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/AGM/2024 **July 11, 2024**

The National Stock Exchange of India Ltd.
Corporate Communications Department
Scrip Symbol: FORTIS

BSE Limited
Corporate Services Department
Scrip Code:532843

Sub: **Notice of the 28th Annual General Meeting and Annual Report along with Business Responsibility and Sustainability Report for the Financial Year 2023-24**

Dear Sir/Madam,

This is to inform you that 28th Annual General Meeting of the Company is scheduled to be held on Friday August 02, 2024 through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility in compliance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with General Circular Nos. 20/2020 and 10/2022 dated May 05, 2020 respectively and subsequent Circulars issued in this regard latest being 09/2023 dated September 25, 2023, and other relevant circulars issued by Ministry of Corporate Affairs (collectively referred as "MCA Circulars") and SEBI circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and subsequent circulars issued in this regard, latest being SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 (collectively referred as "SEBI Circulars").

The Company has fixed Friday, June 28, 2024 as the cut-off date to determine the eligibility of shareholders to whom notice of 28th AGM and Annual Report will be sent.

Further, 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 28th AGM and the Annual Report for the financial year 2023-24, inter-alia, including the Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2024, being sent by email to those Members whose email addresses are registered with the Company/Depository Participant(s) / Registrar & Share Transfer Agent. Please also find enclosed Business Responsibility and Sustainability Report ('BRSR') for the Financial Year 2023-24. The BRSR also forms part of the Company's Annual Report for FY2023-24.

A schedule of events relating to AGM is set out below: -

Event	Date	Time
Record date for payment of dividend	July 24, 2024	Not Applicable
Cut-off date to determine the eligibility of the shareholders to cast their votes on AGM resolutions	July 26, 2024	
Commencement of e-Voting	July 29, 2024	9.00 A.M (IST)
End of e-Voting	August 01, 2024	5.00 P.M (IST)
Annual General Meeting	August 02, 2024	2.00 P.M (IST)

The Notice of the 28th 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 record

Thanking you,
Yours Sincerely,
For **Fortis Healthcare Limited**

SATYENDRA CHAUHAN Digitally signed by SATYENDRA CHAUHAN Date: 2024.07.11 18:21:31 +05'30'

Satyendra Chauhan
Company Secretary & Compliance Officer
M. No. – A14783

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 Eighth Annual General Meeting ("AGM") of **Fortis Healthcare Limited** will be held on **Friday, August 02, 2024 at 14:00 hours (IST)** through Video Conferencing ("VC") / Other Audio-Visual 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, 2024.

2. To declare dividend of ₹ 1/- (Rupee One) per equity share, for the financial year ended March 31, 2024.

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

4. To appoint Mr Mehmet Ali Aydinlar (DIN- 10073483), who retires by rotation and being eligible, offers himself for re- appointment as a Director.

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

   "RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and based on the recommendation of the Audit Committee and the Board of Directors, approval of the Members be and is hereby accorded to re-appoint M/s B S R & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022, who has given its consent along with certificate under Section 141 of the Companies Act, 2013 and certificate issued by the Peer Review Board of ICAI, as Statutory Auditors of the Company and who shall hold office of the Statutory Auditors from the conclusion of 28th Annual General Meeting till the conclusion of the 32nd Annual General Meeting to be held in the year 2028, and shall conduct the Statutory Audit for the financial years commencing from April 01, 2024 till the year ended March 31, 2028, at such remuneration plus out of pocket expenses and applicable taxes and other terms and conditions as may be mutually agreed with the Statutory Auditor and as detailed here in this notice.

   RESOLVED FURTHER THAT the Board of Directors or any Committee of the Board of Directors of the Company be and are hereby severally authorized to decide and mutually agree on the terms of appointment and increase in remuneration, if any and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:-

6. 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 upto ₹ 3,50,000/- (Rupees Three Lakhs 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, 2024, 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 are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and considering the recommendation of the Nomination and Remuneration Committee and Board of Directors, consent of the members of the Company be and is hereby accorded to pay:

(a) each Independent Director(s) (present and future) remuneration upto ₹ 73,50,000 (Rupees Seventy-Three Lakhs and Fifty Thousand only) per annum and upto ₹ 94,50,000 (Rupees Ninety-Four Lakhs and Fifty Thousand only) per annum to the Chairman of the Board (in case Chairman is an Independent Director); or

(b) aggregate commission upto 1% of the net profits of the Company plus taxes at applicable rate;

whichever is higher, in such proportions and in such manner as may be decided by the Board of Directors and / or any Committee thereof.

RESOLVED FURTHER THAT the said remuneration will be paid for a period of three (3) years with effect from April 1, 2024.

RESOLVED FURTHER THAT all Non- Executive Directors including independent directors shall also be entitled for sitting fees for attending meeting(s) of the Board and Committee thereof, as permissible under Companies Act, 2013.

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

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V (Section II(B) of Part II) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force) and Articles of Association of the Company, basis the recommendation of the Nomination and Remuneration Committee and the Board of Directors and all other applicable statutory/regulatory approvals, consents and permissions as may be necessary in this regard and such conditions as may be imposed by any authority while granting such approval(s), consent(s) and permission(s) and as may be agreed to by the Board of Directors of the Company (which term shall be deemed to include any Committee constituted/to be constituted by the Board, or any director/officer authorized by the Board of Directors/Committee for this purpose), consent of the Members of the Company be and is hereby accorded for the re-appointment of Dr. Ashutosh Raghuvanshi (DIN:02775637), as Managing Director (designated as 'Managing Director & CEO') of the Company, with effect from March 19, 2025 for a period of 2 (two) years, not liable to retire by rotation, on the following terms and conditions:

(a) Salary, Perquisites and Allowances per annum: Upto ₹ 9,99,57,410 (Rupees Nine Crores Ninety Nine Lacs Fifty Seven Thousand Four Hundred and Ten only) per annum, with authority to vary/alter the remuneration in terms of Schedule V and other applicable provisions if any, of the Companies Act, 2013.

The aforesaid perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Besides above, Dr. Ashutosh Raghuvanshi shall also be entitled to the following facilities which shall not be included in the computation of ceiling on total remuneration subject to the Company's Policy in this regard from time to time:

(i) Provision of Company maintained Car(s) of upto ₹ 1 Crore;

(ii) Encashment of Earned Leave at the end of the tenure.

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(iii) Entitlement for travel (Class / Mode) shall be as per the Company Policy from time to time, expenses for which will be borne by the Company on actual cost basis.

Further, Dr. Ashutosh Raghuvanshi shall be eligible for such other facilities and benefits including retirals, as per rules/policy of the Company from time to time.

(b) Further increment up to 6% of Total Cost to Company annually may be given subject to recommendation of the Committee and approval of the Board of Directors.

