres	28.56%	28.47%

Notes: -

1. During the year ended March 31, 2015, the Group incorporated 'Fortis CSR Foundation', a non-profit Company under Section 8 of the Companies Act, 2013 for carrying out Corporate Social Responsibilities ('CSR') of the Group. Since the objective of control over the entity by the Group is not to obtain economic benefits from its activities, it is not considered for preparation of consolidated financial statement of the Group.

2. SRL Limited, already holding 50% equity stake in DDRC (Joint Venture) has acquired the remaining 50% equity stake in April 2021. Thereby DDRC has become wholly owned subsidiary of the Group w.e.f. April 5, 2021.

8. Segment Reporting

The Group has presented healthcare and diagnostic as two separate reportable segments in accordance with "Ind AS 108 Operating segments".

(₹ in Lacs)

Sr. No	Particulars	Year ended	
		March 31, 2022	March 31, 2021
1	**Segment value of sales and services (revenue)**		
	– Healthcare	426,364.28	312,367.92
	– Diagnostics	160,491.12	103,462.78
	Subtotal	**586,855.40**	**415,830.70**
	Less: Inter segment sales	(15,094.23)	(12,818.70)
	Revenue from operations	**571,761.17**	**403,012.00**
2	**Segment results**		
	– Healthcare	43,647.86	(865.30)
	– Diagnostics	33,163.66	12,250.28
	Total segment profit before interest and tax	**76,811.52**	**11,384.98**
	(i)\Finance cost	(14,684.52)	(16,588.15)
	(ii)\Exceptional items and un-allocable expenditure (net of un-allocable income)	34,236.96	4,776.83
	(iii)\Share of profit of associates and joint ventures	2,414.73	4,755.88
	Profit before tax	**98,778.69**	**4,329.54**

Notes forming part of the Consolidated Financial Statements

8. Segment Reporting (Contd..)

(₹ in Lacs)

Sr. No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
3	**Segment assets**		
	– Healthcare	866,082.59	871,303.94
	– Diagnostics	181,751.12	110,455.56
	– Un-allocable assets	143,386.20	147,679.43
	Total assets	**1,191,219.91**	**1,129,438.93**
	Less: Inter segment assets	(2,745.04)	(13,970.03)
	Total segment assets	**1,188,474.87**	**1,115,468.90**
4	**Segment liabilities**		
	– Healthcare	320,992.57	273,473.18
	– Diagnostics	34,225.45	27,367.00
	– Un-allocable liabilities	135,176.40	156,817.63
	Total liabilities	**490,394.42**	**457,657.81**
	Less: Inter segment liabilities	(2,745.04)	(13,970.03)
	Total segment liabilities	**487,649.38**	**443,687.78**

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

The following table shows the distribution of the Group's consolidated revenues by geographical market.

(₹ in Lacs)

Region	Year ended March 31, 2022	Year ended March 31, 2021
India	566,791.88	401,383.62
Outside India	4,969.29	1,628.38
Total	**571,761.17**	**403,012.00**

Carrying value of Assets- by location of assets

The following table shows the carrying amount of segment assets by geographical area in which the assets are located:

(₹ in Lacs)

Region	Carrying amount of assets March 31, 2022	Carrying amount of assets March 31, 2021
India	1,174,632.06	1,102,421.04
Outside India	13,842.81	13,047.86
Total	**1,188,474.87**	**1,115,468.90**

Major customer

The Group does not derive revenue from any customer which would amount to 10 per cent or more of the Group's revenue.

Notes forming part of the Consolidated Financial Statements

9. Related party disclosures

Names of related parties and names of related party relationship:

Nature of relationship	Name of the related party
Ultimate Holding Company	IHH Healthcare Berhad
Intermediate Holding Company	Integrated Healthcare Holdings Limited
	Parkway Pantai Limited
Holding Company	Northern TK Venture Pte Ltd
Subsidiary	Fortis CSR Foundation [refer note 7(1) above]
Associates (parties with whom transactions have taken place)	RHT Health Trust (RHT)
	Lanka Hospitals Corporation PLC
	Lanka Hospitals Diagnostics (Pvt) Ltd
	Sunrise Medicare Private Limited (till Aug 17, 2021)
Joint Ventures (parties with whom transactions have taken place)	DDRC SRL Diagnostics Private Limited
	SRL Diagnostics (Nepal) Private Limited
	Fortis C-Doc Healthcare Limited (C-Doc)
	Fortis Cauvery, Partnership Firm (Joint Venture of FCCL)
Key Management Personnel ('KMP')/ Directors and their Relatives (with whom transactions have been taken place)	Dr. Ashutosh Raghuvanshi - Managing Director and Chief Executive Officer
	Mr. Vivek Kumar Goyal - Chief Financial Officer
	Mr. Ravi Rajagopal – Independent Director
	Mr. Shirish Moreshwar Apte – Non-executive Non-independent Director (upto 15-July-2021)
	Ms. Suvalaxmi Chakrobarty – Independent Director
	Mr. Indrajit Banerjee – Independent Director
	Mr. Sumit Goel- Company Secretary
	Dr. Kelvin Loh Chi-Keon - Non-Executive Non-Independent Director
	Mr, Dilip Kadambi- Non Executive Non Independent Director (w.e.f 04-June-2020)
	Mr. Sim Heng Joo Joe - Non-Executive Non-Independent Director
	Dr. Farid Bin Mohamed Sani - Non-Executive Non-Independent Director
	Low Soon Teck - Non-Executive Non-Independent Director (up to 04-June-2020)
	Ms. Shailaja Chandra Non-Executive Independent Director (w.e.f. 28-June-2020)
	Mr. Joerg Ayrle - Additional Director (w.e.f. 31-March-2021)
Enterprises significantly influenced by KMP and their relatives (with whom transactions have been taken place)	Trivitron Health Care Private Limited
	Jacob Ballas Capital India Private Limited
	Mauritius International Trust Company Limited
Enterprises owned or significantly controlled / influenced by subsidiary of holding/ultimate holding company/ enterprise having significant influence over ultimate holding company	Continental Hospitals Private Limited

Notes forming part of the Consolidated Financial Statements

9. Related party disclosures (Contd..)

Nature of relationship	Name of the related party
	Ravindranath GE Medical Associates Private Limited
	Centre for Digestive and Kidney Diseases (India) Private Limited
	Apollo Gleneagles Hospital Limited
	Apollo Hospitals Enterprises Limited
	Bharat Insecticides Limited
	Mitsui and Co. India Private Limited
Entities having significant influence (Enterprises having significant influence over ultimate holding company through its subsidiary)	Mitsui & Co Ltd Khazanah Nasional Berhad

Transactions during the year

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Operating income (including Income from medical services, Management fees from hospitals and Pharmacy income)		
DDRC SRL Diagnostics Private Limited	–	227.41
Continental Hospitals Private Limited	1.40	–
SRL Diagnostic (Nepal) Private limited	214.22	176.43
Fortis C-Doc Healthcare Limited	85.20	65.15
RHT Health Trust	49.67	48.97
Apollo Gleneagles Hospital Limited	78.89	56.25
Apollo Hospitals Enterprises Limited	29.43	43.23
Ravindranath GE Medical Associates Private Limited	1.77	–
Mitsui and Co India Pvt Limited	0.75	–
Lanka Hospitals Diagnostics (Pvt) Ltd	42.14	65.07
Centre for Digestive and Kidney Diseases (India) Private Limited	100.52	18.73
Bharat Insecticides Limited	0.18	1.54
Dividend Income		
DDRC SRL Diagnostics Services Private Limited	1,104.55	2,800.00
Lanka Hospitals Corporation Plc	645.89	–
Consultation fees to doctors		
Fortis C-Doc Healthcare Limited	51.61	39.04
Purchase of reagents and consumables		
Fortis C-Doc Healthcare Limited	–	1.11
Trivitron Health Care Private Limited	–	17.25
Legal and Professional Fees		
Mauritius International Trust Company Limited	11.84	–
Rates and taxes		
Mauritius International Trust Company Limited	1.30	–
Transfer of liability from		
Fortis CSR Foundation	7.56	–
Transfer of liability to		
Fortis C-Doc Healthcare Limited	5.06	3.48
Managerial remuneration		

Notes forming part of the Consolidated Financial Statements

9. Related party disclosures (Contd..)

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Dr. Ashutosh Raghuvanshi	728.35	641.90
Vivek Kumar Goyal	306.49	263.81
Sumit Goel	89.39	71.67
Sale of property, plant and equipment		
Fortis C-Doc Healthcare Limited	–	2.50
Loans/ advances received back		
Fortis C-Doc Healthcare Limited	67.72	–
Allowance for Interest accrued on loans recoverable (reversed)		
Fortis C-Doc Healthcare Limited	12.28	–
Allowance for doubtful loans (Reversed)		
Fortis C-Doc Healthcare Limited	67.72	–
Interest income		
Fortis C-Doc Healthcare Limited	0.09	3.39
Conversion of loan given into 0.01% Optionally Convertible Redeemable Preference Shares		
Fortis C-Doc Healthcare Limited	1,300.00	–
Expenses incurred by the Company on behalf of		
SRL Diagnostic (Nepal) Private limited	1.17	2.34
Fortis C-Doc Healthcare Limited	5.58	9.36
Fortis CSR Foundation	–	7.54
Expense incurred on behalf of the Company by		
DDRC SRL Diagnostics Private Limited	–	15.34
SRL Diagnostic (Nepal) Private limited	15.03	9.60
Collection by the company on behalf of		
Fortis C-Doc Healthcare Limited	–	0.73
Collection on behalf of company by		
Fortis C-Doc Healthcare Limited	–	2.83
Remuneration to independent directors		
Mr. Ravi Rajagopal	106.20	74.42
Mr. Indrajit Banerjee	82.60	56.36
Ms. Suvalaxmi Chakrabarty	82.60	39.84
Ms. Shailaja Chandra	82.60	7.76
Director Sitting Fees		
Indrajit Banerjee	27.73	32.11
Northern TK Venture Pte. Limited (Mr. Low Soon Teck)	–	3.54
Ravi Rajagopal	27.61	35.47
Shirish Moreshwar Apte	3.54	15.34
Suvalaxmi Chakrobarty	23.60	31.86
Northern TK Venture Pte. Limited (Dr. Kelvin Loh Chi-Keon)	9.44	12.98
Sim Heng Joo Joe	10.62	11.80
Ms. Shailaja Chandra	32.45	20.30
Mitsui & Co. Ltd. (Mr.Takeshi Saito)	7.08	7.08
Mr. Dilip Kadambi	16.52	17.70
Northern TK Venture Pte. Limited (Mr. Joerg Ayrle)	12.98	1.18
Dr. Farid Bin Mohamed Sani	5.90	12.98

Notes forming part of the Consolidated Financial Statements

9. Related party disclosures (Contd..)

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Reimbursement of expenses		
Ravi Rajagopal	14.07	10.63
Transfer of Medical Consumables and drugs from		
Fortis C-Doc Healthcare Limited	1.08	–
Transfer of Medical Consumables and drugs to		
Fortis C-Doc Healthcare Limited	59.49	1.34

Balance Outstanding at the year end

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loans/Advances recoverable		
Fortis C-Doc Healthcare Limited	–	1,367.72
SRL Diagnostic (Nepal) Private limited	–	8.13
Lanka Hospitals Diagnostics (Pvt) Ltd	3.97	3.97
Provision on doubtful loan recoverable		
Fortis C-Doc Healthcare Limited	–	1,367.72
Interest accrued		
Fortis C-Doc Healthcare Limited	168.33	180.61
Provision for doubtful interest		
Fortis C-Doc Healthcare Limited	168.33	180.61
Gross Investments (net of sale proceeds)		
Sunrise Medicare Private Limited	–	0.31
Fortis CSR Foundation	5.00	5.00
Lanka Hospitals Corporation Plc	19,762.82	19,762.82
RHT Health Trust	60,853.75	60,853.75
DDRC SRL Diagnostics Private Limited	-	950.88
SRL Diagnostic (Nepal) Private limited	150.00	150.00
Provision for Investment		
Sunrise Medicare Private Limited	–	0.31
Lanka Hospitals Corporation Plc	10,491.65	10,491.65
Fortis C-Doc Healthcare Limited	1,300.00	-
Investments (at net book value)		
Lanka Hospitals Corporation Plc	7,593.10	10,547.73
RHT Health Trust	2,447.85	2,468.24
DDRC SRL Diagnostics Private Limited	–	5,299.09
SRL Diagnostic (Nepal) Private limited	319.04	288.38
Other balance recoverable		
Fortis C-Doc Healthcare Limited	30.82	31.20
Fortis Cauvery	13.25	13.25
Trade receivables		
DDRC SRL Diagnostics Private Limited	–	7.62
SRL Diagnostics (Nepal) Private Limited	136.58	152.58
Fortis C-Doc Healthcare Limited	409.43	288.58
Sunrise Medicare Private Limited	–	1.00

Notes forming part of the Consolidated Financial Statements

9. Related party disclosures (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Apollo Gleneagles Hospital Limited	28.11	20.84
Ravindranath GE Medical Associates Private Limited	0.83	0.12
Apollo Hospitals Enterprises Limited	9.79	11.23
Lanka Hospitals Diagnostics (Pvt) Ltd	20.72	12.48
Bharat Insecticides Limited	0.31	0.13
Centre for Digestive and Kidney Diseases (India) Private Limited	0.44	7.29
Mitsui & Co India Pvt Limited	0.75	–
Provision for doubtful receivable		
Sunrise Medicare Private Limited	–	1.00
Fortis Cauvery	13.25	13.25
Trade Payables and Other Liabilities		
SRL Diagnostics (Nepal) Private Limited	5.51	–
Fortis C-Doc Healthcare Limited	51.61	–
Mauritius International Trust Company Limited	3.00	–
Advance from customers		
Jacob Ballas Capital India Private Limited	0.23	0.23

Notes:

1. As the future liability for gratuity and leave encashment is provided on actuarial basis for the Group as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above. The figures reported above also do not include accrual recorded for Employee Share Based Payments.

2. Amount shown is inclusive of perquisites (including ESOP exercise, if any), employer's contribution to provident fund and excluding reimbursement of expenses.

3. Also refer note 12(a) and 12(c).

10. Leases

(a) As a lessee:

The Group leases many assets including land, buildings and plant and equipment. Information about leases for which the Group is a lessee is presented below:

(₹ in Lacs)

Right-of-use assets	Leasehold land (refer note (i) and (ii) below)	Buildings	Plant & equipments	Total
Gross carrying value				
As at April 1, 2020	**88,623.22**	**24,985.75**	**295.63**	**113,904.60**
Additions	–	4,346.14	1,341.59	5,687.73
Disposal	–	(2,339.39)	–	(2,339.39)
Exchange translation adjustments	–	(9.18)	–	(9.18)

Notes forming part of the Consolidated Financial Statements

10. Leases (Contd..)

(₹ in Lacs)

Right-of-use assets	Leasehold land (refer note (i) and (ii) below)	Buildings	Plant & equipments	Total
As at March 31, 2021	**88,623.22**	**26,983.32**	**1,637.22**	**117,243.76**
Addition	–	5,221.21	421.64	5,642.85
Additions on acquisition of subsidiary (refer note 39)	–	597.26	–	597.26
Disposal	–	(640.79)	(112.41)	(753.20)
Exchange translation adjustments	–	24.85	–	24.85
As at March 31, 2022	**88,623.22**	**32,185.85**	**1,946.45**	**122,755.52**
Accumulated depreciation				
As at April 1, 2020	563.58	3,348.85	162.14	4,074.57
Charge for the year	463.08	3,759.16	114.50	4,336.74
Disposal	–	(1,748.11)	–	(1,748.11)
Exchange translation adjustments	–	0.83	–	0.83
As at March 31, 2021	**1,026.66**	**5,360.73**	**276.64**	**6,664.03**
Charge for the year	465.26	4,284.93	250.21	5,000.40
Disposal	–	(604.31)	(112.41)	(716.72)
Exchange translation adjustments	–	13.50	–	13.50
As at March 31, 2022	**1,491.92**	**9,054.85**	**414.44**	**10,961.21**
Net carrying value				
As at March 31, 2021	**87,596.56**	**21,622.59**	**1,360.58**	**110,579.73**
As at March 31, 2022	**87,131.30**	**23,131.00**	**1,532.01**	**111,794.31**

Notes:

(i) Leasehold Land includes ₹ 377.11 lacs (Previous year ₹ 377.11 lacs) in respect of a subsidiary. Delhi Development Authority had terminated all the allotment letters lease/ deeds in respect of this land during the financial year 2005-06. The subsidiary has filed an appeal in the Delhi High Court and repossession of land has been stayed by an interim stay order of Delhi High Court. Leasehold land is not amortized since it has been taken on a perpetual lease. [also refer note 14 (II) (i)]

(ii) Leasehold Land includes ₹ 21.11 lacs (Previous year ₹ 21.11 lacs) in respect of a subsidiary, for which, the deed is not in possession of the Group. The subsidiary has written to the Delhi Development Authority to provide a copy of the deed and reply is awaited.

(iii) Under the lease agreement, Fortis Hospotel Limited (subsidiary company) is required to pay annual lease rental of ₹ 32.55 lacs till December 31, 2032. Rent shall be revised thereafter at the end of each successive period of 30 years and such increase shall not at each such time exceed one- half of the increase in the letting value of land as assessed by collector or additional collector of Delhi. Lease liability of ₹ 971.00 lacs recorded in the books represents the perpetuity value of annual lease payments.