(c) Further based on his performance ratings for each of the financial year, Dr. Ashutosh Raghuvanshi may be eligible to a maximum of 125% of target variable pay as per variable pay policy.

(d) **Reimbursement of Expenses:** Business related expenses including expenses incurred for travelling, boarding and lodging shall be reimbursed at actuals and not considered as perquisites.

(e) **Sitting Fee:** Dr. Ashutosh Raghuvanshi shall not be paid any sitting fee for attending Meetings of the Board and/or any of its Committee(s).

(f) On the expiry of his term Dr. Ashutosh Raghuvanshi shall also be entitled for one–time payment of ₹ 5,00,00,000 subject to meeting the terms of his appointment.

(g) General:

(i) Subject to the superintendence, control and direction of the Board, Dr. Ashutosh Raghuvanshi shall be responsible for management of the whole, or substantially the whole of the affairs of a Company and shall perform such other functions as may be delegated to him by the Board from time to time.

(ii) He shall adhere to such other policies, service conditions, rules and regulations of the Company as applicable from time to time.

Notwithstanding anything to the contrary contained herein above or in accordance with the terms and conditions of his appointment, Dr. Ashutosh Raghuvanshi will be paid, current remuneration (including fixed salary, incentives, increments & other allowances thereto and retirement benefits) and as may be further decided by the Board of Directors/ Nomination and Remuneration Committee, as minimum remuneration subject to necessary approvals and compliances as per the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or any Committee thereof, be and is hereby authorised to do all acts, deeds and things and to sign, execute and file and/or modify all such forms, papers and documents as may be considered necessary and take all such steps as may be proper or expedient to give effect to this resolution."

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

Date: July 5, 2024
Place: Gurugram

Satyendra Chauhan
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), setting out material facts concerning the business under item no 6, 7 and 8 forms part of this Notice. Further, information as required to be detailed/ disclosed for item no. 3,4 and 5, under the Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR") are forming part of this notice.

2. General instructions for accessing and participating in the 28th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

a. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its General Circular No. 9/2023 dated September 25, 2023, read with circular dated April 08, 2020, April 13, 2020, May 05, 2020. January 13, 2021, December 08, 2021 and December 28, 2022 (collectively referred to as "MCA Circulars"), allowing inter-alia, conducting of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before September 30, 2024 in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular dated May 05, 2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023 and January 05, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 28th AGM of the Company is being conducted through VC/ OAVM facility, without the physical presence of members at a common venue. The deemed venue for the 28th 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 the 28th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in 28th AGM through VC/OAVM Facility and e-Voting during 28th AGM.

c. In line with the MCA Circulars and SEBI Circulars, the Notice of 28th 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 the 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 to the venue of the meeting is not annexed to this Notice.

e. NSDL will be providing facility for voting through remote e-Voting, for participation in 28th AGM through VC/OAVM Facility and e-Voting during 28th 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 authorised 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 28th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 13:30 p.m. IST i.e. 30 minutes before the time scheduled to start the 28th 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 28th AGM without any restriction on account of first-come-first-served principle.

h. Attendance of the Members participating in 28th AGM through VC/OAVM Facility shall be counted

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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 28th AGM and facility for those Members participating in 28th AGM to cast vote through e-Voting system during 28th AGM.

j. SEBI vide Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (updated as on August 04, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same.

The aforesaid SEBI Circular can be viewed on the following link https://www.fortishealthcare.com/drupal-data/2024-07/SEBI%20Master%20Circular%20on%20Online%20Dispute%20Resolution%20-%20July%2031%2C%202023.pdf

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

The Remote e-Voting period begins on July 29, 2024 at 9:00 A.M. and ends on August 01, 2024 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 26, 2024, 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 26, 2024.

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 SEBI circular dated December 09, 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 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
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

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Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 022 - 4886 7000
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 toll free no. 1800 22 55 33

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 e-services 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 use 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.

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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 authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to 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 at 022-48867000 and 022-24997000 or Ms Pallavi Mhatre, Senior Manager, NSDL, at designated e-mail IDs: evoting@nsdl.co.in, who will address the grievances related to electronic voting.

4. **Process for those shareholders whose e-mail 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 09, 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 28th 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 who 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 as mentioned for Remote e-Voting.

6. Instructions for members for attending the 28th Annual General Meeting through VC/OAVM are as under:

a. Members 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 bandwidth 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 who would like to ask questions during 28th AGM with regard to the financial statements or any other matter to be placed at the 28th 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 28th AGM i.e. by July 30, 2024 by 14:00 hours IST. Only those Members who have registered themselves as a speaker shall be allowed to ask questions during the 28th AGM, depending upon the availability of time.

f. 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.

g. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 28th 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 i.e. July 26, 2024.

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 26, 2024, 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

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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 at 022- 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquire shares of the Company and become a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 26, 2024 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 shall only 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 Scrutiniser to scrutinise remote e-Voting process and casting vote through e-Voting system during the Meeting in a fair and transparent manner.

e. During 28th 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 Scrutiniser shall after the conclusion of e-Voting at the 28th AGM, first download votes cast at the AGM and thereafter unblock votes cast through remote e-Voting and shall make a consolidated Scrutiniser'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 authorised by him, within 48 (forty eight) hours from the conclusion of 28th AGM, who shall then countersign and declare the result of voting forthwith.

g. The Results declared along with the Report of the Scrutiniser 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 authorised by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

8. The Notice of 28th AGM and the Annual Report for the FY 2023-24 including therein the Audited Financial Statements for FY 2023-24, are being sent only by email to the Members, unless any member has requested for a hard copy of the same. 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 28th AGM and Annual Report for the FY 2023-24 and all other communication sent by the Company, from time to time, can get their email addresses 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 addresses through your respective Depository Participant/s.

9. Notice of 28th AGM and Annual Report for the FY 2023-24 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 28th 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 dematerialised form with effect from April 01, 2019. In view of the above, Members are advised to dematerialise shares held by them in physical form.

Electronic copy of all documents referred to in the accompanying Notice of 28th AGM and Explanatory Statement shall be available for inspection in the Investor Section of website of the Company www.fortishealthcare.com.

13. During 28th 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, 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 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 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 dividend, as recommended by the Board of Directors, if declared at the meeting, will be paid within 30 days from the date of declaration to the Members holding equity shares as on the record date i.e. July 24, 2024. In respect of shares held in dematerialised form, dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.

17. Pursuant to the relevant provisions of the Income Tax Act, 1961 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at secretarial@fortishealthcare.com.

18. Members are requested to note that in case the tax on dividend is deducted at a higher rate in absence of receipt of the requisite details/documents, there would still be an option available to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

19. Dividend, if any, approved by the members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participant(s).

20. Members holding shares in physical form, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other electronic means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account, by sending scanned copy of the following details/ documents to the Company at secretarial@fortishealthcare.com latest by **July 24, 2024.**

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a) a signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

    i) Name and Branch of Bank and Bank Account type;

    ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions; and

    iii) 11-digit IFSC Code;

b) self attested scanned copy of cancelled cheque bearing the name of the member or first holder, in case shares are held jointly;

c) self attested scanned copy of the PAN Card; and

d) self attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the member, as registered with the Company.

e) For the members holding shares in demat mode, please update your Electronic Bank Mandate through your Depository Participant(s).

    Further, members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

21. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardised the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be.

22. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023 has mandated that with effect from April 01, 2024 dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC complaint i.e. the details of PAN, contact details, mobile no. complete bank details and specimen signatures are registered.

In case of non-updation of PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend / interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

Further, in terms of SEBI Circular dated June 10, 2024, Non submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios. Securityholders holding securities in physical form shall be eligible for receipt of any payment including dividend as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these securityholders. However, existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them.

The aforesaid circular may be viewed on the following link: https://www.fortishealthcare.com/drupal-data/2024-07/SEBI%20Circular%20-%20Non-submission%20of%20%E2%80%98Choice%20of%20Nomination%27%20-%20June%2010%2C%202024.pdf

23. The results on resolutions shall be declared on or before closing business hours i.e. 6:00 PM (IST) on Tuesday, August 06, 2024 at the Corporate office of the Company and the same along with scrutiniser'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. 5

The Members at the Twenty Third Annual General Meeting ('AGM') of the Company held on September 26, 2019, had approved appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) ('BSR'), as the Statutory Auditors of the Company to hold office from the conclusion of the Twenty Third (23rd) Annual General Meeting until the conclusion of Twenty Eight (28th) Annual General Meeting of the Company to be held in the year 2024.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') based on the recommendation of the Audit Committee, propose to reappoint BSR, as the Statutory Auditors of the Company, for the second term who shall hold office from the conclusion of Twenty Eight (28th) AGM till the conclusion of Thirty Second (32nd) AGM of the Company to be held in the year 2028.

BSR have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

The Company has in place a Policy for approval of services to be rendered by the Auditors ('Pre-Approval Policy') by the Audit Committee to ensure, inter alia, that the Statutory Auditors function in an independent manner.

Brief Profile of BSR & Co. LLP:

B S R & Co. ('the firm ') was constituted on March 27, 1990 as a partnership firm having firm registration no. as 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP on October 14, 2013 thereby having a new firm registration no. 101248W/W-1 00022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai- 400063.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India.

B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Gandhinagar and Kochi.

B S R & Co. LLP has over 4000 staff, 140+ Partners.

B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the Healthcare sector.

Details as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

The fee proposed to be paid to BSR towards the statutory audit/review of standalone and consolidated financial statements of the Company shall be ₹ 215.85 Lakhs, plus fixed administrative charges of 5% of the fee. Out of pocket expenses based on actuals and taxes are additional.

- BSR was paid a fee of ₹ 199.86 Lakhs towards the statutory audit/review of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024 plus fixed administrative charges of 5% of the fee. Out of pocket expenses based on actuals and taxes are additional. Considering the additional efforts involved with increase in various regulatory and other compliances and adjustment for inflationary trends, the Board, based on the recommendation of the Audit Committee, recommends the aforesaid increase in fee for FY 24-25 to the members of the Company.

  Note: a) The above fee is exclusive of fee paid for audit related services in relation to various subsidiaries of the Company.

  b) audit fee may be paid to the Auditors on a progressive billing basis as agreed between the auditors and the Company.

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- The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors, in future.
- Besides the statutory audit services, the Company would/may also obtain various other audit related services, certification work for various requirements and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.5 of the Notice for approval by the Members.

Item No. 6

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, 2024 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, 2024.

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. 6 for the approval of the Members as an Ordinary Resolution.

Item No. 7

The Members are informed that in the Annual General Meeting of the Company held on July 30, 2021, the members of the Company had approved to remunerate Independent Directors (present & future) by way of commission of ₹ 90,00,000 to the Chairman and ₹ 70,00,000 to each other Independent Director per year or commission upto 1% of the net profits of the Company (whichever is higher), for a period of three years effective from April 1, 2021.

The Members are further informed that the Independent Directors have made valuable contributions in the Company since the time they have joined the Board. With the guidance of the Independent Directors and their devotion & contribution to the Company, the financial position of the Company has significantly improved during their tenure.

Considering the rich experience and expertise brought to the Company by Independent Directors and to commensurate with the time devoted, contribution made, guidance & oversight provided by them, it is proposed to continue remunerating them by way of Commission for another period of three years effective from April 01, 2024, as detailed hereunder:

(a) each Independent Director(s) (present and future) remuneration upto ₹ 73,50,000 (Rupees Seventy-Three Lakhs and Fifty Thousand only) per annum and upto ₹ 94,50,000 (Rupees Ninety Four Lakhs and Fifty Thousand only) per annum to the Chairman of the Board (in case Chairman is an Independent Director); or

(b) aggregate commission upto 1% of the net profits of the Company plus taxes at applicable rate;

whichever is higher, in such proportions and in such manner as may be decided by the Board of Directors and / or any Committee thereof.

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Further, the sitting fee to be paid to the Independent Directors shall be in addition to the aforesaid remuneration/ commission for a period of three years effective from April 1, 2024.

Further disclosures as required under Schedule V of the Companies Act, 2013 form part of explanatory statements to item no. 8 and the Board report.

Further, all non-executive directors (including Independent Directors) of the Company shall also be entitled to Sitting fees for attending meeting(s) of the Board or any Committee thereof.

In terms of the requirements of Section II of Part II of Schedule V to the Act, the information is furnished as under:

S. No.	Particulars	Mr. Ravi Rajagopal	Mr. Indrajit Banerjee	Ms. Suvalaxmi Chakraborty	Ms. Shailaja Chandra
1	Background and recognition details	Mr. Ravi Rajagopal is currently sitting as Non-Executive Director and is Audit Chair of Airtel Africa plc, UK, Chair of Fortis Healthcare, India. Advisor to CDPQ, the Canadian pension fund on their private equity side. Until 2023 the Vice Chair of Peabody Housing and previously, NED and Audit Chair of Vedanta plc till 2020. Advisor to a multinational FMCG business, Member of Corporate Advisory Board of Sanmar Group, India, a privately held chemicals and plastics business. Member of the Foundation Board of Trustees of the Science Museum. This follows a 35-year career with two leading organizations, Diageo plc in London (1996-2015) and ITC, India's largest consumer business (1979-1995) with core experience set in Finance, Strategy, Operations and M&A. Controls and Risk.	Mr. Indrajit Banerjee has a B. Com. (Hons) degree from St. Xavier's College, Kolkata and is a qualified Chartered Accountant. Since 2015 he has been 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 multiregional organisations; business and financial process integration for existing organisations as well as for merging entities.	Ms. Suvalaxmi Chakraborty holds a bachelor's degree in commerce from the University of Calcutta and is a qualified chartered accountant. Previously, she has been associated with Barclays Bank Plc., State Bank of Mauritius Limited and ICICI Bank Limited. She serves as a director on the board of various companies i.e. Fortis Healthcare Limited, Espandere Advisors Private Limited and Kaleidofin Private Limited. She also serves as the Managing Director, of Finreach Solutions Private Limited.	Ms. Shailaja Chandra has been a member of Indian Administrative Service (IAS) and held key assignments in the Central and state governments spanning nearly 4 decades. Ms Chandra's educational qualifications include an Honours degree from Miranda House, University of Delhi, and subsequently an M.Sc. in Economics, from University of Wales, UK. Ms. Chandra became Secretary in the Union Health Ministry having worked in the Ministry as Joint Secretary and Additional Secretary. Subsequently she became Chief Secretary, Delhi- a notable first for a woman officer. She is a prolific writer both of opinion pieces as well as research papers published in national and international journals. She is regularly invited by the print and electronic media to comment on Governance, Health, Gender and current developments in Delhi. Ms Chandra has been invited several times to Chair or speak at international conferences organised by OECD as well as by universities, advanced institutions of

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S. No.	Particulars	Mr. Ravi Rajagopal	Mr. Indrajit Banerjee	Ms. Suvalaxmi Chakraborty	Ms. Shailaja Chandra
					national importance, think tanks and health-related forums.
2.	Past remuneration	During FY 2023-24, all Independent Director(s) have been paid sitting fees for attending the meetings of the Board and Committee(s) thereof and commission as approved by the shareholders in their meeting held on July 30, 2021. The details of sitting fee and commission as paid to each of the Directors are forming part of the Corporate Governance Report.				
3	Job profile and his suitability	Mr. Ravi Rajagopal is the chairman of the Board and member of Corporate Social Responsibility Committee.	Mr. Indrajit Banerjee is the member/ Chairman of the following Committees of the Company: a) Audit Committee-Chairperson b) Nomination and Remuneration Committee-Member c) Stakeholders Relationship Committee-Member d) Corporate Social Responsibility Committee-Member	Ms. Suvalaxmi Chakraborty is the member/ Chairperson of the following Committee(s) of the Company: a) Audit Committee-Member	Ms. Shailaja Chandra is the member/ Chairperson of the following Committees of the Company: a) Audit Committee, Member b) Risk Management Committee, Chairperson c) Nomination and Remuneration Committee, Chairperson d) Stakeholders Relationship Committee, Chairperson e) Corporate Social Responsibility Committee, Member
	The detailed role and composition of each Committee is forming part of the Corporate Governance Report.				
4	Remuneration Proposed	Upto ₹ 94,50,000 per annum plus sitting fee for attending meetings of the Board and Committee(s).	Upto ₹ 73,50,000 each per annum plus sitting fee for attending meetings of the Board and Committee(s).		

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S. No.	Particulars	Mr. Ravi Rajagopal	Mr. Indrajit Banerjee	Ms. Suvalaxmi Chakraborty	Ms. Shailaja Chandra
5	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Though direct comparable data could not be obtained, however, as a normal industry trend, the proposed remuneration to all Non-Executive Independent Directors, who are professional, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Independent Directors of other Companies and is in parity with the Industry Standards for such a responsible position.			
6	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Except to the extent of receiving sitting fee(s), reimbursement of expenses in performance of their duties and Commission, none of the Directors have had any pecuniary relationship with other Directors or Key Managerial Personnel.			

Independent Directors, and their relatives, are interested in this resolution in so far as the same relates to their respective commission / remuneration. None of the Non-Executive Directors / Executive Director / Key Managerial Personnel of the Company, or their relatives, are interested, financially or otherwise, in this resolution.

The Board of Directors recommends the resolution as set out at Item No. 7 for the approval of the Members as a Special Resolution.

Item No. 8

The Board of Directors of your Company on the recommendation of the Nomination and Remuneration Committee ('the Committee'), approved the re-appointment of Dr. Ashutosh Raghuvanshi as Managing Director of the Company (designated as Managing Director and CEO) w.e.f. March 19, 2022 on the remuneration stated in the resolution above, subject to the approval of the Members.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company. It is hereby confirmed that, as on date, he is not related to any other director of the Company.

It is proposed to re- appoint Dr. Ashutosh Raghuvanshi as Managing Director of the Company (designated as 'Managing Director & CEO) for a period of two years w.e.f. March 19, 2025, at a remuneration as detailed out in Item No. 8.

The above may be treated as written memorandum setting out the terms of appointment of Dr. Ashutosh Raghuvanshi under Section 190 of the Companies Act, 2013.

The Nomination & Remuneration Committee and Board of Directors recommends the resolution as set out at Item No. 8 as (Special Resolution) for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Dr. Ashutosh Raghuvanshi himself, is/ are in any way, concerned or interested, financial or otherwise, in the proposed resolution except to the extent of their respective

Notice (Contd.)

shareholding in the Company, if any.

A brief profile of Dr. Raghuvanshi alongwith requisite details pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Part II of Schedule V of the Companies Act, 2013 and the Secretarial Standard on General Meetings is given below:

I. General Information

(i) Nature of Industry: Business of providing healthcare services and running multi-specialty hospitals.

(ii) Date or expected date of commencement of commercial production: The Company was incorporated on February 28, 1996.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

(iv) Financial performance (on standalone basis) based on given indicators as per Audited Financial Results for the year ended March 31, 2024:

(Amount in ₹ lacs)

Particulars	For the year ended 31.03.2024 (Audited)
Turnover	118,142
Other Income	14,300
Net profit after tax	19,945

(v) Remuneration proposed:

As provided in the resolution.

(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Though direct comparable data could not be obtained, however, as a normal industry trend, the proposed remuneration of Dr. Ashutosh Raghuvanshi, who is a professional, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.

(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Except proposed remuneration as stated above, Dr. Raghuvanshi does not have any other pecuniary relationship with the Company and its managerial personnel.

(viii) Companies (other than Fortis Healthcare Limited, Foreign Companies and Section 8 Companies) in which Dr. Raghuvanshi holds Directorships (as on date):

S. No.	Name of the Company
1.	Agilus Diagnostics Limited
2.	Fortis Hospotel Limited
3.	NATHEALTH Foundation

Notice (Contd.)