(₹ in Lacs)

Lease Liabilities included in Balance Sheet (discounted)	March 31, 2022	March 31, 2021
Current	3,562.14	2,820.66
Non-current	25,363.63	23,158.40

Notes forming part of the Consolidated Financial Statements

10. Leases (Contd..)

(₹ in Lacs)

Maturity analysis - contractual undiscounted cash flows	As at March 31, 2022	As at March 31, 2021
Less than one year	6,004.26	5,017.11
One to five years	18,420.32	15,331.60
More than five years	33,091.36	35,116.69
Total undiscounted lease liabilities	**57,515.94**	**55,465.40**

(₹ in Lacs)

Amounts recognised in Statement of Profit and Loss	March 31, 2022	March 31, 2021
Amounts recognised in Statement of Profit and Loss		
Interest on lease liabilities	2,954.77	2,670.32
Variable lease payments not included in the measurement of lease liabilities	3,018.60	1,736.38
Expenses relating to short-term leases	3,435.63	2,953.88

(₹ in Lacs)

Amounts recognised in Statement of Cash Flow	March 31, 2022	March 31, 2021
Amounts recognised in Statement of Cash Flow		
Cash outflow for lease payments	3,065.79	2,374.90
Interest on lease liabilities (included in Interest paid)	2,954.77	2,670.32
Total cash outflow for leases	**6,020.56**	**5,045.22**

(b) As a lessor

i) The Group has sub-leased some portion of hospital premises and certain medical equipment. The Group has classified these leases as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The total lease income received/ receivable in respect of hospital premises recognized in the consolidated statement of profit and loss for the year are ₹ 2,166.24 lacs (Previous year ₹ 2,137.88 lacs). The equipment lease rental received in respect of medical equipment recognized in the consolidated statement of profit and loss for the year are ₹ 660.41 lacs (Previous year ₹ 811.99 lacs).

The following table sets out a maturity analysis of lease payments for the non-cancellable period, showing the undiscounted lease payments to be received after the reporting date:

(₹ in Lacs)

Lease Liabilities included in Balance Sheet (discounted)	As at March 31, 2022	As at March 31, 2021
Minimum lease payments:		
Not later than one year	–	303.39
Later than one year but not later than five years	–	79.85
Later than five years	–	–

Notes forming part of the Consolidated Financial Statements

10. Leases (Contd..)

The details of assets given on lease is as follows:

(₹ in Lacs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gross carrying value	Accumulated Depreciation	Net carrying value	Gross carrying value	Accumulated Depreciation	Net carrying value
Building & Furniture and fittings	126.48	126.48	–	415.73	159.89	255.84
Plant and machinery	96.66	96.66	–	96.66	96.66	–
Medical equipment	4,312.39	3,170.81	1,141.58	4,716.15	3,103.66	1,612.49
Computers	7.31	7.31	–	22.13	22.13	–
Office Equipment	9.35	9.35	–	9.81	9.81	–
Vehicles	15.70	15.70	–	15.70	15.70	–
Total	**4,567.89**	**3,426.31**	**1,141.58**	**5,276.18**	**3,407.85**	**1,868.33**

Notes forming part of the Consolidated Financial Statements

11. Borrowings

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
A. Term loan from banks – Secured						
Fortis Hospitals Limited (FHsL) Term loan facility from HSBC of ₹ 10,050 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHsL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL, EHSSHL & HEPL. During the year ended March 31, 2022, some of the future installments have been pre-paid.	Repayable in structured quarterly instalments at 11 years with call and put option at the end of 18 months and annually thereafter.	HSBC 3 months MCLR	8,598.81	–	9,181.88	518.03
Fortis Hospitals Limited (FHsL) Term loan facility from DBS Bank of ₹ 14,200 lacs and ₹ 1,620.34 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHsL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL & EHSSHL. During the year ended March 31, 2022, facility of ₹ 14,200 lacs has been foreclosed.	Repayable in 5 years in structured monthly instalments with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	695.16	–	9,058.55	5,417.15
Fortis Hospitals Limited (FHsL) Term loan for capex from HSBC of ₹ 11,000 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHsL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL, EHSSHL & HEPL.	Repayable in 7 years in 24 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	5,090.15	81.66	5,959.81	1,324.38

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Fortis Hospitals Limited (FHsL) Term loan facility for capex from DBS Bank of ₹ 7,500 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHsL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL & EHSSHL.	Repayable in 5 years in 16 equal quarterly instalments with 1 year moratorium with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	4,661.33	215.11	1,636.24	234.28
Escorts Heart Institute and Research Centre Limited (EHIRCL) Term loan facility from HSBC of ₹ 640 lacs secured against the first pari-passu charge on moveable fixed and current assets of EHIRCL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, IHL, FHTL, EHSSHL and HEPL.	Repayable in 7 years in 20 equal quarterly instalments with 2 year moratorium.	HSBC 3 months MCLR	240.00	–	–	–
Escorts Heart Institute and Research Centre Limited Term loan for capex from HSBC of ₹ 500 lacs secured against the first pari-passu charge on moveable fixed and current assets of EHIRCL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, IHL, FHTL, EHSSHL and HEPL.	Repayable in 7 years in 24 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	291.67	83.33	375.00	83.33
Escorts Heart Institute and Research Centre Limited Term loan facility from DBS Bank of ₹ 573.44 lacs secured against the first pari-passu charge on moveable fixed and current assets of EHIRCL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, IHL, FHTL & EHSSHL.	Repayable in 5 years in structured instalments with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	283.10	129.05	412.14	129.06

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Escorts Heart Institute and Research Centre Limited Term loan facility for capex from DBS Bank of ₹ 500 lacs secured against the first pari-passu charge on moveable fixed and current assets of EHIRCL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x.The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, IHL, FHTL & EHSSHL.	Repayable in 16 structured quarterly instalments with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	312.50	125.00	195.65	27.63
International Hospital Limited Term loan facility from HSBC of ₹ 3,300 lacs secured against the first pari-passu charge on moveable fixed and current assets of IHL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, EHIRCL, FHTL, EHSSHL & HEPL. During the year ended March 31, 2022, some of the future installments have been pre-paid.	Repayable in 7 years in 24 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	1,922.45	–	2,471.86	548.82
International Hospital Limited Term loan facility from DBS Bank of ₹ 3,000 lacs secured against the first pari-passu charge on moveable fixed and current assets of IHL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHL, FHTL & EHSSHL.	Repayable in 5 years in 16 equal quarterly instalments with 1 year moratorium with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	1,705.58	353.43	1,703.60	246.44
Fortis Hospotel Limited Term loan facility from HSBC of ₹ 3,200 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHTL and exclusive charge on cumulative immoveable fixed assets of IHL, EHSSHL, FHTL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, EHIRCL, IHL, EHSSHL & HEPL. During the year ended March 31, 2022, some of the future installments have been pre-paid.	Repayable in 7 years in 24 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	1,298.92	–	1,653.55	367.46

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars: Security and guarantee details	Repayment terms	Interest rate per annum	31-Mar-22 Non-current	31-Mar-22 Current	31-Mar-21 Non-current	31-Mar-21 Current
Fortis Hospotel Limited Term loan facility from DBS Bank of ₹ 2,500 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHTL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHL & EHSSHL.	Repayable in 5 years in 16 equal quarterly instalments with 1 year moratorium with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	1,032.40	275.81	147.85	21.12
Fortis Healthcare Limited Term loan facility from HSBC of ₹ 61,990 lacs [((i) ₹ 30,000 lacs, (ii) ₹ 2,510 lacs (*) and (iii) ₹ 29,480 lacs)] secured against the first pari-passu charge on moveable fixed and current assets of FHL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHTL, FHsL, EHIRCL, IHL, EHSSHL & HEPL. During the year ended March 31, 2022, ₹ 20,000 lacs out of the facility of ₹ 29,480 lacs has been refinanced through Axis Bank. * During the year ended March 31, 2021, facility of ₹ 2,510 lacs has been foreclosed and refinanced through DBS Bank.	Facility (i): Repayable in 5years (in 3 equal instalments from the end of 3rd year), Facility (ii) & (iii) in structured quarterly instalments in 6 and 11 years respectively with call and put option for loan at the end of 18 months and annually thereafter.	HSBC 3 months MCLR	25,269.38	–	56,891.56	1,516.28
Fortis Healthcare Limited The term loan facility of ₹ 20,000 lacs from Axis Bank Limited which shall be utilized for the part – refinance of existing term loan of HSBC Bank Limited to the extent of ₹ 20,000 lacs. The loan is secured by first pari-pasu charge on entire current assets and moveable fixed assets of the company, excluding vehicles and medical equipment exclusively financed by other lenders and exclusive charge on certain fixed assets (immovable) with minimum security cover of 1.33x of IHL. The loan is further guaranteed by cross corporate guarantees issued by IHL.	Repayable in structured quarterly instalments w.e.f October 15, 2023	Repo Rate + 2.80% (presently 6.80% p.a.)	19,931.44	–	–	–

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Fortis Healthcare Limited Term loan facility from DBS Bank of ₹ 2,075.82 lacs secured against the first ranking pari-passu charge on moveable fixed and current assets of FHL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x.The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHTL & EHSSHL. During the year ended March 31, 2022, some of the future installments have been pre-paid.	Repayable in 5 years in structured monthly instalments with call and put option w.e.f. Sep 1, 2023.	DBS 3 months MCLR+100bps	760.59	–	1,331.94	569.71
Fortis Healthcare Limited Term loan facility for capex from HSBC of ₹ 7,000 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHL and exclusive charge on cumulative immoveable fixed assets of IHL, FHTL, EHSSHL and HEPL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHTL, FHsL, EHIRCL, IHL, EHSSHL & HEPL. During the year ended March 31, 2022, some of the future installments have been pre-paid.	Repayable in 7 years in 24 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	3,954.17	–	4,961.52	1,100.75
Fortis Healthcare Limited Term loan facility for capex from DBS Bank of ₹ 4,000 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHL and first and exclusive charge on certain immoveable fixed assets of IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHTL & EHSSHL.	Repayable in 5 years in 16 equal quarterly instalments with 1 year moratorium.	DBS 3 months MCLR+100bps	1,196.66	257.14	181.83	25.98
Hiranandani Healthcare Private Limited Term loan facility for capex from HSBC of ₹ 1,200 lacs secured against the first pari-passu charge on moveable fixed and current assets of HHPL and first and exclusive charge on certain immoveable fixed assets of FHTL, HEPL, IHL and EHSSHL with minimum assets cover of 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, EHIRCL, IHL, FHTL, HEPL & EHSSHL.	Repayable in 5 years in 16 equal quarterly instalments with 1 year moratorium.	HSBC 3 months MCLR	159.38	10.63	–	–
Total (A)			**77,403.69**	**1,531.16**	**96,162.98**	**12,130.42**

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
B. Term loan from body corporate - Secured:						
Fortis Hospitals Limited (FHsL) The loan facility from De Lage Landen Financial Services Private Limited is secured by hypothecation of specific equipment of FHsL.	Repayable in 60 equated monthly instalments commencing after 3 months from the date of invoice.	9.00% p.a. payable monthly	–	–	95.08	73.95
Total (B)			–	–	**95.08**	**73.95**
C. Vehicle Loan - Secured:						
Fortis Hospitals Limited (FHsL) Secured against hypothecation of the specific vehicles purchased.	Repayable in equated monthly instalments over 4 years.	7.90% p.a.	–	–	–	2.50
Fortis Hospitals Limited (FHsL) Secured against hypothecation of the specific vehicles purchased.	Repayable in equated monthly instalments over 4 years.	7.45% to 7.90% p.a.	64.58	26.68	61.77	16.87
Fortis Healthcare Limited Secured against hypothecation of the specific vehicles purchased.	Repayable in equated monthly instalments in 4 years.	9.20%	8.75	13.87	22.64	12.70
Fortis Healthcare Limited Secured against hypothecation of the specific vehicles purchased.	Repayable in equated monthly instalments in 4 years.	7.25% to 7.90% p.a.	71.32	28.76	74.56	18.16
SRL Limited Secured against hypothecation of the specific vehicles purchased.	Repayable in equated monthly instalments in 4 years.	7.00% - 8.65% p.a.	149.04	28.30	85.36	28.30
Total (C)			**293.69**	**97.60**	**244.33**	**78.53**

Notes forming part of the Consolidated Financial Statements

I. Long-term borrowings (including current maturities)

(₹ in Lacs)

Particulars			31-Mar-22		31-Mar-21	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
D. Deferred payment liabilities - Secured:						
Fortis Hospitals Limited (FHsL) Deferred payment facility taken is secured by first charge by way of hypothecation of specific equipment of FHsL.	The loan is repayable in 84 structured monthly instalments commencing from September 2017.	7.88% p.a. payable monthly	96.38	61.86	158.24	57.19
Total (D)			**96.38**	**61.86**	**158.24**	**57.19**
E. Loan from a body corporate - Unsecured:						
Fortis Healthcare International Pte. Limited (FHIPL) The loan is repayable to Fortis Medicare International Ltd.			116.33	–	112.15	–
Total (E)			**116.33**	**–**	**112.15**	**–**
TOTAL(I=A+B+C+D+E)			**77,910.09**	**1,690.63**	**96,772.78**	**12,340.09**

Notes forming part of the Consolidated Financial Statements

11. Borrowings

II. Short term borrowings

(₹ in Lacs)

Security and guarantee details	Repay-ment terms	Interest rate	31-Mar-22	31-Mar-21
F. Bank overdrafts & Working Capital Demand Loan - Secured:				
Escorts Heart Institute and Research Centre Limited (EHIRCL) The facility of ₹ 8,000 lacs (PY 2,500 lacs) secured against the first pari-passu charge on moveable fixed and current assets of EHIRCL (during the previous year, the facility was also secured by exclusive charge on cumulative fixed assets of IHL, FHTL, EHSSHL and HEPL equivalent to 1.33x which has been removed in current year). The loan is further guaranteed by cross corporate guarantees issued by FHL, FHsL, IHL, FHTL, EHSSHL & HEPL.	Repayable on demand.	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank.	7,179.56	2,475.51
Fortis Healthcare Limited (FHL) The facility of ₹ 6,800 lacs (previous year ₹ 10,000 lacs) secured against the first pari-passu charge on moveable fixed and current assets of FHL (during the previous year, the facility was also secured by exclusive charge on cumulative fixed assets of IHL, FHTL, EHSSHL and HEPL equivalent to 1.33x which has been removed in current year). The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHTL, EHSSHL & HEPL.	Repayable on demand.	HSBC Bank overnight MCLR+70bps	2,080.75	1,733.23
Fortis Healthcare Limited (FHL) The facility of ₹ 5,000 lacs secured against the first pari-passu charge on moveable fixed and current assets of FHL (except vehicle which are exclusively charged by other banks) (during the previous year, the facility was also secured by exclusive charge on cumulative fixed assets of IHL and EHSSHL equivalent to 1.33x which has been removed in current year). The loan is further guaranteed by cross corporate guarantees issued by FHsL, EHIRCL, IHL, FHTL & EHSSHL.	Repayable on demand.	DBS Bank's 3-month MCLR plus 100 bps	1.90	2.22
Fortis Healthcare Limited (FHL) The facility of ₹ 6,000 lacs from HSBC secured against the first pari-passu charge on current assets of FHL. During the year ended March 31, 2022, facility has been closed.	Repayable on July 31, 2021	HSBC 1 month MCLR+ 50 bps	–	4,000.00
Fortis Healthcare Limited (FHL) The facility of ₹ 2,000 lacs from Axis Bank Limited for meeting day to day working capital requirements. The working capital loan loan is secured against first pari-pasu charge on entire current assets and moveable fixed assets of the company, excluding vehicles and medical equipment exclusively financed by other lenders.	Repayable on demand.	3 Month MCLR +35 bps or any rate as may be mutually agreed upon at the time of disbursement (Currently at 5 % p.a.)	500.00	–

Notes forming part of the Consolidated Financial Statements

11. Borrowings (Contd..)

II. Short term borrowings

(₹ in Lacs)

Security and guarantee details	Repay-ment terms	Interest rate	31-Mar-22	31-Mar-21
Fortis Hospitals Limited (FHsL) The facility of ₹ 9,000 lacs from HSBC secured against the first pari-passu charge on current assets of FHsL. This facility has been repaid during the year.	Repayable on July 31, 2021	HSBC 1 month MCLR+ 50 bps	–	5,500.00
Fortis Hospitals Limited (FHsL) The facility of ₹ 8,000 lacs from DBS Bank secured against the first pari-passu charge on moveable fixed and current assets of FHsL (during the previous year, the facility was also secured by exclusive charge on cumulative fixed assets of IHL and EHSSHL equivalent to 1.33x which has been removed in current year). The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL & EHSSHL.	Repayable on demand	MCLR or any other rate as may be mutually agreed	–	1,100.00
Fortis Hospitals Limited (FHsL) Bank overdraft facility from DBS Bank secured against first pari-passu charge on movable fixed assets and current assets of FHsL. (during the previous year, the facility was also secured by exclusive charge on certain fixed assets of IHL and EHSSHL equivalent to 1.33x which has been removed in the current year). The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL, EHSSHL & HEPL.	Repayable on demand	DBS overnight MCLR+125bps	31.97	–
Fortis Hospitals Limited (FHsL) The facility from HSBC of ₹ 10,500 lacs (PY 16,390 lacs) secured against the first pari-passu charge on moveable fixed and current assets of FHsL and exclusive charge on cumulative fixed assets of IHL, FHTL, EHSSHL and HEPL equivalent to 1.33x. The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL, EHSSHL & HEPL.	Repayable within 6 months	HSBC Bank 1 M MCLR	6,180.77	3,036.44
Hiranandani Healthcare Private Limited The facility from HSBC of ₹ 1,200 lacs secured against the first pari-passu charge on moveable fixed and current assets of HHPL (during the previous year, the facility was also secured by exclusive charge on cumulative fixed assets of IHL, FHTL, EHSSHL and HEPL equivalent to 1.33x which has been removed in current year). The loan is further guaranteed by cross corporate guarantees issued by FHL, EHIRCL, IHL, FHTL, EHSSHL & HEPL.	Repayable on demand	Overnight MCLR	869.04	–
Total(F)			**16,843.99**	**17,847.40**