(ix) Details of Membership in Committees of other Companies (excluding Private Companies, Foreign Companies and Section 8 Companies):

S. No	Name of Company	Name of Committee	Designation (Chairman/Member)
1.	Agilus Diagnostics Limited	Corporate Social Responsibility Committee	Chairman

Shareholding in the Company: NIL

Original date of appointment: March 19, 2019

During the Financial Year 2023-24, Dr. Ashutosh Raghuvanshi has attended 10 Board Meetings of the Company.

II Disclosures- General disclosures are given under Corporate Governance Report forming part of Board Report.

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

Date: July 5, 2024
Place: Gurugram

Satyendra Chauhan
Company Secretary

Notice (Contd.)

Annexure - A

Details of the Directors seeking re-appointment at the 28th 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 Secretaries of India)

S. No.	Particulars	Mr. Dilip Kadambi	Mr. Mehmet Ali Aydinlar
1.	**Age**	49 years	67 years
2.	**Qualification**	Bachelor of Commerce – Madras University, India and Post Graduation Diploma in Business Administration from Institute of Chartered Financial Analysts of India ("ICFAI").	Business Administration Degree from Galatasaray Economy and Management College.
3	**Brief Profile and Nature of Expertise**	Mr Dilip Kadambi, who transitioned from his prior role as Group Head of Corporate Finance and Treasury, assumed the position of Group Chief Financial Officer as of April 05, 2024. In his new capacity, Mr Kadambi is responsible for overseeing the financial strategy and management of the IHH Healthcare network. Mr Kadambi first joined IHH in May 2020 as Group Head of Business Transformation and subsequently evolved his role to corporate finance and treasury, even double-hatting as interim Head of Group Procurement. He has over 27 years of leadership experience in multinational companies, specialising in investment banking, merger and acquisitions, and capital markets. Prior to IHH, he was the Interim Group Chief Executive Officer & Group Chief Financial Officer of Columbia Asia Healthcare, Singapore & Malaysia between 2015 and April 2020. He had also worked in numerous banking institutions including Standard Chartered Bank (Singapore), CIMB Bank Berhad (Singapore), Royal Bank of Scotland (Singapore and India) and ABN AMRO Bank (India).	Mr Mehmet Ali Aydinlar was appointed to the Board of IHH Healthcare Berhad (IHH) in January 2012. Mr Mehmet Ali Aydinlar is also the Chairman of Acibadem Saglik Yatirimlari Holding A.S. (ASYH), a 90%-owned subsidiary of IHH. He was re-designated from Executive Director to Non-Executive Director of IHH on March 01, 2019 following his cessation as the Chief Executive Officer (CEO) of ASYH. Mr Aydinlar, after an illustrious tenure as founding CEO of ASYH, continues to serve as the Chairman of the Board of Acibadem group of companies. Mr Aydinlar is also Vice Chairman of Private Hospitals and Healthcare Institutions Association (OHSAD). A certified public accountant-turned, entrepreneur, Mr Aydinlar has been recognised for his extensive experience in management and involvement in the healthcare sector since 1993 and received numerous prestigious awards including but not limited to "Ernst & Young Entrepreneur of the Year, Turkiye" for the year 2018 for his entrepreneurship and contributions in healthcare industry. Being a philanthropist, Mr Aydinlar is also the Chairman of the Board of Trustees of Acibadem University, an ambitious social responsibility undertaking initiated by Mr Aydinlar to advance healthcare in Turkiye through education and research.

S. No.	Particulars	Mr. Dilip Kadambi	Mr. Mehmet Ali Aydinlar
4	**Experience**	Over 27 years	Over 35 years
5	**Directorships held in other Indian Companies as on date**	Agilus Diagnostics Limited Navketan Nursing Home Private Limited	None
6	**Memberships / Chairmanships of committees of other companies as on date (includes only Audit Committee and Stakeholders Relationship Committee)**	None	None
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)**	June 04, 2020	March 28, 2023
10	**Terms and Conditions of Appointment**	Pursuant to the provisions of Companies Act, 2013, Mr Dilip Kadambi and Mr Mehmet Ali Aydinlar are Liable to retire by rotation	
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 2023-24***	9	8

*Refer Report on Corporate Governance for more details.

Notice (Contd.)