Notes forming part of the Consolidated Financial Statements

11. Borrowings (Contd..)

II. Short term borrowings

(₹ in Lacs)

Security and guarantee details	Repay-ment terms	Interest rate	31-Mar-22	31-Mar-21
H. Loan from a body corporate - Unsecured:				
Fortis Healthcare International Pte. Limited Interest free loan has been taken from Fortis Medicare International Limited.	The loan is repayable on demand.		122.55	115.93
Total (G)			**122.55**	**115.93**
TOTAL (II= F+G)			**16,966.54**	**17,963.33**

12. Commitments

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account [net of capital advances of ₹ 2,332.47 lacs (as at March 31, 2021 ₹ 394.25 lacs)]	21,534.92	8,730.00

a. As part of Sponsor Agreement entered between The Trustee-Manager of RHT Health Trust (formerly known as Religare Health Trust), Fortis Global Healthcare Infrastructure Pte. Limited and Hospital Service Companies (collectively for International Hospital Limited, Fortis Hospotel Limited, Escorts Heart and Super Specialty Hospitals Limited and Fortis Health Management Limited) (collectively referred as 'Indemnified parties') with the Company, the Company has undertaken to indemnify ("Tax Indemnity") each of the Hospital Services Companies and their respective directors, officers, employees and agents (the "Investing Parties") against tax liabilities (including interest and penalties levied in accordance with the Income tax Act and any cost in relation thereto) which these Investing Parties may incur due to the non-allowance of interest on Compulsorily Convertible Debentures (CCDs) or Optionally Convertible Debentures (OCDs) in the hands of the Hospital service Companies. Accordingly, the Group has till date accrued ₹ 205.03 lacs (as at March 31, 2021 ₹ 205.03 lacs) as provision for contingency.

b. As per an Exit Agreement dated 12 June 2012, certain non-controlling shareholders of SRL Limited (subsidiary company) have the right to exercise a Put Option on the Company on the occurrence of certain events as described in the Exit Agreement. During the current year an amendment agreement to the shareholders' agreement was entered between the parties which also incorporated the new proposed exit rights. In accordance with the same the minority shareholders of subsidiary have agreed not to exercise the cash put option for a further period of 36 months from a relevant date (February 5, 2021) as defined in the amendment agreement in lieu of the new proposed exit rights. As at March 31, 2022, the Company has recorded a cumulative liability in its consolidated financial statements in accordance with the requirements of Ind AS 32 - "Financial Instruments: Presentation" with a corresponding debit to "other equity" for an amount of ₹ 207,400.00 lacs (as at March 31, 2021 ₹ 162,100.00 lacs).

c. Going concern support in form of funding and operational support letters has been issued by the Group in favor of Fortis C-Doc Healthcare Limited (Joint Venture). Also refer note 6 (iv) in relation to proposed financial support to THR Infrastructure Pte. Ltd. (Subsidiary of RHT Health Trust, associate)

d. The Group has other commitments, for purchase/sales orders which are issued after considering requirements per operating cycle for purchase / sale of services, employee's benefits. 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.

e. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

Notes forming part of the Consolidated Financial Statements

13. Contingent liabilities (not provided for):

(In addition, refer other litigations and claims assessed as contingent liabilities described in Note 14, 27, 28 and 29 below)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax	129,664.40	81,231.98
Medical negligence and related	44,945.07	42,249.64
Value Added Tax and luxury tax	7,109.58	6,920.93
Customs	166.62	678.00
Service Tax & GST	3,919.50	3,035.03
Others (refer note 14 (II) (iii))	53,433.43	50,791.03
Grand Total	**239,238.60**	**184,906.61**

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

ii. Additionally, the Group is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

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

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated:

I. A party ("Plaintiff") has filed a Civil Suit before the District Court, Delhi in February 2018 against various entities including the Company (together "the defendants") and has, inter alia, claimed implied ownership of brands "Fortis", "SRL" and "La Femme" in addition to certain financial claims and for passing a decree alleging that consequent to a Term Sheet dated December 6, 2017 ('Term Sheet') between the Company and a Third Party, the Company is liable for claims owed by the Plaintiff to the Third Party. In connection with this, the District Court passed an ex-parte order directing that any transaction undertaken by defendants, in favour of any other party, affecting the interest of the Plaintiff shall be subject to orders passed in the said suit. The above referred Third Party has sought to be substituted as a Plaintiff in the District Court proceedings.

The Company has filed written statement denying all allegations made against it and prayed for dismissal of the Civil Suit on various legal and factual grounds. The Company has in its written statement also stated that it has not signed the alleged Term Sheet with the Third Party. The matter is pending adjudication before District Court, Delhi. The Third Party has approached Delhi High Court for seeking certain interim reliefs against the Company under the provisions of The Arbitration and Conciliation Act, 1996. This Third party had also filed a claim for damages and injunctive reliefs against the Company before International Chamber of Commerce (ICC). The Company has invited the attention of ICC to the aforesaid pending litigations before various Courts and non-maintainability of claim raised by said Third party. Proceedings before

Notes forming part of the Consolidated Financial Statements

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd..)

Delhi High Court have been withdrawn by Third Party on February 24, 2020. Further, arbitration before ICC has also been withdrawn by Third Party on February 23, 2020 and the same has been closed by ICC on February 28, 2020. The Company has filed an application for perjury against the Third Party and other entities which is pending before the Delhi High Court. During the year ended March 31, 2022, signatories of Third Party to the Term Sheet have also filed a duly affirmed affidavit before Delhi High Court stating that Term Sheet was neither signed on behalf of the Company before them nor did it ever come in force.

During the year ended March 31, 2022, another Party, claiming to be one of the assignee of Third Party has filed a case against 28 named defendants, including the Company and its ultimate parent Company IHH, and 21 non-party defendants, including the Company in the United States District Court, District of New Jersey, USA. Notice of the case has not yet been served on the Company under the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. In December 2021, a notice of this case was served to IHH which was subsequently disclosed by it to Bursa Stock Exchange, Malaysia. Company is given to understand that the case has been filed for alleged violation of, inter-alia, the U.S. Racketeer, Influenced and Corrupt Organizations Act, copyright infringement, tortious interference with contracts, etc. and Party has claimed damages in excess of USD 6.5 billion against all the defendants. Company has made disclosure about this case to stock exchange. It has also sought legal advice and will pray for dismissal of this case, as and when served.

In addition in the year 2018, the Company had received four notices from the Plaintiff claiming (i) ₹ 1,800 lacs as per notices dated May 30, 2018 and June 1, 2018 (ii) ₹ 21,582 lacs as per notice dated June 4, 2018; and (iii) ₹ 1,962 lacs as per notice dated June 4, 2018. All these notices were responded to by the Company denying any liability whatsoever.

Separately, the Third Party has also alleged rights to invest in the Company. It has also alleged failure on part of the Company to abide by the aforementioned Term Sheet and has claimed ownership over the brands as well.

Allegations made by the Third party have been duly responded to by the Company denying (i) execution of any binding agreement with the Party and (ii) liability of any kind whatsoever.

Based on external legal advice, the Management believes that the claims are without legal basis and are not tenable and accordingly no adjustment is required in these Consolidated Financial Statement with respect to these claims.

II. In case of one of the subsidiaries ("Escorts Heart Institute and Research Centre Limited") ('EHIRCL'), that was formed after amalgamation of Escorts Heart Institute and Research Centre ('EHIRC'), Delhi Society with EHIRC, Chandigarh Society and thereafter registration of EHIRC, Chandigarh Society as a Company:

i. Delhi Development Authority ('DDA') had terminated the lease deeds and allotment letters relating to land parcels on which a hospital of EHIRCL exists. The matter is currently pending before the Hon'ble High Court of Delhi. Consequent to termination, DDA issued show cause notice and initiated eviction proceedings against EHIRCL. The eviction proceedings initiated before the Estate Officer were challenged before the Hon'ble Supreme Court. Supreme Court vide its order dated November 14, 2019 has quashed the Show Cause Notice for eviction proceedings. Based on the external legal counsel advice, the Company is of the understanding that EHIRCL will be able to suitably defend the termination of lease deeds and allotment letters and accordingly considers that no adjustments are required to the Consolidated Financial Statements.

ii. Further, there was tax demand against EHIRCL of ₹ 6,497 lacs [(after adjusting ₹ 16,472 lacs as at Mar 31, 2022) {As at March 31, 2021 ₹ 7,064 lacs (after adjustment ₹ 15,905 lacs as at March 31, 2021)} of an escrow account which was maintained out of sale consideration payable by the Company to the erstwhile promoters of EHIRCL] for various assessment years. Further, as per the Share Purchase Agreement, one third of any excess of the net demand, amounting to ₹ 2,166 lacs after adjusting the recovery from escrow account, would be borne by the said erstwhile

Notes forming part of the Consolidated Financial Statements

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd..)

promoters of EHIRCL and the rest by the Company. During the year ended March 31, 2015, the Commissioner of Income Tax (Appeals) decided the case in favour of EHIRCL. Income Tax Department had filed an appeal before Income Tax Appellate Tribunal (ITAT) and during the year ended March 31, 2020, ITAT decided the case in favour of EHIRCL.

Income Tax Department has contested the decision of ITAT before the Hon'ble High Court of Delhi.

iii. In relation to the judgement of the Hon'ble High Court of Delhi relating to provision of free treatment/ beds to patients of economic weaker section, Directorate of Health Services ('DoHS'), Government of NCT of Delhi, appointed a Firm to calculate "unwarranted profits" arising to it due to alleged non-compliance. During the year ended March 31, 2014, the Special Committee of DoHS gave an intimation basis the calculation of the appointed Firm, which as per their method of calculations was ₹ 73,266 lacs for the period 1984-85 to 2011-12 and sought hospital's comments and inputs, if any. EHIRCL responded to the said intimation explaining errors and raised objections to the said calculations. During the year ended March 31, 2016, EHIRCL received another notice from DoHS to appear for a formal and final hearing which raised a demand of ₹ 50,336 lacs for the period till FY 2006-2007, against which EHIRCL again responded explaining errors and raised objections to the calculations. During the quarter ended June 30, 2016, DoHS issued a demand notice dated June 9, 2016 directing EHIRCL to deposit ₹ 50,336 lacs within one month. EHIRCL challenged the demand notice by way of a writ petition in Hon'ble High Court of Delhi which vide order dated August 1, 2016 set aside the demand and disposed off the petition of EHIRCL. DoHS agreed to grant hearing to EHIRCL. Hearings were held before DoHS and order dated May 28, 2018 was passed imposing a demand of ₹ 50,336 lacs. This order was challenged by EHIRCL before the Delhi High Court and the Court vide order dated June 1, 2018 had issued notice and directed that no coercive steps may be taken subject to EHIRCL depositing a sum of ₹ 500 lacs before the concerned authority. EHIRCL deposited ₹ 500 lacs on June 20, 2018. Matter is sub judice before Delhi High Court. Based on its internal assessment and advice from its counsels on the basis of the documents available, the Company believes that EHIRCL is in compliance of conditions of free treatment and free beds to the patients of economic weaker section and has a good case for success and expects the demand to be set aside. Accordingly no adjustment is required to the Consolidated Financial Statements.

III. In case of one of the subsidiaries ("Hiranandani Healthcare Private Limited") ('HHPL'), Navi Mumbai Municipal Corporation ('NMMC') terminated the Hospital lease agreement with HHPL vide order dated January 18, 2017 (Termination Order') for certain alleged contravention of the Hospital Lease agreement. HHPL has filed a Writ Petition before the Hon'ble Supreme Court of India challenging the Termination Order. The Writ Petition has been tagged with Special Leave Petition ('SLP') which has also been filed by HHPL for inter alia challenging the actions of State Government, City Industrial Development Corporation and NMMC which led to the passing of the said Termination Order. The Hon'ble Supreme Court of India in the hearing held on January 30, 2017 ordered "Status Quo'. SLP has been admitted on January 22, 2018 and "Status Quo" has been continuing. Based on external legal counsel opinion, management is confident that HHPL is in compliance of conditions of Hospital Lease Agreement and accordingly considers that no adjustment is required to these Consolidated Financial Statements.

IV. In respect of one of the subsidiaries ("Fortis Malar Hospitals Limited") ("FMHL"), a request for regularization of the hospital building in which the Company operates was made vide an application dated May 29, 1999 to Chennai Metropolitan Development Authority ("CMDA"). In the year 2012, Land and hospital building was sold by the Company to Fortis Health Management Limited ("FHML"). The FMHL and FHML had also simultaneously entered into a "Hospital and Medical Services Agreement" w.r.t. rendering of medical and healthcare services in the hospital premises (including right to use of the hospital building). CMDA by its Order dated March 18, 2016 ("Rejection Order") rejected the regularization application that was submitted in the year 1999. A statutory appeal was preferred in April 2016 before Secretary to the Government of Tamil Nadu, Housing and Urban Development Authority ("Authority") challenging the said rejection. During the pendency of the statutory appeal, on May 3, 2016, CMDA served a "Lock & Seal" Notice stating that in view of the Rejection Order, construction at the site of the Hospital premises is unauthorized and called upon to restore the land to its original state

Notes forming part of the Consolidated Financial Statements

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd..)

within 30 days from the date of the Notice. A writ petition was filed before the Hon'ble High Court of Judicature at Madras which set aside the "Lock & Seal" Notice and ordered that no coercive steps should be taken by CMDA, till disposal of the statutory appeal. The said appeal is still sub-judice.

At the request of the FMHL, CMDA inspected the hospital building and issued a letter dated August 25, 2020, wherein certain clearances and certificates were sought within 30 days in connection with the regularization. In this regard, an extension of time was sought in November 2020. Simultaneously, actions were initiated for collating/ obtaining requisitioned clearances and certificates which involves taking number of actions, significant expenses and capital expenditure. During the ongoing pandemic, there were lockdowns resulting in limited and restricted access to various offices all across, which slowed down the progress of actions initiated. FMHL is taking bona fide steps to complete the process of submission of the clearances and certificates sought by CMDA. On May 20, 2021, an update was sent to CMDA confirming that out of six requirements, as set out in their letter dated August 25, 2020, three have already been complied with and steps were underway for completion of the remaining actions. Further, the Company has obtained NOC from Airport authority of India on February 24, 2022. While FMHL is co-operating to get all the clearances, based on legal advice. FMHL also continues to believe that all Orders / Notices issued by CMDA prima facie would not result in any significant adverse impact on its operations and accordingly considers that no adjustment is required to these Consolidated Financial Statements.

V. SRL, a subsidiary of the Company, has received a legal notice from an ex-employee on 29 June 2018 claiming a sum of ₹ 935.00 Lacs with respect to Provident Fund, Variable Pay and ESOPs. Further, SRL has also received a legal notice from the same ex-employee on June 29, 2018 claiming a sum of ₹ 1,923.00 Lacs with respect to certain Technology transfer amounts allegedly due to him. On April 2, 2019, SRL received fresh legal notice under Insolvency and Bankruptcy Act from the ex-employee seeking amount of ₹. 3,638.00 Lacs (₹ 1,131.00 Lacs on account of technology Transfer Agreement and ₹.1,341.00 Lacs on account of short salary payment, ₹. 131.00 Lacs on account of PF contribution of SRL; ₹ 310.00 Lacs on account of performance bonus; ₹ 722.00 Lacs towards loss of ESOPs (145,708 stock) which were granted to him under the ESOP 2009 Scheme of SRL.)

Based on an advice of the in-house legal counsel on the merits of the claim, the Company and SRL are of the opinion that claims made by ex-employee are not sustainable. Accordingly, no adjustment is required to these Consolidated Financial Statements.

VI. There is a pending medical litigation against the Company or FHsL where the complainant had alleged negligence in the treatment given by the Company doctors. The complainant had filed a complaint with PS Sushant Lok, Gurgaon, based on which a FIR was registered against one of the treating doctors. The Complainant had also filed a Writ Petition before the Hon'ble Supreme Court of India wherein Company has also been made a party amongst others. In the Writ Petition, the Complainant has demanded ₹ 1,000 lacs alleging wrongful death of the patient and ₹ 10,000 lacs towards a fund to be set up in the name of the patient for treatment of under privileged pediatric cases. Company is contesting the said demand. Based on external legal advice, management believes that the claims are without legal basis and are not tenable.

15. SRL Diagnostics Private Limited ('SRLD') has disputed the coverage of Employees State Insurance Corporation (ESIC) for period prior to FY 2005-06 for its Kolkata unit as "Pathlabs" were not covered for Employee State Insurance Corporation (ESIC). Pending settlement of matter, provision is recognised every year for the ESI liability. The same will be paid once the matter is settled.

16. Employee Stock Option Plan

i. The Company has provided share-based payment scheme to the eligible employees and then directors of the Company/ its subsidiaries and erstwhile Holding company. The Company has granted these options under Equity Settlement method and there are no conditions for vesting other than continued employment with the Company.

Notes forming part of the Consolidated Financial Statements

16. Employee Stock Option Plan (Contd..)

The details of activity under the Plan have been summarized below:

(₹ in Lacs)

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted Average Exercise Price (₹ in lacs)	Number of options	Weighted Average Exercise Price (₹ in lacs)
Outstanding at the beginning of the year	–	–	158,950	152.94
Forfeited during the year	–	–	158,950	152.94
Exercised during the year	–	–	–	–
Outstanding at the end of the year	–	–	–	–
Exercisable at the end of the year	–	–	–	–

There have been no grants made in the current year by the Company.

ii. In case of Fortis Malar Hospital Limited (FMHL), employees (including senior executives) of FMHL and its Subsidiary receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Malar Employee Stock Option Plan 2008 (Scheme) was approved by the board of directors of FMHL on 31 July 2008/28 May 2009 and by shareholders in the annual general meeting held on 29 September 2008 /21 August 2009. The following are some of the important conditions to the scheme: The details of activity under the Plan have been summarized below:

Vesting Plan

- 25% of the option shall vest on the completion of 12 months from the grant date.
- 25% of the option shall vest on the completion of 24 months from the grant date.
- 25% of the option shall vest on the completion of 36 months from the grant date.
- 25% of the option shall vest on the completion of 48 months from the grant date.

Exercise Plan

There shall be no lock in period after the options have vested. The vested options will be eligible to be exercised on the vesting date itself. Notwithstanding any provisions to the contrary in this plan the options must be exercised before the end of the tenure of the plan.

Effective Date

The plan was effective from August 21, 2009.

Notes forming part of the Consolidated Financial Statements

16. Employee Stock Option Plan (Contd..)

The details of activity under the Scheme are summarized below:

(₹ in Lacs)

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted Average Exercise Price (₹ in lacs)	Number of options	Weighted Average Exercise Price (₹ in lacs)
Outstanding at the beginning of the year	11,250	26.20	22,500	26.20
Granted during the year	–	–	–	–
Forfeited during the year	–	–	–	–
Exercised during the year	–	–	–	–
Expired during the year	11,250	–	11,250	26.20
Outstanding at the end of the year	–	–	11,250	26.20
Exercisable at the end of the year	–	–	11,250	26.20

iii. A subsidiary (SRL Limited) has provided share-based payment scheme to the eligible employees and then directors of SRL Limited, its subsidiary, Fortis Healthcare Limited (holding company) and RHC Holding Private Limited. The shareholders of SRL granted approval to 'Super Religare Laboratories Limited Employee Stock Option Plan 2009' and 'SRL Limited Employee Stock Option Scheme 2013'. SRL has granted these options under Equity Settlement method and there are no conditions for vesting other than continued employment with SRL Limited. Details of these schemes are as follows:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V	Grant VI	Grant VII
Scheme	ESOP 2009	ESOP 2013	ESOP 2013	ESOP 2013	ESOP 2013	ESOP 2013	ESOP 2013
Date of grant	August 22, 2009	September 30, 2013	November 2, 2015	November 8, 2016	March 22, 2017	May 06, 2017	August 02, 2017
Date of Board Approval	August 22, 2009	August 23, 2013	August 23, 2013	August 23, 2013	August 23, 2013	August 23, 2013	August 23, 2013
Date of Shareholder's approval	August 17, 2009	September 30, 2013	September 30, 2013	September 30, 2013	September 30, 2013	September 20, 2013	September 20, 2013
Number of options granted	1,517,470	200,000	995,937	75,000	125,000	25,000	25,000
Number of options cancelled	849,545	134,000	724,437	75,000	125,000	25,000	25,000
Number of options exercised	154,716	66,000	–	–	–	–	–
Number of options not yet vested	–	–	–	–	–	–	–
Number of options not yet exercised	513,209	–	271,500	–	–	–	–
Vesting Period	22 August 2009 to 21 August 2012	30 September 2016 to 30 September 2018	2 November 2018 to 1 November 2020	7 November 2019 to 7 November 2021	22 March 2020 to 22 March 2022	26 May 2020 to 26 May 2022	02 August 2020 to 02 August 2022
Exercise Period	Up to August 21, 2019*	Up to September 29, 2022	Up to November 01, 2022	Up to November 01, 2022	Up to November 01, 2022	Up to November 01, 2022	Up to November 01, 2022
Grant value	40	201	428	674	674	674	674

Notes forming part of the Consolidated Financial Statements

16. Employee Stock Option Plan (Contd..)

The details of activity under the Plan have been summarized below:

(₹ in Lacs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Options	Weighted Average exercise price (₹ in lacs)	Number of Options	Weighted Average exercise price (₹ in lacs)
Outstanding at the beginning of the year	783,518	194.68	1,031,378	292.11
Granted during the year	–	–	–	–
Vested during the year	–	–		
Exercised during the year	–	–	–	–
Forfeited/ Cancelled during the year	25,000	600.11	247,860	640.99
Reinstated during the year	26,191	40.00	–	–
Outstanding at the end of the year	784,709	174.24	783,518	194.68
Exercisable option at the end of the year	784,709	174.24	766,851	184.26
Weighted average remaining life (years)**	–	–	–	–
Range of exercise price (₹)	–	40-428	–	40-674

**SRL has extended the exercise period of all outstanding options (Grant I, Grant III and Grant VII) till a future event occurs (i.e. exit of existing private equity investors or any other listing event). Further, as per the revised terms, employees due to retire or getting superannuated prospectively will also be entitled to exercise the options before the future event. As there is no fixed time limit for future event, weighted average remaining life of such options has not been disclosed.

There are no options granted in current year. Black-Scholes Option Pricing Model has been used for computing the weighted average fair value considering the following inputs:

Particulars	Grant II	Grant III	Grant IV- V	Grant VI- VII
Vesting Schedule	100%	100%	100%	100%
Stock Price (S)	201	428	674	674
Exercise Price (X)	201	428	674	674
Volatility (s)	17.41%	15.54%	15.54%	16.19%
Risk-free Rate	8.70%	7.63%	7.63%	6.95%
Expected Option Life (T)	5yrs	5yrs	5yrs	5yrs
Dividend Yield	1.00%	0.47%	0.47%	0.47%
Option Value	**66.32**	**135.30**	**213.00**	**202.61**
Exit/Attrition Rate	16.50%	16.50%	16.50%	16.50%
Modified Option Value	**55.38**	**112.98**	**177.86**	**169.18**

Note:

1. SRL has recognised (income)/ expense in relation to employee stock option plan of ₹ Nil lacs (previous year ₹ (94.29) lacs).

2. In respect of 25,000 (previous year 231,000) fully vested option forfeited during the year amount aggregating to ₹ 30.99 lacs (previous year 117.14) has been transferred to general reserve [proportionate Group share ₹ 17.09 lacs (Previous year 66.90 lacs)].

3. On the date of transition to Ind AS (i.e. 1 April 2015), SRL Limited had opted for optional exemption available under Ind AS 101 'First time adoption' and not recorded any stock option outstanding account for the options fully vested (ESOP Scheme 2009) as at transition date.

Notes forming part of the Consolidated Financial Statements

17. Employee Benefits Plan:

Defined contribution plan:

The Group's contribution towards its employee provident fund is a defined contribution retirement plan for qualifying employees. The provident fund contribution of certain employees of the Group is being deposited with "Fortis Healthcare Limited Provident Fund Trust" and "Escorts Heart Institute and Research Centre Limited PF Trust" which is recognized by the income tax authority (refer note below) and rest payment is made to provident fund commissioner.

The Group recognised ₹ 4,228.40 lacs (previous year ₹ 3,629.11 lacs) for Provident Fund, Employee state insurance and Superannuation fund contribution in the Consolidated Statement of Profit and Loss. The Contribution payable to the plan by the Group is at the rate specified in rules to the scheme.

Defined benefit plan

The Group companies have a defined benefit gratuity plan, whereby the employees are entitled to gratuity benefits based on last salary drawn and completed number of year of services. The gratuity plan for two subsidiaries of the Company is 100% funded with an insurance policy with Life Insurance Corporation of India.

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Movement in net liability		
Present value of obligation at the beginning of the year	9,764.24	9,593.68
Acquisition of subsidiary (refer note 39)	563.23	–
Current service cost	1,283.56	1,276.63
Interest cost	596.38	540.33
Amount recognised to OCI (actuarial (gain)/loss)	(169.60)	(635.78)
Obligation transferred to/ from subsidiary	(1.60)	(2.66)
Benefits paid	(1,176.16)	(1,007.96)
Present value of obligations at the end of the year	**10,860.05**	**9,764.24**
Present value of unfunded obligation		
Amounts in the Balance Sheet		
(a) Liabilities	10,860.05	9,764.24
(b) Assets	(624.87)	(651.26)
(c) Net liability/(asset) recognised in the balance sheet	**10,235.18**	**9,112.98**
Current liability	1,274.81	1,260.74
Non-current liability	8,960.37	7,852.24

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
ii. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	651.26	732.64
Return on plan assets	16.76	(6.95)
Contributions by employer	58.93	51.02
Benefit payments	(102.08)	(125.45)
Closing value of plan assets	**624.87**	**651.26**

Notes forming part of the Consolidated Financial Statements

17. Employee Benefits Plan: (Contd..)

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
iii. Expense recognised in Statement of Profit and Loss is as follows:		
Amount recognised in employee benefit expense		
Service cost	1,283.56	1,276.63
Total	**1,283.56**	**1,276.63**
Amount recognised in finance cost		
Interest cost	596.38	540.33
Total	**596.38**	**540.33**
Grand Total	**1,879.95**	**1,816.96**

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
iv. Expense recognized in Statement of Other comprehensive income is as follows:		
Net actuarial loss / (gain) due to changes in demographic assumptions	42.30	–
Net actuarial gain due to experience adjustment recognised during the year	(11.90)	(616.24)
Net actuarial (gain)/ loss due to assumptions changes recognised during the year	(200.00)	(19.54)
Net return on plan assets (excluding interest income)	(16.76)	6.95
(Income)/ Expense	**(186.36)**	**(628.83)**

The Principal assumptions used in determining gratuity obligation for the Group's plan are shown below:

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Discounting rate (p.a.)	5.65%-7.10%	5.65%-6.75%
Expected salary increase rate (p.a.)	5.00%-8.00%	6.00%-8.00%
Withdrawal rate (p.a.)		
Age up to 30 years	10.00%-39.00%	10.00%-39.00%
Age from 31 to 44 years	6.00% - 26.00%	6.00% - 26.00%
Age above 44 years	0.00% to 16.00%	0.00% to 16.00%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Notes:

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

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

Notes forming part of the Consolidated Financial Statements

17. Employee Benefits Plan: (Contd..)

(₹ in Lacs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.5% to 1%	3,087.83	3,490.17	2,463.41	2,714.96
Change in salary increase rate by 1%	3,840.78	3,382.85	3,036.78	2,733.64
Change in withdrawal rate by 1% to 5%	3,144.33	3,160.47	2,487.24	2,530.65

3. Certain companies within the Group have invested in the schemes with Life Insurance Corporation of India (LIC) for the plan assets.

   The details of investments maintained by LIC are not available and therefore have not been disclosed.

4. **Expected benefit payments for the future**

Year ended 31 March, 2023	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2026	Year ended 31 March, 2027 to year ended 31 March, 2032
1,381.60	1,105.58	939.35	1,041.38	7,543.34

Provident Fund:

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Such contribution for the current year are ₹ 793.75 lacs (previous year ₹ 798.16 lacs). Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Group is obliged to meet interest shortfall, if any, with respect to covered employees.

Key assumptions and other disclosures are as follows:

Assumptions:	March 31, 2022	March 31, 2021
Discount rate (p.a.)	7.00% p.a.	6.75% p.a.
Expected return on exempt fund	8.10% p.a.	8.10% p.a. to 8.50% p.a.
Expected EPFO return	8.10% p.a.	8.50% p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Withdrawal rate for primary categories of employees

Entity	Withdrawal Rate p.a.	
Fortis Emergency Services Limited	Ages From 20 - 30 - 12.50%;	Ages From 20 - 30 - 12.50%;
	Ages From 31 and above - 15.00%	Ages From 31 - 58 - 15.00%
Others	Ages From 20 - 30 - 18.00%;	Ages From 20 - 30 - 18.00%;
	Ages From 31 - 44 - 6.00%;	Ages From 31 - 44 - 6.00%;
	Ages From 45 and above - 2.00%	Ages From 45 - 58 - 2.00%

Notes forming part of the Consolidated Financial Statements

17. Employee Benefits Plan: (Contd..)

The assessed actuarial liability in respect of future anticipated shortfall is as follows:

(₹ in Lacs)

Provident fund scheme	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation (DBO)	17,191.29	15,687.57
Fair Value of Plan Assets (FVA)	17,217.75	16,577.38
Funded status {Surplus/(Deficit)}	**26.46**	**889.81**

The Defined Benefit Obligation as at 31 March 2021 and 31 March 2022 includes obligation in respect of Interest Guarantee Shortfall in future. The obligation for Interest Guarantee Shortfall as at 31 March 2021 is ₹ 817.82 lacs and as at 31 March 2022 ₹ 567.12 lacs.

Asset allocation

(₹ in Lacs)

Asset Category	31-Mar-22	31-Mar-21
Government of India Securities (Central and State)	51.40%	53.12%
High quality corporate bonds (including Public Sector Bonds)	39.59%	39.48%
Mutual Funds	8.94%	7.24%
Cash (including Special Deposits)	0.07%	0.16%
Total	**100.00%**	**100.00%**

18. Financial Instruments

Capital Management

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

The capital structure of the Group consists of net debt (borrowings as detailed in notes 6(xvii), 6(xviii), 6(xxi) and 10 offset by cash and cash equivalents) and total equity of the company.

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

The Holding Company's Board of Directors reviews the capital structure of the Group on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at March 31, 2022 is as follows.

Gearing ratio

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt*	125,724.15	153,305.99
Cash and cash equivalents [refer note 6(xii)]	(14,323.27)	(26,123.48)
Net debt	111,400.87	127,182.51
Total equity	700,825.52	671,781.12
Net debt to equity ratio	15.90%	18.93%

**Debt is defined as long-term and short-term borrowings (including lease liabilities, interest accrued and due on borrowings and excluding derivative).*

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets including market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Group through internal risk reports which analyze exposure by magnitude of risk. The Group has limited exposure from the international market as the Group's operations are primarily in India. The Group has limited exposure towards foreign currency risk as it earns less than 10% of its revenue in foreign currency from international patients. Also, capital expenditure includes capital goods purchased in foreign currency through the overseas vendors. The Group has not taken any derivative contracts to hedge the exposure. However, the exposure towards foreign currency fluctuation is partly hedged naturally on account of receivable from customers and payable to vendors in foreign currency.

Market Risk

The Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

a) Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Foreign Currency	March 31, 2022		March 31, 2021	
		Foreign Currency Amount	₹	Foreign Currency Amount	₹
Trade payables	USD	3.30	250.98	20.52	1,502.04
	Euro	-	-	0.01	0.49
	AED	13.29	274.77	-	-
Cash and bank balances	SGD	0.85	47.53	1.01	54.87
	MUR	10.70	17.88	10.70	19.19
	AED	10.00	206.77	10.04	200.17
	Euro	-	-	0.00	0.01
	USD	0.78	59.21	0.13	9.87
	LKR	671.67	173.40	10.65	3.90
Trade receivables	USD	34.00	2,580.26	19.36	1,417.22
	AED	5.14	106.33	4.55	90.70
Loan Receivables (Loans)	USD	-	-	2.60	190.52
Loan Payables (Borrowings)	AED	5.63	116.33	0.47	9.46
Other receivables (Other Financial Assets)	MUR	-	-	26.98	48.42

Foreign currency sensitivity analysis

The group is mainly exposed to USD, SGD, EURO, LKR, AED & MUR currency.

The following table details the Group's sensitivity to a 5% increase and decrease in ₹ against each foreign currency. 5% 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 period end for a 5%

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives (Contd..)

change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Lacs)

If increase by 5% Particulars	Currency Impact USD	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	(118.08)	(13.27)
Increase / (decrease) in total equity	(76.83)	(8.64)

(₹ in Lacs)

If decrease by 5% Particulars	Currency Impact USD	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	118.08	13.27
Increase / (decrease) in total equity	76.83	8.64

(₹ in Lacs)

If increase by 5% Particulars	Currency impact EURO	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	–	(0.02)
Increase / (decrease) in total equity	–	(0.02)

(₹ in Lacs)

If decrease by 5% Particulars	Currency impact EURO	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	–	0.02
Increase / (decrease) in total equity	–	0.02

(₹ in Lacs)

If increase by 5% Particulars	Currency impact SGD	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	(2.38)	2.74
Increase / (decrease) in total equity	(1.55)	1.78

(₹ in Lacs)

If decrease by 5% Particulars	Currency impact SGD	
	As at March 31, 2022	As at March 31, 2021
Increase / (decrease) in profit or loss for the year	2.38	(2.74)
Increase / (decrease) in total equity	1.55	(1.78)

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives (Contd..)