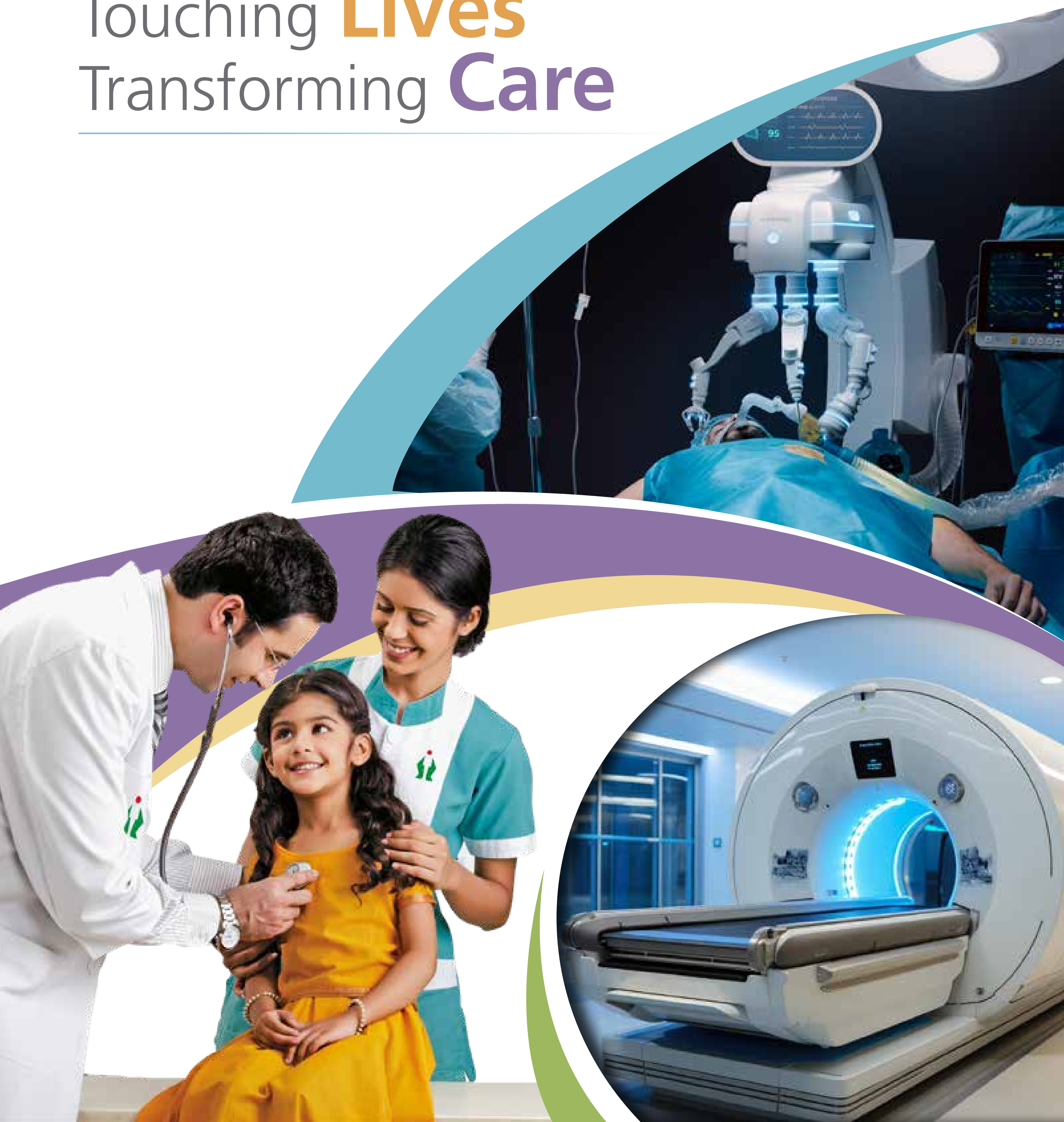
INFORMATION AT A GLANCE

Particulars	Details
Day, Date and time of AGM	Friday, August 02, 2024 at 2:00 P.M. (IST)
Mode	Video conference/ other audio visual means
Participation through video conferencing	www.evoting.nsdl.com
Final Dividend Record Date	Wednesday, July 24, 2024
Final Dividend Payment Date	On or before August 31, 2024
Cutoff Date for e-voting	Friday, July 26, 2024
E-voting start date and time	Monday, July 29, 2024 at 9:00 A.M. (IST)
E-voting end date and time	Thursday, August 01, 2024 at 5:00 P.M. (IST)
Speaker Registration start date and time	Friday, July 12, 2024 at 2:00 P.M. (IST)
Speaker Registration end date and time	Tuesday, July 30, 2024 at 2:00 P.M. (IST)
Last date of sending questions	Tuesday, July 30, 2024 at 2:00 P.M. (IST)
Name and Address and Contact details of e-voting service provider	**National Securities Depository Limited ("NSDL")**
	Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013
	Ms Pallavi Mhatre
	Senior Manager – NSDL
	Contact Details:
	Email ids:
	pallavid@nsdl.co.in
	evoting@nsdl.co.in
	Helpline Nos.:
	(022) 4886 7000
Name, address and contact details of Registrar and Share Transfer Agent	**M/s. KFIN Technologies Limited**
	Selenium, Tower B,
	Plot No. 31 & 32, Financial District,
	Nanakramguda, Serilingampally Mandal
	Hyderabad-500032
	Contact Details:
	Toll Fee No.: 1-800 309 40
	E-mail: einward.ris@kfintech.com

FORTIS HEALTHCARE LIMITED

ANNUAL REPORT **2023-24**

Touching **Lives** Transforming **Care**



Company Information

BOARD OF DIRECTORS

Chairperson

Ravi Rajagopal
(Independent Director)

Managing Director and CEO

Dr. Ashutosh Raghuvanshi

Independent Directors

Indrajit Banerjee
Shailaja Chandra
Suvalaxmi Chakraborty

Non-Executive Directors

Dr. Prem Kumar Nair
Dilip Kadambi
Ashok Pandit
Mehmet Ali Aydinlar
Tomo Nagahiro
Lim Tsin Lim

CHIEF FINANCIAL OFFICER

Vivek Kumar Goyal

COMPANY SECRETARY AND COMPLIANCE OFFICER

Satyendra Chauhan

AUDITORS

B S R & 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: August 2, 2024

Note: *Agilus Diagnostics Limited is the new name of the Diagnostic Business arm of the Company with effect from May 31, 2023 as approved by the Registrar of Companies ('RoC') vide the fresh Certificate of Incorporation dated May 31, 2023. Any reference to Diagnostic Business arm (including that for its subsidiaries), wherever appearing, containing the erstwhile name in this Annual Report shall hereinafter mean and is referred to as "Agilus".

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 2024

₹ 6,893 Crores

Revenue from Operations

65%

Overall Hospital Occupancy

₹ 1,306 Crores

EBITDA

₹ 60,887

Hospital Business ARPOB per day

₹ 645 Crores

Reported PAT*

40.0 Million

Overall tests performed by Agilus

0.17x

Net Debt to EBITDA**

₹ 342

Average realisation per test

PAT: Profit After Tax

EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation

ARPOB: Average Revenue Per Occupied Bed

*Includes exceptional gain of ₹ 16.0 Crores for the year

**Basis Q4 FY23-24 annualized EBITDA

Board Of Directors

Fortis Healthcare Limited

Ravi Rajagopal
Independent Director, Chairman

Dr. Ashutosh Raghuvanshi
Managing Director and CEO

Dr. Prem Kumar Nair
Non Executive Director

Ashok Pandit
Non Executive Director

Tomo Nagahiro
Non-Executive Director

Indrajit Banerjee
Independent Director

Suvalaxmi Chakraborty
Independent Director

Shailaja Chandra
Independent Director

Lim Tsin Lin
Non-Executive Director

Mehmet Ali Aydinlar
Non-Executive Director

Dilip Kadambi
Non-Executive Director

Board Of Directors

Agilus Diagnostics Limited

Ravi Rajagopal
Independent Director, Chairman

Dr. Ashutosh Raghuvanshi
Non-Executive Director

Anand K.
Managing Director & CEO

Mr Ashok Pandit
Non Executive Director

Dilip Kadambi
Non-Executive Director

Suvalaxmi Chakraborty
Independent Director

Management Communique

Chairman's Message

We have had a remarkable year; reflective of the performance in the year gone by and one that simultaneously re-enforces my belief in the Company's strengthening fundamentals.

Dear Shareholders,

I am pleased to present the Annual Report of your Company for the fiscal year 2023-24.

We have had a remarkable year; reflective of the performance in the year gone by and one that simultaneously re-enforces my belief in the Company's strengthening fundamentals. Your Company's position as amongst the leading healthcare providers in the country continues to be driven by its **'patient centric' approach** ably supported by its high-quality clinical talent. I say this with pride that your Company's raison d'etre to save lives and heal patients is being undertaken round the clock by its committed workforce of more than 23,000 employees. From a one year old child undergoing a congenital paediatric cardiac surgery to 90+ year nonagenarians undergoing complex neurological surgeries and joint replacements, your Company **helps people live longer and healthier lives.** This accomplishment is what keeps us motivated and drives us to do what really matters.