(₹ in Lacs)

If increase by 5% Particulars	Currency impact AED As at March 31, 2022	Currency impact AED As at March 31, 2021
Increase / (decrease) in profit or loss for the year	3.90	14.07
Increase / (decrease) in total equity	2.54	9.15

(₹ in Lacs)

If decrease by 5% Particulars	Currency impact AED As at March 31, 2022	Currency impact AED As at March 31, 2021
Increase / (decrease) in profit or loss for the year	(3.90)	(14.07)
Increase / (decrease) in total equity	(2.54)	(9.15)

(₹ in Lacs)

If increase by 5% Particulars	Currency impact MUR As at March 31, 2022	Currency impact MUR As at March 31, 2021
Increase / (decrease) in profit or loss for the year	(0.89)	3.38
Increase / (decrease) in total equity	(0.58)	2.20

(₹ in Lacs)

If decrease by 5% Particulars	Currency impact MUR As at March 31, 2022	Currency impact MUR As at March 31, 2021
Increase / (decrease) in profit or loss for the year	0.89	(3.38)
Increase / (decrease) in total equity	0.58	(2.20)

(₹ in Lacs)

If increase by 5% Particulars	Currency impact LKR As at March 31, 2022	Currency impact LKR As at March 31, 2021
Increase / (decrease) in profit or loss for the year	(8.67)	0.19
Increase / (decrease) in total equity	(5.64)	0.13

(₹ in Lacs)

If decrease by 5% Particulars	Currency impact LKR As at March 31, 2022	Currency impact LKR As at March 31, 2021
Increase / (decrease) in profit or loss for the year	8.67	(0.19)
Increase / (decrease) in total equity	5.64	(0.13)

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives (Contd..)

Foreign exchange derivative and Non-derivative financial instruments

The Group uses derivative for hedging financial risks that arise from its commercial business activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within 12 months for hedges of forecasted purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding Contracts*	No. of Deals	Contract value of foreign Currency (In lacs) **	Maturity	
			Up to 12 months	More than 12 months
			Nominal Amount* (₹ In lacs)	Nominal Amount* (₹ In lacs)
	As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-22
USD/INR Buy forward	2	1,184.54	1,191.47	–

** Computed using average forward contract rates*

*** Sensitivity on the above forward contracts in respect of foreign currency exposure is insignificant.*

Interest rate risk management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The interest rate on the Group's financial instruments is based on market rates. The Company monitors the movement in interest rates on an ongoing basis.

Interest rate sensitivity analysis

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

(₹ in Lacs)

If increase by 50 basis point Particulars	Interest impact	
	Year ended March 31, 2022	Year ended March 31, 2021
Increase / (decrease) in profit or loss for the year	(479.69)	(545.60)
Increase / (decrease) in total equity	(312.07)	(354.95)

(₹ in Lacs)

If decrease by 50 basis point Particulars	Interest impact	
	Year ended March 31, 2022	Year ended March 31, 2021
Increase / (decrease) in profit or loss for the year	479.69	545.60
Increase / (decrease) in total equity	312.07	354.95

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives (Contd..)

Credit risk management

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

Refer note 6(v) of the consolidated financial statements for carrying amount and maximum credit risk exposure for trade receivables.

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

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	55,638.93	55,798.36
Loss allowance on loan converted [also refer note 22 (b)]	(1,300.00)	-
Loss allowance recognised/ (utilised)	53.04	(159.43)
Balance at the end of the year	54,391.97	55,638.93

Liquidity risk management

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

As at March 31, 2022:

(₹ in Lacs)

Particulars	Sanctioned limit	Undrawn limit
Axis Bank (Overdraft/ short term loan)	4,500.00	4,000.00
Axis Bank (Term Loan)	20,000.00	–
DBS (Overdraft/ short term loan)	11,000.00	10,966.13
DBS (Term Loan)	15,642.77	3,636.17
HDFC (Overdraft/ short term loan)	100.00	100.00
HSBC (Overdraft/ short term loan)	30,000.00	13,689.71
HSBC (Term Loan)	75,385.32	28,339.74
ICICI (Term Loan)	91.26	–
Kotak (Overdraft/ short term loan)	100.00	100.00
Kotak Bank (Term Loan)	123.02	–
Others (Term Loan)	371.21	–
Grand Total	**157,313.58**	**60,831.75**

As at March 31, 2021:

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (Term Loan)	101,162.88	4,550.52
HSBC Bank (Overdraft/ Short Term Loan)	30,000.00	22,806.56
DBS Bank (Term Loan)	34,485.37	13,070.79

Notes forming part of the Consolidated Financial Statements

19. Financial risk management objectives (Contd..)

DBS Bank (Overdraft/ Short Term Loan)	10,500.00	9,397.78
HDFC Bank (Overdraft/ Short Term Loan)	1,400.00	1,400.00
Kotak Bank (Overdraft/ Short Term Loan)	2,500.00	–
Others Bank (Overdraft/ Short Term Loan)	593.66	–
Grand Total	**180,641.91**	**51,225.65**

Liquidity and interest risk

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

The Group has funds available of ₹ 41,269.99 lacs (gross of bank and book overdraft) and unutilized borrowing facilities sanctioned by banks amounting to ₹ 60,831.75 slacs.

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

(₹ in Lacs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at March 31, 2022				
Borrowings (current and non-current)	24,185.24	90,653.82	114,839.06	96,567.26
Lease liabilities (current and non-current)	6,004.26	51,511.68	57,515.94	28,925.77
Trade payables	66,092.50	–	66,092.50	66,092.50
Other financial liabilities (current and non-current) other than put option	16,525.53	439.16	16,964.69	16,964.69
Put option [refer note 12(b)]	–	207,400.00	207,400.00	207,400.00
Total	**112,807.53**	**350,004.66**	**462,812.19**	**415,950.22**

(₹ in Lacs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at March 31, 2021				
Borrowings (current and non-current)	38,410.89	117,610.87	156,021.76	127,076.20
Lease liabilities (current and non-current)	5,017.11	50,448.29	55,465.40	25,979.06
Trade payables	54,820.17	–	54,820.17	54,820.17
Other financial liabilities (current and non-current) other than put option	12,237.87	711.83	12,949.70	12,949.70
Put option [refer note 12(b)]	–	162,100.00	162,100.00	162,100.00
Total	**110,486.04**	**330,870.99**	**441,357.03**	**382,925.13**

Also refer note 34 for disclosures on Going Concern and the working capital position of the Group.

20. Fair value measurement

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Notes forming part of the Consolidated Financial Statements

20. Fair value measurement (Contd..)

As at March 31, 2022

(₹ in Lacs)

Particulars	Note	Carrying value*			Fair value measurement using
		Fair value through profit and loss (FVTPL)	Amortized cost	Total	Level 3
Financial assets					
Loans (Non-current)	(b)	–	29.49	29.49	–
Other financial assets (Non-current)	(b)	–	4,963.34	4,963.34	–
Trade receivables (including unbilled receivables)	(a)	–	51,217.06	51,217.06	–
Cash and cash equivalents	(a)	–	14,323.27	14,323.27	–
Other bank balances	(a)	–	26,946.72	26,946.72	–
Loans (current)	(a)	–	148.62	148.62	–
Other financial assets (current)	(a)	–	2,112.93	2,112.93	–
Total		**–**	**99,741.43**	**99,741.43**	**–**

(₹ in Lacs)

Particulars	Note	Carrying value*			Fair value measurement using
		Fair value through profit and loss (FVTPL)	Amortized cost	Total	Level 3
Financial Liabilities					
Borrowings – non-current	(c)	–	77,910.09	77,910.09	–
Borrowings – Current	(a)	–	18,657.17	18,657.17	–
Lease liabilities -- Non-Current	(e)	–	25,363.63	25,363.63	–
Lease liabilities -- Current	(e)	–	3,562.14	3,562.14	–
Trade payables – Current	(a)	–	66,092.50	66,092.50	–
Other financial liabilities – Non-Current	(b)/ (d)	207,400.00	439.16	207,839.16	207,400.00
Other financial liabilities – Current	(a)	–	16,525.53	16,525.53	–
Total		**207,400.00**	**208,550.22**	**415,950.22**	**207,400.00**

31 March 2021

(₹ in Lacs)

Particulars	Note	Carrying Value			Fair value measurement using*
		Fair value through profit and loss (FVTPL)	Amortized cost	Total	Level 3
Financial assets					
Loans (Non-current)	(b)	–	21.85	21.85	–
Other financial assets (Non-current)	(b)	–	3,485.27	3,485.27	–
Trade receivables	(a)	–	45,775.57	45,775.57	–
Cash and cash equivalents	(a)	–	26,123.48	26,123.48	–
Other bank balances	(a)	–	15,534.58	15,534.58	–

Notes forming part of the Consolidated Financial Statements

20. Fair value measurement (Contd..)

Loans (current)	(a)	–	130.73	130.73	–
Other financial assets (current)	(a)	–	2,383.62	2,383.62	–
Total		**–**	**93,455.10**	**93,455.10**	**–**

(₹ in Lacs)

Particulars	Note	Carrying Value			Fair value measurement using*
		Fair value through profit and loss (FVTPL)/ equity	Amortized cost	Total	Level 3
Financial Liabilities					
Borrowings – non-current	(c)	–	96,772.78	96,772.78	–
Borrowings – Current	(a)	–	30,303.42	30,303.42	–
Lease liabilities -- Non-Current	(e)		23,158.40	23,158.40	
Lease liabilities -- Current	(e)		2,820.66	2,820.66	
Trade payables – Current	(a)	–	54,820.17	54,820.17	–
Other financial liabilities – Non-Current	(b) /(d)	162,100.00	711.83	162,811.83	162,100.00
Other financial liabilities – Current	(a)	–	12,237.87	12,237.87	–
Total		**162,100.00**	**220,825.13**	**382,925.13**	**162,100.00**

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

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

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

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

(d) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

(e) Fair value measurement of lease liabilities is not required to be disclosed.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2022 and March 31, 2021.

Financial Instruments measured at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Valuation technique used to determine fair value of Put option liability (Other financial liabilities):

The management has used average of Comparable Companies' Quoted Multiple Method (CCM) and Discounted Cash Flow Method (DCF) for determining the fair value of the put option.

The key assumptions used in the estimation of fair value are as follows:

i) **CCM approach:** Fair value of the instrument is the value of Enterprise value/ Earnings before interest, tax, depreciation and amortization (EV/ EBITDA) multiple. As at March 31, 2022, the weighted average EV/ EBITDA multiple has been determined at 35.94x (previous year 29.62x).

Notes forming part of the Consolidated Financial Statements

20. Fair value measurement (Contd..)

ii) **DCF approach:** Fair value of the instrument is the value of discounted cash flow based on financial budgets approved by management. Key assumptions used for value in use calculations are as follows:

(₹ in Lacs)

Particulars	As at 31-March-22	As at 31-March-21
Compound average net sales growth rate	7%	15%
EV/ EBITDA multiple used for terminal value	35.94x	29.62x
Discount rate	16%	17%

Management has identified that a reasonable possible change in the key assumptions could cause a change in fair value of the instrument.

The following table shows the amount by which the fair value would change on change in this assumption, all other factors remaining constant.

(₹ in Lacs)

Increase/ (decrease) in fair value	As at March 31, 2022	As at March 31, 2021
EV/ EBITDA multiple		
Increase by 1x	5,367.00	7,725.00
Decrease by 1x	(5,367.00)	(7,725.00)
Discount rate		
Increase by 1%	(3,708.00)	(2,753.00)
Decrease by 1%	3,708.00	2,753.00

Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2022 and March 31, 2021:

(₹ in Lacs)

Particulars	Put option
As at April 1, 2020	**118,000.00**
Addition during the year (refer note 12 b)	44,100.00
As at March 31, 2021	**162,100.00**
Addition during the year (refer note 12 b)	45,300.00
As at March 31, 2022	**207,400.00**

21. During the previous year, the Group has capitalized the following expenses under the Intangible Assets under Development:

(₹ in Lacs)

Particulars	As at March 31, 2021
Opening balance (A)	**676.38**
Employee benefits expense (B)	
Salaries, wages and bonus	231.87
Total (B)	**231.87**
Other expenses(C)	
Travel and conveyance	1.23
Communication expenses	0.13
Miscellaneous expenses	–
Total (C)	**1.36**
Total (D=A+B+C)	**909.61**

Amount capitalized to Intangible Assets (E)	909.61
Carried forward to intangible assets under development (G=D-E)	–

22. Exceptional gain

(a) During the current year, SRL Limited, a material subsidiary has acquired additional 50% stake equivalent to 2,50,000 equity shares in 'DDRC SRL Diagnostics Private Limited' (DDRC SRL) (joint venture), Post this acquisition DDRC SRL has become subsidiary of Group. As per Ind AS 103, in a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss. Accordingly, the Group has recognised gain of ₹ 30,614.26 lacs on previously held equity as an exceptional item. (also refer note 39)

(b) The Company through its wholly owned subsidiary Fortis Hospitals Limited has invested (Equity and loan) in Fortis C-Doc Healthcare Limited which is a joint venture in which Fortis holds 60% stake at an amount of ₹ 622.85 lacs through equity shares and amount of ₹ 1,598.34 lacs (including interest accrued of ₹ 168.33 lacs) through loan. During earlier years, considering the recoverability of the investment and uncertainty in recoverability of loan with no foreseeable chances of recovery of the amount, an impairment loss of ₹ 1,598.34 lacs was recognized. During the current year, the loan of ₹ 1,300.00 lacs has been converted into optionally redeemable convertible preference shares.

During the current year, the Company have received an amount of ₹ 80.00 lacs against the interest accrued earlier and recorded the same as an exceptional gain.

(c) During the current year, Birdie and Birdie Realtors Private Limited (subsidiary) has sold its land & building. The Group has recognised gain on sale of assets amounting to ₹ 809.05 lacs (net of goodwill impairment amounting to ₹ 1,231.10 lacs).

23. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 and rules therein, the Companies within the Group are required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). Details of corporate social responsibility expenditures as certified by Management are as follows:

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Amount required to be spent by the Group during the year,	1,303.74	1,158.16
(ii) Amount of expenditure incurred,	1,303.74	1,425.45
(iii) Shortfall at the end of the year	–	–
(iv) Total of previous years shortfall	–	267.29
(v) Reason for shortfall	–	–
(vi) Nature of CSR activities undertaken by the Company	Contribution to PM Cares Fund and ICMR Fund	Contribution to ICMR Fund and Bharat Ke Veer fund
(vii) details of related party transactions, e.g, contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard,	–	–

24. Corporate Social Responsibility (CSR) activities of the company and its subsidiaries during earlier years were carried out through Fortis Charitable Foundation (FCF) (erstwhile promoter entity) with whom dealings have been stopped.

Amounts were paid by the Company and its subsidiaries to FCF for CSR activities. FCF was required to utilize the money so received strictly in various CSR programs.

However, there are unutilized amounts lying with FCF related to periods before March 31, 2018, which have not been spent and neither refunded by FCF despite several reminders and notices. Accordingly, civil recovery action has been initiated for recovery of unutilized amount of ₹ 182.00 lacs during the year ended March 31, 2021.

Notes forming part of the Consolidated Financial Statements

25. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

26. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

(₹ in Lacs)

S. No.	Name of the entity	Net assets, i.e. total assets minus total liabilities		Share in PAT		Share in OCI		Share in TCI	
		As % of consolidated net assets	Amount	As % of consolidated net PAT	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
	Parent								
	Fortis Health care Limited	143.55%	886,856.38	(1.67)%	(1,320.60)	(0.51)%	23.90	(1.74)%	(1,296.70)
	Subsidiaries								
	Indian								
1	Escorts Heart Institute And Research Centre Limited	9.48%	58,565.26	0.82%	648.97	(1.72)%	80.06	0.98%	729.03
2	Fortis Hospitals Limited	(10.36)%	(64,036.30)	(16.17)%	(12,773.02)	(0.58)%	27.01	(17.14)%	(12,746.01)
3	Fortis Malar Hosppitals Limited	1.26%	7,796.30	(1.05)%	(831.22)	0.73%	(34.03)	(1.16)%	(865.25)
4	Malar Stars Medicare Limited	0.04%	221.15	0.00%	3.16	(0.00)%	0.10	0.00%	3.26
5	Fortis HealthStaff Limited	(0.22)%	(1,369.95)	(0.22)%	(172.04)	0.00%	-	(0.23)%	(172.04)
6	Fortis Lafemme Limited	(0.01)%	(92.40)	(0.01)%	(7.47)	0.00%	-	(0.01)%	(7.47)
7	Fortis Cancer Care Limited	(0.65)%	(4,004.57)	(0.37)%	(289.27)	0.00%	-	(0.39)%	(289.27)
8	Fortis Health Management (East) Limited	(0.21)%	(1,288.39)	(0.09)%	(71.43)	0.00%	-	(0.10)%	(71.43)
9	Hiranandani Healthcare Private Limited	0.86%	5,299.73	1.01%	800.81	(0.04)%	2.01	1.08%	802.82
10	SRL Limited	21.53%	133,001.26	19.95%	15,756.65	(1.24)%	57.69	21.27%	15,814.34
11	SRL Diagnostics Private Limited	1.80%	11,106.17	(101.52)%	4,721.08	(0.75)%	34.75	6.40%	4,755.83
12	SRL Reach Limited	(0.01)%	(67.54)	(0.03)%	1.55	0.02%	(1.02)	0.00%	0.53
13	DDRC SRL Diagnostics Private limited	2.37%	14,656.25	(158.56)%	7,373.54	0.50%	(23.43)	9.89%	7,350.11
14	Birdie and Birdie Realtors Private Limited	(2.26)%	(13,944.03)	0.70%	553.57	0.00%	-	0.74%	553.57
15	Stellant Capital Advisory Services Private Limited	0.75%	4,634.06	(0.12)%	(93.56)	0.06%	(2.93)	(0.13)%	(96.49)
16	Fortis Hospotel Limited	36.84%	227,614.72	27.50%	21,726.03	0.04%	(2.08)	29.22%	21,723.95
17	Fortis Emergency Services Limited	(1.26)%	(7,812.00)	(0.79)%	(626.85)	(0.00)%	0.10	(0.84)%	(626.75)

(₹ in Lacs)

S. No.	Name of the entity	Net assets, i.e. total assets minus total liabilities		Share in PAT		Share in OCI		Share in TCI	
		As % of consolidated net assets	Amount	As % of consolidated net PAT	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
18	Escort Heart and Super Speciality Hospital Limited	2.36%	14,564.70	2.47%	1,953.12	0.00%	(0.19)	2.63%	1,952.93
19	International Hospital Limited	17.02%	105,181.10	14.12%	11,157.86	0.17%	(7.73)	15.00%	11,150.13
20	Hospitalia Eastern Private Limited	(2.26)%	(13,983.43)	(2.14)%	(1,693.54)	0.00%	-	(2.28)%	(1,693.54)
21	Fortis Health Management Limited	(10.61)%	(65,578.99)	(8.88)%	(7,015.95)	0.07%	(3.18)	(9.44)%	(7,019.13)
	Foreign								
22	Fortis Asia Healthcare Pte Limited	(18.04)%	(111,465.23)	(2.02)%	(1,593.80)	90.65%	(4,215.33)	(7.81)%	(5,809.13)
23	Fortis Healthcare International Limited	0.30%	1,868.68	(0.07)%	(54.79)	(1.45)%	67.30	0.02%	12.51
24	Fortis Global Healthcare (Mauritius) Limited	(5.90)%	(36,471.72)	(1.84)%	(1,455.19)	27.25%	(1,267.12)	(3.66)%	(2,722.31)
25	SRL Diagnostics FZ-LLC	(0.12)%	(742.26)	1.57%	1,243.51	1.32%	(61.60)	1.59%	1,181.91
26	Fortis Healthcare International Pte Limited	1.21%	7,485.39	2.75%	2,168.42	101.20%	(4,706.19)	(3.41)%	(2,537.77)
27	Mena Healthcare Investment Company Limited	(0.16)%	(967.21)	0.00%	0.00	0.00%	-	0.00%	0.00
28	Medical Management Company Limited	0.14%	850.23	0.00%	0.00	0.00%	-	0.00%	0.00
29	RHT Health Trust Manager Pte Ltd	1.68%	10,353.70	(0.51)%	(403.97)	(0.68)%	31.61	(0.50)%	(372.36)
	Associates (investment as per the equity method)								
	Foreign								
1	RHT Health Trust	0.40%	2,447.85	(0.12)%	(92.18)	(1.54)%	71.79	(0.03)%	(20.39)
2	Medical and Surgical Centre Limited	0.00%	0.00	0.00%	0.00	0.00%	-	0.00%	0.00
3	Lanka Hospitals Corporate Plc	1.23%	7,593.10	3.06%	2,416.64	101.62%	(4,725.37)	(3.11)%	(2,308.73)
	Joint Ventures (as per the equity method)								
	Indian								
1	Fortis C-Doc Healthcare Limited	0.00%	0.00	0.00%	0.00	0.00%	-	0.00%	0.00
2	Fortis Cauvery	0.01%	53.81	0.00%	0.00	0.00%	-	0.00%	0.00
3	DDRC SRL Diagnostics Private limited	0.00%	0.00	0.08%	59.61	0.00%	-	0.08%	59.61

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

S. No.	Name of the entity	Net assets, i.e. total assets minus total liabilities		Share in PAT		Share in OCI		Share in TCI	
		As % of consolidated net assets	Amount	As % of consolidated net PAT	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
	Foreign								
4	SRL Diagnostics Nepal Private Limited	0.05%	319.04	0.04%	30.66	0.00%	-	0.04%	30.66
	Total of Associates and Joint Ventures (as per equity method)				**2,414.73**		**(4,653.58)**		**(2,238.85)**
	Minority interests in all subsidiaries								
	Consolidation adjustments	(90.77)%	(560,820.65)	46.68%	36,874.24	(215.13)%	10,003.71	63.06%	46,877.95
	Total	**100.00%**	**617,824.21**	**100.00%**	**78,994.54**	**100.00%**	**(4,650.17)**	**100.00%**	**74,344.37**
	Minority interests in all subsidiaries								
1	Fortis Malar Hospitals Limited	0.47%	2,907.24	(0.39)%	(309.96)	0.27%	(12.69)	(0.43)%	(322.65)
2	Malar Star Medicare Limited	0.01%	82.47	0.00%	1.18	(0.00)%	0.04	0.00%	1.22
3	SRL Limited	12.96%	80,039.34	30.12%	23,791.47	(0.06)%	2.70	32.01%	23,794.17
	Foreign								
4	Mena Healthcare Investment Company Limited, and Medical Management Company Limited	(0.00)%	(27.77)	0.00%	-	0.00%	-	0.00%	-
	Total		**83,001.28**		**23,482.69**		**(9.95)**		**23,472.74**

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27. Investigation initiated by the erstwhile Audit and Risk Management Committee:

A. Background

(i) As disclosed in the financial statements for the years ended March 31, 2018, March 31, 2019 and March 31, 2020, during the year ended March 31 2018, there were reports in the media and enquiries from, inter alia, the stock exchanges received by the Company about certain inter- corporate loans given by a wholly owned subsidiary of the Company. The erstwhile Audit and Risk Management Committee of the Company decided to carry out an independent investigation through an external legal firm on this matter. The terms of reference of the investigation, inter alia, comprised: (i) ICDs amounting to a total of ₹ 49,414 lacs (principal), placed by the Company's wholly-owned subsidiary, FHsL, with three borrowing companies as on July 1, 2017; (ii) the assignment of these ICDs to a third party and the subsequent cancellation thereof as well as evaluation of legal notice (now a civil suit) received from such third party ; (iii) review of intra-group transactions for the period commencing FY 2014-15 and ending on December 31, 2017; (iv) investments made in certain overseas funds by the overseas subsidiaries of the Company (i.e. Fortis Asia Healthcare Pte. Ltd, Singapore and Fortis Global Healthcare (Mauritius) Limited) ; (v) certain other transactions involving acquisition of Fortis Healthstaff Limited ("Fortis Healthstaff") from an erstwhile promoter group company, and subsequent repayment of loan by said subsidiary to the erstwhile promoter group company. The investigation report was submitted to the re-constituted Board in June 2018.

The investigation noted certain significant findings in relation to past transactions concerning FHL and its subsidiaries with companies whose current and/ or past promoters/ directors were known to/ connected with the erstwhile promoters of the Company. All such identified transactions were provided for by the Company in the financial statements for the year ended March 31 2018.

The investigation was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers as described in their investigation report. It did not cover all related party transactions during the period under investigation. It was observed in internal correspondence within the Company that transactions with certain other entities have been referred to as related party transactions. However, no further conclusions could be drawn in this regard.

(ii) Related party relationships as required under Ind AS 24 – Related Party Disclosures and the Companies Act, 2013 were as identified by the Management taking into account the findings and limitations in the Investigation Report and the information available with the Management. In this regard, in the absence of specific declarations from the erstwhile directors on their compliance with disclosures of related parties, especially considering the substance of the relationship rather than the legal form, the related parties were identified based on the declarations by the erstwhile directors and the information available through the known shareholding pattern in the entities up to March 31, 2018. Therefore, the possibility could not have been ruled out that there may have been additional related parties whose relationship may not have been disclosed and, hence, not known to the Management. While such references could not be fully analyzed during the initial investigation, the nature of these references raised certain concerns.

In order to overcome the above, additional procedures/ enquiries were initiated as below.

B. Additional procedures/enquiries by the reconstituted Board

(i) The Company's Board of Directors initiated additional procedures/ enquiries of certain entities in the Group that were impacted in respect of the matters investigated by the external legal firm. Pending the additional procedures/enquiries ("Additional Procedures/ Enquiries") and since the investigation was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers as described in their investigation report, as disclosed in the audited financial statements for the years ended March 31, 2018, March 31, 2019 and March 31, 2020

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certain audit qualifications were made in respect of FHL's financial statements for those financial years, as the statutory auditors were unable to comment on the nature of those matters, the provisions established thereof, or any further potential impact on the financial statements. In order to resolve the same, the Board mandated the management to undertake review of certain areas in relation to historical transactions for the period April 1, 2014 to September 30, 2018 involving additional matters by engaging independent experts with specialized forensic skills to assist with the Additional Procedures/Enquiries and provide inputs and expert advice in connection therewith. The independent experts submitted their report which was discussed and considered by the Board in its meeting held on September 16, 2020.

(ii) The Board noted that the Additional Procedures/Enquiries, prima facie, revealed further instances of payments made to the erstwhile promoters or to their directly or indirectly related parties including erstwhile promoter group entities which were potentially improper. However, all of the amounts identified in the Additional Procedures/Enquiries had been previously provided for or expensed in the financial statements of FHL or its subsidiaries. There are no other improper transactions identified by the Additional Procedures/Enquiries or the management which had not been expensed or provided.

(iii) In connection with the potentially improper transactions, the Company has undertaken a detailed review of each case to assess the Company's legal rights and has initiated necessary action.

C. Key findings during the investigation by the external legal firm and during the Additional Procedures/Enquiries by independent experts

(I) Fortis Hospitals Limited (FHsL), a wholly owned subsidiary of the Company, had placed secured Short-Term Investments in the nature of Inter Corporate Deposits (ICDs) with three companies ('borrowers') aggregating to ₹ 49,414 lacs on July 1, 2017 for a term of 90 days. Further, FHsL received intimation that the borrowers became a part of the erstwhile Promoter Group with effect from December 15, 2017. These borrowers continued to be related parties until February 16, 2018. subsequent to which the shareholding of the erstwhile Promoter Group in the Company was reduced to 0.77%. In terms of agreements dated September 30, 2017, FHsL assigned the outstanding ICDs to a third party. Such assignment was subsequently terminated on January 5, 2018. On February 28, 2018, these ICDs were secured by way of a duly registered charge on the present and future assets of the Borrowers. ICDs aggregating to ₹ 44,503 lacs including interest accrued thereon of ₹ 4,260 lacs calculated up to March 31, 2018 remained outstanding. In view of the uncertainty in realisability of the security and/or collection of the amounts, the outstanding amount was fully provided during the year ended March 31, 2018.

The Investigation Report indicated that the placement of the ICDs, including the method of such placement, their subsequent assignment and the cancellation of such assignment were done without following the normal treasury operations and treasury mandate; and without specific authorization by the Board of FHsL. (Also refer note 28 on SEBI Order).

As per the Additional Procedures/Enquiries by independent experts, the borrowers were potentially linked to the erstwhile promoters and also potentially linked to each other. FHsL has filed a civil suit on August 26, 2019 for recovery of ₹ 52,019 lacs before Hon'ble Delhi High Court against the Borrowers and few other entities. Further, in the complaint filed with the Economic Offence Wing, New Delhi (EOW) in November 2020 for certain other matters as mentioned subsequently, reference has been made of certain queries being put by SFIO in relation to this transaction, and the Company having responded thereto. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(ii) The Company and its subsidiary SRL Limited ('SRL') had paid security deposits and advances aggregating to ₹ 2,676 lacs in the financial year 2013-14 and 2017-18 respectively, to a private company ("Lessor") towards lease of office space. Due to delays in obtaining occupancy

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certificate (OC), the lease agreement/MOUs were either terminated by the Company or expired during the financial year 2017-18. SRL Limited attempted to encash the cheques issued by the Lessor for refund of the advance paid but the same were returned unpaid. Additionally, expenditure aggregating to ₹ 2,843 lacs was incurred towards capital work-in-progress on the premises proposed to be taken on lease from the Lessor, which is also being claimed from the Lessor pursuant to the aforesaid termination. The Company has issued legal notice demanding the outstanding. The subsidiary, SRL Limited, has filed criminal complaint in Mumbai against the private company under Section 138 of the Negotiable Instruments Act wherein its Directors and authorized representatives were directed to appear before District Court. The Hon'ble District Court has directed the Directors of Lessor to deposit 20% of the cheque amount. SRL has also initiated arbitration proceeding against the Lessor for recovery of ₹ 460 lacs paid towards Security Deposit and ₹ 304 lacs incurred pertaining to the office space. Vide order dated February 20, 2019 Hon'ble Delhi High Court appointed an arbitrator before whom SRL has filed its claim. Further, Company and SRL have filed their respective claims before Interim Resolution Professional (IRP) appointed by NCLT in a matter filed by one of creditors of Lessor. IRP is currently adjudicating the claims of various creditors of the Lessor including that of the Company and SRL Limited.

In view of the facts stated above and the uncertainty in the ultimate recovery of the aforesaid balances, the Group had recorded provisions aggregating to ₹ 5,333 lacs in the Consolidated Financial Statements for the year ended March 31, 2018 and a further provision of ₹ 186 lacs was made in respect of expenditure accrued during the quarter ended June 30, 2018.

SFIO has sought information in respect of this transaction and the same has been duly provided by the Company. Further, as stated above, a complaint has been filed with the EOW in November 2020 by the Company for certain other matters, in which a reference has been made to such SFIO enquiries as well as to the Company's responses thereto and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(iii) FHsL, a wholly owned subsidiary of the Company, had advanced moneys to an entity towards acquisition of property in Mumbai in financial year 2013-14 which did not materialize. Of the total advance of ₹ 10,000 lacs, balance of ₹ 2,375 lacs was outstanding to be received back. Post-dated cheques received from the entity were dishonoured, and FHsL initiated legal proceedings in this regard. FHsL had accrued for the interest amounting to ₹ 174 lacs up to March 31, 2018 on the advance for the purpose of including the same in the legal claim on the entity. However, in line with applicable accounting norms, interest thereon for the period subsequent to March 31, 2018 was not accrued considering the uncertainties around ultimate realization of the amounts.

In view of the facts stated above and the uncertainty in the ultimate recovery of the aforesaid balances, the Group had recorded provisions aggregating to ₹ 2,549 lacs towards the amounts due, including interest, in the year ended March 31, 2018

One of the directors of the entity, post summoning in the legal proceedings initiated by the Company has settled disputes for himself and the entity by paying ₹ 2,300 lacs (gross of tax) during the year ended March 31, 2020 towards full and final settlement.

Considering full and final settlement already done and the transaction having been legally concluded no further action is being taken.

(iv) During the year ended March 31, 2018, the Company through its subsidiary (i.e. Escorts Heart Institute and Research Centre Limited ("EHIRCL")), purchased further 71% equity interest in Fortis Healthstaff Limited("Healthstaff") at an aggregate consideration of ₹ 3.46 lacs from erstwhile promoter group companies. Subsequently, EHIRCL advanced a loan to Healthstaff which was used to repay the outstanding unsecured loan amount of ₹ 794.50 lacs to an erstwhile promoters group company. Certain documents

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suggest that the loan repayment by Healthstaff and some other payments to the erstwhile promoter group company may have been ultimately routed through various intermediary companies and used for repayment of the ICDs /vendor advance to FHsL / Company. Further, Healthstaff was not in a position to repay loan to the erstwhile promoter group company. EHIRCL also could not directly takeover the loan, as EHIRCL (holding 29%) could not have taken over the burden of the entire debt of Healthstaff. Therefore, this transaction was in a way to help the erstwhile promoter group companies(71% shareholders) to avoid making payment for its share, and place EHIRCL in a situation where it would find it hard to recover from its own now wholly owned subsidiary. Further, the said loan advanced by EHIRCL to Healthstaff was impaired in the books of account of EHIRCL due to anticipated chances of non-recovery during the year ended March 31, 2019.

Complaint has been filed in this regard, with the EOW in November 2020 against erstwhile promoters / erstwhile promoters group company and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(v) During the year ended March 31, 2018, the Company through its subsidiary (i.e. Fortis Hospitals Limited ("FHsL")), purchased further 51% equity interest in Fortis Emergency Services Limited (FESL) at an aggregate consideration of ₹ 0.255 lacs from erstwhile promoter group company. Subsequently, FHsL advanced a loan to FESL, which was used to repay the outstanding unsecured loan amount of ₹ 215 lacs to an erstwhile promoter group company. Certain documents suggest that the loan repayment by FESL and some other payments to the erstwhile promoter group company may have been ultimately routed through various intermediary companies and used for repayment of the ICDs /vendor advance to FHsL / Company. Further, FESL was not in a position to repay loan to the erstwhile promoter group company. FHsL also could not directly takeover the loan, as FHsL (holding 49%) could not have taken over the burden of the entire debt of FESL. Therefore, this transaction was in a way to help the erstwhile promoter group company(51% shareholders) to avoid making payment for its share, and place FHsL in a situation where it would find it hard to recover from its own now wholly owned subsidiary Further, the said loan advanced by FHsL to FESL was impaired in the books of account of FHsL due to anticipated chances of non-recovery.

Complaint has been filed with the EOW in November 2020 against erstwhile promoters / erstwhile promoters group company and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(vi) Remuneration to ex-chairman

The Company having considered all necessary facts and taking into account external legal advice, had on June 27, 2018 decided to treat as non-est the Letter of Appointment dated September 27, 2016, as amended, ("LoA") issued to the erstwhile Executive Chairman of the Company in relation to his role as 'Lead: Strategic Initiatives' in the Strategy Function. Since the LoA was treated as non-est, the Company received legal advice from its counsels that the amount paid under the aforesaid LoA (amounting to ₹ 1,768 lacs) appears to be an arrangement designed to circumvent the managerial remuneration limits under Section 197 of the Companies Act, 2013 read with relevant Central Government approvals and thus was wrongfully paid. Thus, as per the legal advice, the payments made to him under this LoA for the role of 'Lead: Strategic Initiatives' ought to be considered and characterized as payments which are in the nature of managerial remuneration, as regulated and governed in section 197 of the Companies Act, 2013. An amount of ₹ 234 lacs that was reimbursed in relation to expenses incurred was in excess of the amounts approved by the Central Government under Section 197 of the Companies Act, 2013. Accordingly, the Company sent a letter to the erstwhile Executive Chairman seeking refund of the excess amounts paid to him over and above the managerial remuneration limit, as specified under the Companies Act, 2013 read with the relevant government approvals in this regard. The

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erstwhile Executive Chairman sent a notice to the Company claiming ₹ 4,610 lacs as allegedly due to him under the employment agreement. The Company replied to the same through its legal counsel denying any liability and stated that the demand was not payable being illegal. Subsequently, Company filed a complaint against the erstwhile Executive Chairman before EOW. The Company has received back vehicles which were being used by him. However, IT assets and excess amounts paid are yet to be received.