Today, we are one of the largest quaternary care healthcare organizations in the country, with **28 healthcare facilities, 4,500+ operational beds and approx. 420 diagnostics laboratories.** We offer **consultations and treatments to more than 3 million patients annually** across our network and strive to build on our culture of **world-class patient care and clinical excellence.** With IHH, now our parent Company, we are working towards a common vision of becoming the world's most trusted healthcare network.

The mainstays of your Company are firmly entrenched in its efforts to ensure accelerated investments in the **latest medical technologies, advanced clinical programs, a robust digital ecosystem and significant bed expansion.** All these augurs well for the future and should enable sustainable growth and value accretion for all stakeholders. We remain resolute that your Company continues to follow high standards of governance and a robust process and systems-oriented approach across all facets of its operational and administrative conduct.

Evolving Healthcare Landscape

With a population exceeding 1.4 Billion, India faces unique challenges in providing accessible and affordable healthcare to its citizens. However, it also presents **immense opportunities for innovation and growth.** Patients and providers both are increasingly adopting new technologies that aid more accurate diagnosis and treatment and improve healthcare accessibility. These include, amongst other things **expansion of telemedicine services, health tech such as artificial intelligence and machine learning, electronic health or medical records (EMR) systems and cloud enabled data management platforms.** Across the diagnostics spectrum, advancements such as **genetic testing and molecular diagnostics, early screening, precision medicine and point of care testing** are gathering momentum. All these are expected to significantly benefit all stakeholders across the healthcare value chain, whether they be patients, providers or payors. Your Company is acutely conscious of the need to adopt such technologies across its network and has begun taking significant strides in select areas such as the **ongoing implementation of EMR, genetic testing and molecular diagnostics.**

Policy Developments

In the past year, several significant events have shaped India's healthcare landscape. The successful hosting of the G20 Summit in New Delhi under the theme **'Vasudhaiva Kutumbakam'** reflects a collective effort to strengthen global health and achieve Universal Health Coverage. Additionally, the introduction of **'One Nation, One Register'** program by the Health Ministry signifies substantial progress in bolstering India's healthcare infrastructure. Furthermore, the Government is undertaking considerable efforts to address gaps in crucial disease areas such as neurological disorders and related ailments. Your Company lauds the Union Health Ministry's announcement of a National Task Force on Brain Health which will comprise technical experts and stakeholders who will review existing gaps and provide recommendations on neurological disorder care in India. As a **leading healthcare provider, your Company**

Management Communique

Chairman's Message

endeavours to work with and support the Government in this crucial intiative.

The NCD Disease Burden

One cannot overemphasize the key challenge of the **increasing prevalence of Non-Communicable Diseases (NCDs).** These primarily comprise cardiovascular diseases, cancer, diabetes and chronic respiratory ailments and severely impact healthcare costs, mortality rates and human economic productivity. NCDs contribute to around 68% of all the deaths globally and 60% of all deaths in India. It is incumbent that the private healthcare ecosystem work hand in hand with the government to **strengthen public private partnerships,** accelerate investments in medical and physical infrastructure and educate the public for early detection and screening of NCDs. A majority of your Company's investments are directed to upgrading and adding to medical infrastructure related to such NCDs and include state-of-the-art medical equipment's such as **PET CT's, MRI's, LINACs, Neuro Navigation Systems and Cath Labs.**

Key Value Levers of Growth and Expansion

Advanced Medical Technologies

One of the key pillars for your organization has been its consistent focus on growth and expansion across both medical and physical infrastructure. Our existing facilities across the network have witnessed commissioning of advanced medical technologies including **LINACs and Gamma Knife systems.** At FMRI, Gurugram, we introduced India's **first Digital PET CT** for advanced cancer imaging. Fortis Mohali launched the **Elekta Versa HD, enabling precision Radiation Therapy and Surface Guided Radiation Therapy (SGRT).** In the area of cardiac sciences we have commissioned a cumulative of 12 Cath Labs over the last 3 years. Our commitment to robotic surgery is evident with the **acquisition of six robots** over the past two years at FMRI, Noida, Shalimar Bagh and Vasant Kunj.

Oncology - A Key Focus Specialty

Your Company's clinical expansion program puts emphasis on select core specialties such as Oncology, Neurosciences, Cardiac Sciences, Urology, Orthopaedics and Gastroenterology. **These comprise approx. 62% to your Company's revenues** and have been growing at a healthy pace. A callout in the year gone by has been our **accelerated focus on Oncology.** Your Company's revenue contribution from **oncology has seen a 3x jump in the last 3 years** mirroring the increasing prevalence and spread of the disease pan- India. Volumes for **radiation therapy procedures across our network have crossed ~11,100 in FY24,** a rise of over 60% versus the corresponding previous period.

Your Company hosted the **Fortis Cancer Summit** in January 2024, a landmark event that brought together 700 leading oncologists, researchers and healthcare professionals from across the globe, to focus on the **latest advancements in personalized cancer treatments.** This underscores our dedication to integrating cutting-edge technology and innovative therapies into our oncology practice.

Clinical Outcomes and Clinical Excellence

While expansion of clinical programs and medical technology advancements are a continuous journey for the organization; these would be bereft of their true value if we do not evaluate the criteria of their success in terms of **measurable clinical outcomes and clinical excellence parameters.**

Given our steadfast commitment to world class patient care, your Company was a pioneer as **the first healthcare chain in India to publish its ICHOM (International Consortium for Health Outcomes Measurement) Coronary Artery Disease data** on its website. At present, Fortis reports and monitors multiple clinical outcomes such as Coronary Artery Bypass Graft (CABG), Percutaneous Coronary Interventions (PCI), Organ Transplants (Kidney; Liver), Total Knee Replacement (TKR), Radiation Oncology and a few others. For almost all of these, **Fortis clinical outcome scores are at par with international benchmarks or even better.**

In terms of Clinical Excellence; Quality and Patient Safety indicators can assess the performance of healthcare services while representing opportunities for improvement in the delivery of care. Your Company has been tracking Quality and Patient safety indicators across its network hospitals through a **centrally designed Clinical Excellence Scorecard (CESC).** The scorecard tracks various patient safety and clinical quality parameters including amongst others **Catheter Associated Urinary Tract Infections (CAUTI), Central Line Associated Blood Stream Infections (CLABSI),** Ventilator Associated Pneumonia (VAP) and Surgical Site Infections. Signifying our enhanced focus on patient satisfaction and clinical safety we have seen a **marked improvement in our Clinical Scorecards over the past few years.**

Digital Forays

Digital technology advancements would be **significant influencers in improving efficiency in disease diagnosis and treatments for healthcare providers** and in parallel **alleviate convenience and ease for patients.** Noteworthy **technological milestones** of your Company during the year included the progress on our **EMR journey** with the beginning of the Outpatient Module rollout at 6 key hospitals .i.e. FMRI, Mulund, BG Road, Noida, Shalimar Bagh and Faridabad as on date. In addition, we integrated in part the Ayushman Bharat Digital Mission (ABDM) with our Hospital Information System (HIS) to support the country's digital health infrastructure. Our cardiology reporting solution now provides a web-based standard for Cath lab reporting across four hospitals, namely FEHI, FMRI, CG Road and Mohali while our **new patient feedback management system** delivers real-time insights into patient sentiments and overall satisfaction.