In view of the above, the amounts paid to him under the aforesaid LoA and certain additional amounts reimbursed in relation to expenses incurred (in excess of the amounts approved by the Central Government under section 197 of the Companies Act 2013 for remuneration & other reimbursements), aggregating to ₹ 2,002.39 lacs was recognised as recoverable in the Consolidated Financial Statements of the Company for the year ended March 31, 2018. However, considering the uncertainty involved on recoverability of the said amounts, a provision of ₹ 2,002.39 lacs was made in the Consolidated Financial Statements for the year ended March 31, 2018. The Company has filed a complaint against the erstwhile Executive Chairman before EOW on account of both of the above payments and EOW is investigating the matter.

An addendum to the complaint already filed with the EOW has been filed in November 2020 with the EOW including certain other findings during Additional Procedures/Enquiries by independent experts as below:

(a) Payments were made to the erstwhile Executive Chairman from a foreign wholly owned subsidiary of the Company as one-time bonus in February 2016 of equivalent ~ ₹ 846 lacs and managerial remuneration was paid for the period January 2016 to May 2016, amounting to equivalent ~ ₹ 349 lacs. Further, remuneration paid in excess of Central Govt. approval by the Company for FY 2014-15 & FY 2015-16 amounting to ~ ₹ 528 lacs was refunded by erstwhile executive chairman in March 2016 to FHL. It is possible that the amounts recovered towards excess remuneration paid from the company to erstwhile executive chairman of ~ ₹ 528 lacs was compensated through the foreign wholly owned subsidiary.

(b) Payments were made to an erstwhile promoter entity from another foreign wholly owned subsidiary of the Company under an investment advisory agreement amounting to equivalent ~ ₹ 344 lacs for the period June 2016 to September 2016. However, there was nothing on record to suggest that any services were rendered by the erstwhile promoter entity under this agreement.

(vii) During the financial year 2014-15, FHsL acquired 100% stake in Birdie & Birdie Realtors Pvt Ltd. ("Birdie") from certain persons related to the erstwhile promoters, wherein ₹ 12,275 lacs were paid towards ICDs at a rate of interest of 14% per annum and ₹ 7,725 lacs were paid for the shares acquired. The total enterprise value of Birdie was projected at ₹ 20,000 lacs based on the valuation report of land and building by an independent valuer. However, the equity valuation of ₹ 7,725 lacs was arrived based on a land and building valuation report by another valuer of ₹ 23,700 lacs and on assumption that the Land has to be sold in 6-8 months, which in reality did not happen. Also, the "subject property photographs" used in the mentioned two valuation reports were identical. Also, the ICD's of ₹ 12,275 lacs were utilized to repay/replace the then existing debts including that of erstwhile promoters and person/entities related/known to the erstwhile promoters. It is possible that the erstwhile promoters acted in order to make excess money to repay the loans availed by Birdie from them, persons related to them and entities related/known to them. Further, out of total goodwill generated on consolidation amounting to ₹ 10,661 lacs, goodwill to the extent of ₹ 9,430 lacs was impaired in earlier years to bring the investment value in line with the market value of the property.

There have been certain queries raised on this transaction by the SFIO. The Company has responded to the said queries. Further, in the above referred Complaint filed with the EOW in November 2020 against erstwhile promoters, SFIO enquiries and the Company's responses

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have been mentioned and EOW is investigating the matter. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

(viii) The Company through its overseas subsidiaries [i.e. Fortis Asia Healthcare Pte. Ltd, Singapore and Fortis Global Healthcare (Mauritius) Limited] made investments in Global Dynamic Opportunity Fund, an overseas fund. It was observed in the earlier investigation that there were significant fluctuations in the NAV of the investments during a short span of time. Further, in the internal correspondence within the Company, investments in the overseas funds have been referred to as related party transactions. During year ended March 31, 2018, investments held in the Global Dynamic Opportunity Fund were sold at a discount of 10%. As at March 31, 2018, the carrying value of the investments in the overseas fund were recorded at the net recoverable values based on subsequent realisation. The consequential foreseeable loss of ₹ 5,510 lacs (between the previously recorded carrying value of the investment and the amount subsequently realised) was considered in the Consolidated Financial Statements for the year ended March 31, 2018.

There is no further finding in additional procedures/enquiries by independent experts on this matter. Further, the investigation by the external legal firm done also mentioned that it appeared that GDOF was not related to Fortis based on the procedures performed by them. Accordingly no further action is being taken.

(ix) In respect of certain other matters found during the Additional Procedures/Enquiries by independent experts no actions were recommended since there were no sufficient evidences on those matters. However, there is no impact of those matters on the financials.

D. Based on investigation carried out by the external legal firm and the additional procedures/enquiries by independent experts, all identified/required adjustments/provisions/disclosures have been made in the consolidated financial Statements of the Group. The Company has also submitted findings of the Investigation Report of the external legal firm and the additional procedures/ enquiries by independent experts to the relevant regulatory authorities. Further, on relevant aspects, the Company has also filed a complaint with the EOW against the erstwhile promoters/ erstwhile promoter group companies and EOW is investigating the matter. Recovery /claim proceedings have also been initiated in the matters where action was recommended by the legal counsels. A First Information Report (FIR) was registered by EOW in July 2021 against the above complaint.

Therefore, with this conclusion, the initial investigation which was subject to the limitations on the information available to the external legal firm and their qualifications and disclaimers has been addressed through the additional procedures/enquiries by independent experts. In addition, the current Board had initiated specific improvement projects to strengthen the process and control environment. The projects included revision of authority levels, both operational and financial and oversight of the Board, review of Financial Reporting processes, assessment of secretarial documentation w.r.t compliance with regulatory requirements and systems design & control enhancement for which the assessment work was done and corrective action plans were implemented.

Accordingly, the Board has taken necessary actions in consultation with the legal counsels in this regard. The investigations in so far as these issues involving the erstwhile promoters/ erstwhile promoter group companies is concerned are still pending with the regulatory authorities. The management of the Company also believes that if any action is initiated by regulatory authorities against the Company, the same should not have a significant material impact on the Company as all items which may have financial impact have already been provided for in earlier years. The Company would fully co-operate with the regulatory authorities in this regard.

28. Matters in relation to Regulatory Authorities:

(a) In the above backdrop, during financial year 2017-18 the Company received a communication from the Securities and Exchange Board of India (SEBI),

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confirming that an investigation has been instituted by SEBI in the matter of the Company. In the aforesaid letter, SEBI required the Company under section 11C (3) of the SEBI Act, 1992 to furnish certain information and documents relating to the short-term investments of ₹ 473 Crores reported in the media. SEBI had appointed forensic auditors to conduct a forensic audit, of collating information from the Company and certain of its subsidiaries. The Company / its subsidiaries furnished requisite information and documents requested by SEBI.

In furtherance of the above, subsequently on October 17, 2018 SEBI passed an ex-parte Interim Order ("Order") whereby it observed that certain transactions were structured by some identified entities over a certain duration, and undertaken through the Company, which were prima facie fictitious and fraudulent in nature and which resulted in inter alia diversion of funds from the Company for the ultimate benefit of erstwhile promoters (and certain entities controlled by them) and misrepresentation in financial statements of the Company. Further, it issued certain interim directions that inter alia directed the Company to take all necessary steps to recover ₹ 40,300 lacs along with due interest from erstwhile promoters and various other entities, as mentioned in the Order. More importantly, the said entities had also been directed to jointly and severally repay ₹ 40,300 lacs along with due interest to Company within three months of the order. Incidentally, the order also included FHsL as one of the entities directed to repay the due sums. Pursuant to this, FHsL's beneficial owner account had been suspended for debits by the National Securities Depository Limited and Central Depository Services (India) Limited. Further, SEBI had also directed the said entities that pending completion of investigation and till further order, they shall not dispose of or alienate any of their assets or divert any funds, except for the purposes for meeting expenses of day-to-day business operations, without the prior permission of SEBI. Erstwhile-promoters were also directed not to associate themselves with the affairs of the Company in any manner whatsoever, till further directions. Parties named in the Order had been granted opportunity for filing their respective replies/ objections within 21 days.

The Company and its wholly owned subsidiary i.e. Fortis Hospitals Limited (FHsL) had then filed applications for modification of the order, for deletion of name of FHsL from the list of entities against whom the directions were issued. Pursuant to this SEBI, vide order dated December 21, 2018, modified its previous order dated October 17, 2018 deleting FHsL from the list of entities against whom the Order was directed. Pursuant to this, the suspension order by National Securities Depository Limited for debits in beneficial owner account of FHsL was accordingly removed. Vide Order dated March 19, 2019, ("Confirmatary Order") SEBI confirmed the directions issued vide ad interim ex-parte order dated October 17, 2018 read with order dated December 21, 2018, till further orders. SEBI also directed the Company and FHsL to take all necessary steps to recover ₹ 40,300 lacs along with due interest from erstwhile-promoters and various other entities, as mentioned in the Order.

Company and FHsL had filed necessary applications in this regard including an application with the Recovery Officer, SEBI, under Section 28A of the Securities and Exchange Board of India Act 1992, for the recovery of the amounts owed by the erstwhile-promoters and varisous other entities to the Company and FHsL. SEBI vide its letter dated June 14, 2019 has stated that provisions of Section 28A of SEBI Act, 1992 cannot be invoked at this stage hence, Company and FHsL may take necessary steps to comply with SEBI's direction. Accordingly, FHsL has filed a civil suit for recovery of ₹ 52,019 lacs before Hon'ble Delhi High Court against the parties, named in the orders passed by SEBI.

The Investigation Report of the external legal firm was submitted by the Company to the SEBI and SFIO on June 12, 2018. Further, the Company has submitted a copy of the complaint filed with the EOW and a copy of the report of the additional procedures/ enquiries done by the independent expert to SEBI and SFIO on November 10, 2020.

By an order dated November 12, 2020, SEBI revoked its Interim orders read with Confirmatory Order qua Best Healthcare Pvt. Ltd., Fern Healthcare Pvt. Ltd. and Modland Wears Pvt. Ltd. and directed that the ongoing proceedings against them be substituted with adjudication proceedings. The order expressly clarified that the Company and FHsL were at liberty to pursue remedies under law, as deemed appropriate by them, against the above mentioned entities in respect of their role in the diversion of funds. A Show-Cause Notice (SCN-1) was issued by SEBI to various entities

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including the Company and FHsL on November 20, 2020. In the SCN-1, it was inter-alia alleged that the consolidated financials of the Company at the relevant period were untrue and misleading for the shareholders of the Company and the Company had circumvented certain provisions of the SEBI Act, Securities Contracts (Regulation) Act, 1956, and certain SEBI regulations. In response, a joint representation/reply was filed by the Company and FHsL on December 28, 2020 praying for quashing of the SCN-1 by inter alia reiterating that the Company and FHsL, were in fact victims of the schemes of the Erstwhile Promoters (Malvinder Mohan Singh and Shivinder Mohan Singh) and justice, equity and fairness demands that the victim ought not be punished for the offences of the wrongdoers. All acts impugned in the SCN-1 relate to the period when the Erstwhile Promoters controlled the affairs of Company and FHsL and the erstwhile Promoters are no longer involved in the affairs of the Company and FHsL. The Erstwhile Promoters were responsible for financial misrepresentation and not the Company and FHsL. Post resignation of the Erstwhile Promoters in February 2018, the Board of Directors of the Company, solely comprising independent Directors looked after its welfare until a new promoter, invested and took control of the Company, till such time as the new promoters of the Company (i.e. NTK Venture Pte. Ltd.) assumed control of the Company pursuant to a preferential allotment which was approved by the Competition Commission of India and SEBI which approved the open offer which was triggered by such preferential allotment. Any adverse orders against the Company and FHsL would harm their existing shareholders, employees and creditors. The Company and FHsL have taken substantial legal actions against the Erstwhile Promoters and significant steps to recover the diverted amounts. Oral submissions in response to the SCN-1 were made in a personal hearing before the SEBI Whole Time Member on January 20, 2021 and written submissions were filed. SEBI has passed an order dated April 19, 2022 w.r.t SCN-1 and directed the Company & FHsL to pursue the measures taken to recover the amount of INR 397.12 Crores (approx.) along with the interest from Erstwhile Promoters; & Audit Committee to regularly monitor the progress of such measures and report the same to board of directors at regular intervals. Based on the aforesaid allegations and actions taken by the Company against the erstwhile promoters and related entities, SEBI has imposed a penalty of ₹ 100 lacs and ₹ 50 lacs on Company and FHsL respectively. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated April 19,2022.

On April 09, 2021, SEBI issued another Show cause notice (SCN-2) to various noticees including Escorts Heart Institute and Research Centre Limited (“EHIRCL”). In the said SCN-2, with respect to EHIRCL, it has been alleged that ₹ 567 crore was lent by the Company to EHIRCL in 2011, which was subsequently transferred by EHIRCL to Lowe Infra and Wellness Private Limited (“Lowe”) in multiple transactions for the purchase of a land parcel. This land parcel, which was allegedly indirectly to be acquired by the Company through its subsidiary EHIRCL and another entity Lowe, was then transferred to RHC Holdings Private Limited (“RHC Holdings”). It has been stated in the said SCN-2 that a structured rotation of funds was carried out to portray that the loan extended by the Company for the purchase of land had been paid back with interest in the year 2011. It is alleged that the Company was actually paid back by RHC Holding over a period of four years ending on July 31, 2015. In this respect, the Company and FHsL funds were allegedly routed through various layers in order to camouflage the transactions, and to circumvent legal provisions with respect to related party transactions.

In the SCN-2 EHIRCL has been clubbed along with the other noticees, and has been painted with the same brush as the other noticees in alleging that certain noticees, including EHIRCL, were part of a fraudulent and deceptive device wherein they acted in fraudulent manner which led to the misuse and/or diversion of funds from a listed company i.e. FHL, amounting to approximately ₹ 397.12 crore for the ultimate benefit of RHC Holdings and the erstwhile promoters. Thereby, it is alleged, that EHIRCL has aided and abetted the routing of funds from the Company, ultimately to RHC Holdings, for the benefit of the promoter entities.

SEBI w.r.t SCN-2 has passed an order dated May 18, 2022 imposing penalty against several erstwhile promoters entities and certain individuals. Based on the aforesaid allegations and actions taken by the Company against the erstwhile promoters and related entities, it has also imposed a penalty of ₹ 100 lacs on EHIRCL. Lawyers are evaluating the outcome, implications and next steps w.r.t to Order dated May 18, 2022.

Notes forming part of the Consolidated Financial Statements

The Board of Directors continue to be fully committed to fully co-operating with the relevant regulatory authorities to enable them to make a determination on these matters and to undertake remedial action, as may be required, and to ensure compliance with applicable laws and regulations. In the aforesaid context, proper and sufficient care has also been taken for the 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 fraud and other irregularities on a going forward basis.

(b) During year ended March 31, 2018, the Registrar of Companies (ROC) under section 206(1) of the Companies Act, 2013, inter alia, had also sought information in relation to the Company. All requisite information in this regard has been duly shared by the Company with the ROC.

(c) The Serious Fraud Investigation Office (SFIO) of the Ministry of Corporate Affairs, under section 217(1) (a) of the Companies Act, 2013, inter alia, initiated an investigation and sought information in relation to the Company, its subsidiaries, joint ventures and associates. The Company has submitted requisite information in this regard with SFIO, as requested from time to time. The outcome of the SFIO investigation, cannot be ascertained as of now keeping in view the present stage of the investigation.

The Company is fully co-operating with the regulators in relation to the ongoing investigations to enable them to make their determination on these matters.

Based on management's analysis, a provision has been made and recognised during the year ended March 31, 2021 for any contingency that may arise from the aforesaid issues. The Company being a parent entity for EHIRCL, FHsL has undertaken that it will reimburse such penalty/ fine which shall finally payable by EHIRCL and/or FHsL, if required after exhausting available legal remedies. This is not to be regarded as admission in any manner whatsoever by the Company of any of the violations, as alleged by any of the authorities or otherwise, against it. Further, as per the management and in consultation with external legal counsel it is believed that the likelihood of additional impact, if any, is low and is not expected to be material.

29. The Board of Directors, after seeking inputs from reputed investment bankers, had approved an equity infusion of ₹ 400,000 lacs at a price of ₹ 170 per equity share into the Company by Northern TK Venture Pte Ltd Singapore (NTK) ("Acquirer"), a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia through a preferential allotment ("Preferential Issue"), subject to approval of the shareholders and other regulatory approvals which constituted 31.1% share capital of the Company. The shareholders of the Company approved the Preferential Issue by requisite majority at their Extra Ordinary General Meeting dated August 13, 2018. The Acquirer had received the approval from Competition Commission of India (CCI) on October 30, 2018 and the preferential allotment was made on November 13, 2018. Pursuant to the consummation of the same, Northern TK Venture Pte Ltd, had appointed 2/3 of the directors on the Board of Directors of the Company, thereby acquiring control over the Company. Consequently, the Company has become a subsidiary of Northern TK Venture Pte Ltd. Further, pursuant to the Preferential Issue, Northern TK Venture Pte. Ltd is under an obligation to make a mandatory open offer to the public shareholders of the Company and Fortis Malar Hospitals Limited in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. However, in view of order dated December 14, 2018 passed by Hon'ble Supreme Court wherein it was specified that status quo with regard to sale of the controlling stake in Fortis Healthcare to Malaysian IHH Healthcare Berhad be maintained, the Mandatory Open offer was kept in abeyance and continues to be in abeyance as on date, and remains subject to further orders by the Hon'ble Court. The Company had accordingly filed an application seeking for modification of the said order.

Vide its judgement dated November 15, 2019, the Hon'ble Supreme Court has issued suo- moto contempt notice to, among others, the Company and directed its Registry to register a fresh contempt petition in regard to alleged violation of the its order dated December 14, 2018. In this respect, the Hon'ble Supreme Court has sought an enquiry, into (i) whether the subscription by the Acquirer to the shares of the Company was undertaken after the status quo order was issued by the Hon'ble Court on December 14, 2018 and accordingly, if such subscription was in violation of this status quo order; and (ii) the consummation of the acquisition of healthcare assets from RHT Health Trust by the Company.

The Company has filed a detailed reply to the show cause notice issued in the suo- moto contempt, praying inter alia, that the suo- moto contempt proceedings be dropped and

Notes forming part of the Consolidated Financial Statements

ex- parte status quo order dated December 14, 2018 be modified/ vacated such that Open Offer may proceed.

Further, at the request of SEBI by way of an application seeking impleadment, the Hon'ble Supreme Court of India has impleaded SEBI as a party in the petition pending before it. SEBI has prayed for allowing the Mandatory Open Offer. Further, the Hon'ble Supreme Court of India has issued notice on application filed by a public shareholder of the Company seeking impleadment. NTK has also filed an application for impleadment, modification of the status quo order and for proceeding with Mandatory Open Offer.

While the matter is currently sub-judice and we await the orders/ directions of the Hon'ble Supreme Court in this regard, in view of the legal positions/claim(s) made and defence(s) raised by the Company, basis external legal advice, the management believes that it has a strong case on merits. It is the view of the Company these transactions were, at all times, conducted in a fair and transparent manner after obtaining all relevant regulatory and shareholders approval and only after making all due disclosures to public shareholders of the Company and to the regulatory authorities, in a timely manner. As per the current position of the case, liability, if any, arising out of this contingency cannot be determined at this stage. Accordingly at present, no adjustment is required in the Consolidated Financial Statements.

Further during the previous year, in view of the aforesaid suo moto contempt notice, for abundant caution, an application was filed by the Company before the Hon'ble Supreme Court of India, praying for permission to it and its subsidiaries for changing their respective names, brands and logos; and for continued usage of the same if the said application was not disposed of prior to expiry of the term of the Brand License Agreements to allow adequate time for smooth Brand transition without any disruption to business. Subsequent to the year ended on March 31, 2021, the Brand License Agreements have expired. The Company is awaiting order(s) of the Hon'ble Supreme court.

30. During the year ended March 31, 2019, SRL Limited ('SRL' or 'Company') had provided ₹ 131.35 Lacs managerial remuneration to erstwhile Executive Chairman, Mr. Malvinder Mohan Singh, in respect of his full and final settlement in the books of accounts. The amount paid in excess of the limits aggregating to ₹ 47.96 Lacs in FY 2017-18 has been shown as advances recoverable as part of other financial assets. As the Executive Chairman was associated with the Company in his capacity of a Whole Time Director till May 27, 2018, the Company has adjusted the excess amounts paid to him for the year ended 31 March, 2018 from the amounts payable to him for the period April 1, 2018 to May 27, 2018.

31. The Group has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under Section 92D for its international transactions. Based on the transfer pricing regulations/ policy, the transfer pricing study for the year ended March 31, 2021 is to be conducted on or before due date of the filing of return and the company will further update above information and records based on the same and expects these to be in existence latest by that date. Management believes that all the transactions are at arm's length price and the aforesaid legislations will not have impact on the financial statement, particularly on the amount of tax expense and provision for taxation.

32. The Group has entered in various agreements with equipment manufacturer suppliers. As per agreements, the Group will get equipment free of cost and reagents have to be purchased from those specific vendors only. These equipment can be replaced at any point of time as per the discretion of the respective vendors.

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

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

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
– Principal amount due to micro and small enterprises (including payable against PPE)	6,861.42	6,124.39
– Interest due on above	15.74	3.67
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	–
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	26.58	9.30
The amount of interest accrued and remaining unpaid at the end of each accounting year	42.32	12.97
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	–	–

**Including payable to micro enterprises and small enterprises included in other financial liabilities [refer note 6(xviii)]*

34. Going concern

During the year ended March 31, 2022, both the operational performance and cash flows of the Group further improved as compared to previous year which was due to impact of COVID-19 (as explained in Note 35). As at March 31, 2022, the Group has funds available of ₹ 41,269.99 lacs and unutilized borrowing facilities sanctioned by banks amounting to ₹ 60,831.75 lacs. Further, during the previous year in respect of the cash put option issued to minority shareholder of subsidiary, an amendment agreement to the shareholders' agreement was entered between the parties which also incorporated the new proposed exit rights. In accordance with the same the minority shareholders of subsidiary have agreed not to exercise the cash put option for a further period of 36 months from a relevant date (February 5, 2021) as defined in the amendment agreement in lieu of the new proposed exit rights. Accordingly, the financial liability for cash put option has been classified as non-current liability as at March 31 2022 and the Group's current liabilities are higher than its current assets by ₹ 13,616.81 lacs. Further, the Group also has sufficient unencumbered assets that can be utilized for any additional funding requirements in future. Additionally, as explained in note 29, the ongoing litigation at the Hon'ble Supreme Court has delayed the ability of the Group to carry out planned restructuring activities which could further strengthen the financial position of the Group.

Considering the above factors, continuous improved business performance and expected positive cash flows in foreseeable future periods, the management believes that the going concern assumption in these audited consolidated financial statements is appropriate. In view of the aforesaid, the management has considered it appropriate to prepare these consolidated financial statements on a going concern basis.

35. During the earlier part of the previous year, the COVID – 19 pandemic impacted the revenues and profitability of the Group with a decline in occupancy impacting significantly the hospital business revenues, profitability and cash flows. The diagnostics business of the Group also witnessed a significant drop in volumes during the earlier part of the previous year. The Group took various initiatives to support operations and optimize the cost. With a slew of these measures, the Group has been able to significantly reduce the negative impact on its business.

The Group has a well- capitalized Balance Sheet and has managed its liquidity position via cost efficiency initiatives, better working capital management and external funding.

Notes forming part of the Consolidated Financial Statements

During the year ended March 31, 2022, the Group has further witnessed improvement in both hospital and diagnostic business and it has gradually moved towards normalization of business during the current financial year. The Group has considered internal and external information while finalizing various estimates in relation to these financial statements. Going forward, the actual impact of the Covid-19 pandemic may still be different from that what has been estimated, as the COVID-19 situation is further evolving in India and globally and with the surge in number of cases in India. However, the Group is and will continue to closely monitor any material changes to future economic conditions.

36. The Board of Directors at its meeting held on July 13, 2018, approved re-classification of the then promoter holding under the category of 'Public Shareholding'. This was approved by the shareholders at their Extra Ordinary General Meeting dated August 13, 2018. During the year ended March 31, 2020, the Company received approval from SEBI for re-classification of erstwhile promoters as "public shareholder". SEBI has also reclassified the erstwhile promoters as "public shareholder".

37. During the previous year, SRL Limited (subsidiary company) entered into a business purchase agreement to acquire a lab owned by Dr. S P Singh located at Patiala for a purchase consideration of ₹ 145.50 Lacs.

The following table summarizes the recognised amount of assets acquired:

(₹ in Lacs)

Particulars	Fair Value
Trademark	40.50
Laboratory Equipment	7.52
Office Equipment	1.21
Air Conditioners	0.28
Furnitures & Fittings	0.56
Computers and accessories	0.28
Net assets acquired	50.35

Goodwill arising from acquisition has been determined as follows:

(₹ in Lacs)

Particulars	Fair Value
Fair value of net identifiable assets	50.35
Purchase consideration*	145.50
Goodwill	95.15

** Purchase consideration includes ₹ 105.00 lakhs for assets purchase and ₹ 40.50 lakhs for Non-compete fees classified as Trademark.*

Purchase consideration includes deferred consideration of ₹ 75.50 lacs payable over a period of 27 months from the date of acquisition (i.e. 1 April 2020)

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the entities into the Company's existing diagnostic business. Considering the expected synergies in operation, it is impracticable to disclose revenue / profit or loss for the acquired lab separately. None of the goodwill recognised is deductible for income tax purposes.

38. The main object of the Company is to carry on the business of healthcare and other related activities either directly or through its subsidiaries. During the previous year ended March 31, 2020, due to significant amount of dividend received by the Company from a wholly owned overseas subsidiary, the Company's 'income from financial assets' constituted more than 50 per cent of the gross income for the financial year ended March 31, 2020. Further, the 'financial assets' of the Company were also more than 50 per cent of its total assets as at March 31, 2020 (mainly investment and financing in wholly owned subsidiaries). Accordingly, the Company technically met 'Principal business' test as per the press release by Reserve Bank of India ("RBI") vide No. 1998-99/1269 dated April 8, 1999 for being classified as a Non-Banking Financial Company (NBFC) from April 1, 2020. However, the significant amount of dividend in the previous year was largely on account of a one-off transaction which led to dividend payment and the Company does not expect dividend of such a significant amount to be recurring in future. The Board has also noted and confirmed that such dividend does not represent income from ordinary activities of the Company and that the Company does not intend to carry on the business as an NBFC. The Company has made a representation to the RBI in November 2019 that while the Company technically would meet the Principal Business Test due to this significant dividend on account of the one-off transaction, it does not, and does not intend to, carry on the business as an NBFC and hence keeping in view the objective behind the test, its registration as a NBFC should not be required. As per the RBI's 'Master Direction- Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016', on the issue of NBFC registration, the statutory auditor is to examine whether the company has obtained a Certificate of Registration from the RBI when the "company is engaged in the business of nonbanking financial institution as defined in section 45-I(a) of the RBI Act and meeting the Principal Business Criteria (Financial

Notes forming part of the Consolidated Financial Statements

Asset/ income pattern)" Subsequent to the completion of audit of the financial statements of the Company for the year ended March 31, 2020, the statutory auditor of the Company has also intimated the RBI regarding the Company technically meeting the Principal Business Test and regarding the above referred representation by the company to the RBI which inter alia stated that the Company is primarily engaged in the healthcare business, and that the Company has represented to the RBI that it does not presently or in future intend to undertake the business of non-banking financial institution. Further, during the current year the Company wrote a letter to RBI with a request to confirm that no such registration as a NBFC is required. It also requested for a meeting to give an opportunity to the Company to explain its position on the matter. During the quarter ended March 31, 2021, RBI advised the Company to submit to it the financial results for the quarter ended June 30 2020, September 30 2020 and December 31 2020 which was duly submitted. Further, as evident from these financial statements, the criteria for principal business test is not met as at March 31, 2022 and March 31, 2021.

39. Business combinations

During the current year, effective from April 05, 2021, SRL Limited ("SRL") acquired 50% stake in DDRC SRL Diagnostics Private Limited (in which SRL Diagnostics Private Limited (SRL's 100% subsidiary), had already held 50% stake), from the joint venture partner. With the completion of this transaction, the aforesaid entity became wholly owned subsidiary of SRL. The transaction was for a consideration of ₹ 35,000 Lacs (₹ 32,500 Lacs upfront and balance in two half yearly tranches of ₹ 1,250 Lacs each on October 4, 2021 and April 4, 2022) towards acquisition of 50% stake in DDRC SRL Diagnostics Private Limited. The deferred consideration payable on April 4, 2022 has been paid subsequent to year end. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 41,380.74 Lacs has been recorded.

The following table summarizes the recognised amount of assets acquired and liabilities assumed at the date of acquisition in relation to acquisition of balance 50% stake in DDRC SRL Diagnostics Private Limited:

(₹ in Lacs)

Particulars	Fair Value
Property, plant and equipment	4,425.37
Right-of-use assets	597.26
Intangible Assets	73.20
Other non-current financial assets	1,368.68
Deferred tax Assets	308.98
Other non-current assets	251.12
Inventory	791.61
Trade and other receivables	798.58
Cash and cash equivalents	1,371.48
Current tax assets	177.17
Other assets	75.84
Lease liability	(651.01)
Provision for employee benefits	(563.23)
Trade payables	(704.27)
Other financial liabilities	(164.68)
Other liabilities	(737.43)
Customer relationships	5,733.06
Non compete	746.21
Trademarks	21,500.00
Deferred tax liabilities	(7,041.82)
Net assets acquired	**28,356.12**

With effect from 5 April 2021 (date of acquisition), DDRC has contributed ₹ 31,301.72 Lacs and ₹ 7,373.54 Lacs to the Group's revenue and profit before taxation respectively for the year ended 31 March 2022.

The management estimates that if the acquisition had occurred on April 1, 2021, consolidated revenue and consolidated profit before tax and other comprehensive income for the year ended 31 March 2022 would have been ₹ 572,105.82 Lacs, ₹ 98,877.91 Lacs and ₹ (4,650.17) Lacs.

Measurement of fair values

The valuation techniques for measurement of fair value is as follows

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of leasehold improvement, plant and machinery, air conditioners, medical equipments whereas for rest of the asset classes, the Group has considered their respective Net Book Values.

Notes forming part of the Consolidated Financial Statements

Customer relationships

The intangible asset related to customer relationships has been valued using Multi Period Excess Earnings Method ("MEEM"). Business to business (B2B) Customer relationships are assumed to have a remaining useful life till FY 2036.

Non compete

The intangible asset related to non-compete has been valued using with or without, which is form of the income approach. Non compete is having useful life of 3 years.

Trademarks

Being "DDRC" registered trademark, it has been valued using differential pricing method of the income approach. Trademarks is having indefinite useful life.

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lacs)

Particulars	Amount
Consideration	32,500.00
Deferred consideration (₹ 25 Crores payable in two instalments)	2,368.43
Total purchase consideration for 50% stake	**34,868.43**
Fair value of 100% equity stake in DDRC SRL Diagnostics Private Limited - (A)	69,736.86
Fair value of net identifiable assets - (B)	**28,356.12**
Goodwill (A)-(B)	**41,380.74**

The goodwill is attributable mainly to the synergies expected to be achieved by integrating the entities into the Group's existing diagnostics business. The goodwill recognised is not expected to be deductible for income tax purposes

Step Acquisition

As per Ind AS 103, in a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss. As SRL Limited through its 100% subsidiary, SRL Diagnostics Private Limited, was holding 50% equity interest in DDRC SRL Diagnostics Private Limited prior to the acquisition, the same has been remeasured at fair value at the acquisition date. The remeasured value is calculated as below :

(₹ in Lacs)

Particulars	Amount
Fair value of 50% equity stake in DDRC SRL Diagnostics Private Limited	34,868.43
Less: Carrying value of investment in DDRC SRL Diagnostics Private Limited	4,254.17
Gain on remeasurement of previously held equity interest	**30,614.26**

40. The Board and the shareholders of the Company approved the merger of few wholly owned non-operational entities of the Group with Fortis Hospitals Limited (one of the wholly owned subsidiaries of the Company). This is subject to other regulatory approvals.

41. Other Statutory Information

i. The Group is not declared the willful defaulter by any bank or financial institution or other lender.

ii. The Group has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956:

Name of company	Sunrise Medicare Private Limited
Reason for continuous transactions	Not applicable
Nature of transactions along with amounts	Not applicable
Outstanding balance	
(i) Investments in equity instruments - at cost*	0.31 lacs
(ii) Trade receivable*	1.00 lacs

** Provision for impairment of Investment and provision for doubtful receivables have been created in books of accounts.*

iii. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group 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 lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

Notes forming part of the Consolidated Financial Statements

The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv. 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 repayable on demand or without specifying any terms or period of repayment except loan given by SRL Limited ("the holding company") to SRL Diagnostics Private Limited ("wholly owned subsidiary") amounting to ₹ 7,700 lakhs which is repayable on demand.

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

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

vii. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

42. Reclassification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the financial statements were reclassified for consistency.

(₹ in Lacs)

Particulars	Classification as per Previous year financials	Classification as per Current year financials	Amount
Balance Sheet			
Reclassification of current maturity of term loans	Other Financial Liabilities - Current Maturities of term loans	Short Term borrowings - Current Maturities of term loans	12,340.09
Reclassification of security deposits (Non-Current)	Loans (Non Current) - Security deposits	Other Financial Assets (Non Current) - Security Deposits	2,967.91
Reclassification of security deposits (Current)	Loans (Current) - Security deposits	Other Financial Assets (Current) - Security Deposits	1,238.71

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

Sd/-
RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 25, 2022

For and on behalf of the Board of Directors
FORTIS HEALTHCARE LIMITED

Sd/-
ASHUTOSH RAGHUVANSHI
Managing Director & Chief Executive Officer
DIN: 02775637

Sd/-
INDRAJIT BANERJEE
Independent Director
DIN: 01365405

Sd/-
MURLEE MANOHAR JAIN
Company Secretary
Membership No.: F9598

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 25, 2022

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