Bed Expansion Program

Your Company's brownfield bed expansion plans are progressing well with a clear path to **incrementally add approx. 50% to its existing operational beds** and reach close to **6,000 beds** in the next few years. This would help further strengthen your Company's presence in its key existing focus clusters of NCR, Bengaluru, Punjab, Kolkata and Maharashtra.

We would also be **eager participants in the consolidation** that the hospital sector is currently witnessing. Needless to say, while inorganic forays will supplement our growth aspirations and allow us to geographically widen our healthcare offerings, this would also need to be calibrated by ensuring **economic value addition for the organization.**

In terms of our newer facilities, two noteworthy mentions during the year were the **acquisition of the Medeor Hospital in Manesar, Gurugram** which currently has 350 beds; with a potential of a further 100 beds in the future. We also launched a **new 70-bed multi-specialty unit in Ludhiana** making it the second facility in the city and the fourth in the state of Punjab. The current fiscal .i.e. FY25 would see your Company **commissioning close to 700 beds across its network** including the above mentioned Medeor facility. Out of these close to 300 beds would be operationalised during the course of the current fiscal; with the remaining depending on occupancy ramp-up.

Portfolio Rationalization

Given our spread of facilities, we have consciously decided to better allocate our resources, time and efforts. To this effect, FY24 witnessed the **divestment of certain underperforming facilities** such as the Arcot Road and Malar facilities in Chenna. These marked the exit of the Company from the Chennai market and were a part of our **planned ongoing portfolio rationalisation strategy;** aimed at strengthening our presence in key geographic clusters where we have significant operations.

Medical Value Travel (MVT)

Characterised by our world class clinical talent, successful clinical outcomes and superlative patient care, all at a relatively lower cost of treatment; we are **one of the most well recognised and reputable institutions for international patients** looking at high quality and affordable quaternary care healthcare treatments. We treated more than **36,000 international patients** across our network with some key facilities such as FMRI witnessing almost a third of their revenues coming from MVT. This growing segment presently contributes ~ 8% of our business with revenues of INR 479 Crores in FY24. We cater to patients from more than 25 countries and have a direct patient connect with outreach offices in countries such as Nigeria, Uzbekistan, Kenya and Mongolia; with further expansion plans in newer geographies such as Saudi Arabia. **MVT offers enormous potential for the growth of the healthcare industry** in India and your Company continues to work with the Government in order to streamline MVT processes, systems and logistics to further bolster your Country's attractiveness for MVT patients.

Legal Update

Subsequent to the judgment dated 22nd September 2022 by the Hon'ble Supreme Court of India, which disposed of pending petitions and applications, the decree holder filed applications before the Hon'ble High Court of Delhi for the initiation of forensic audits concerning various banks and entities, including Fortis. Your Company is opposing the appointment of forensic auditors to analyse transactions between Fortis, RHT Health Trust and other related entities for bona fide reasons, with detailed submissions made and to be made before the Learned Court. Based on legal advice, we believe that the status quo order dated 14th December 2018 by the Hon'ble Supreme Court no longer applies post the 22nd September 2022 judgment and we are actively pursuing the implications of this with the relevant authorities.

Financial Performance

Your Company reported a consolidated revenue from operations of INR 6,893 Crores for FY24, demonstrating a healthy growth of 9.5%. Revenues from the hospital business rose 11.3% to INR 5,686 Crores. The diagnostics business witnessed muted revenues primarily due to the brand name change to Agilus Diagnostics Limited and impact of certain one -off institutional business related impediments. Our Consolidated Profit before Tax (PBT) before exceptional items rose a healthy 13.8% to INR 842 Crs while reported Profit after Tax (PAT) stood at INR 645 Crs in FY 24 versus INR 633 Crs in FY23.

Dividend Declaration

Your Company has for the second consecutive year declared a dividend of INR 1 per share (10% of face value). While the same is subject to shareholders approval, it puts in perspective the transformational journey that we have been through over the past few years and demonstrates our success in delivering growth and profitability in a sustainable manner. At the same time, your Company remains conscious of its capital requirements and future growth objectives. Agilus Diagnostics Limited, our majority owned diagnostics business subsidiary has also proposed a dividend to its shareholders for the third year in a row.

Corporate Social Responsibility

Your Company's CSR efforts aim to create sustainable and tangible social outcomes through strategic partnerships, dedicated employee involvement and active community engagement. In the past financial year, we made significant investments across various social and health initiatives for TB patients, patient safety awareness programmes, district-level ambulances, hygiene and drinking water facilities. Our initiatives around digital classrooms, educational aids, scholarships and apprenticeship projects helped benefit schools, young professionals, women and adolescent girls from underserved communities.

In Conclusion

I take this opportunity to inform you regarding the changes in the Board of Directors of your Company. Mr. Heng Joo Joe Sim and Mr. Joerg Ayrle relinquished their positions from the Board post their resignations. I express my heartfelt appreciation for their support. I also extend a warm welcome to Mr. Lim Tsin Lin, Mr. Ashok Pandit and Dr. Prem Kumar Nair.

I would like to express my appreciation with a vote of thanks to our shareholders, the Management and the Board, our talented clinicians and all our employees for their dedication, commitment and support. Rest assured, your Company will continue to strive in its efforts to reach new frontiers of healthcare delivery, humbly serving the societies and communities around us and positively impacting lives and longevity.

With warm regards,

Ravi Rajagopal
Chairman

Your Company's CSR efforts aim to create sustainable and tangible social outcomes through strategic partnerships, dedicated employee involvement and active community engagement.

Fortis

Management Communique

MD & CEO's Message

This year has been a testament to our steadfast commitment to excellence in healthcare delivery, marked by significant achievements across various fronts.

Dear Shareholders,

Dear Shareholders,

I am pleased to present a comprehensive overview of your Company's performance for the fiscal year 2023-24. This year has been a testament to our steadfast commitment to excellence in healthcare delivery, marked by significant achievements across various fronts.

Financial Performance

In FY 2023-24, your Company demonstrated commendable financial performance, characterised by robust revenue growth, and improved profitability metrics. Consolidated revenue from operations reached INR 6,893 Crores, reflecting a notable increase of 9.5% over the previous fiscal year. Our consolidated EBITDA stood at INR 1,306 Crores, with a healthy margin of 18.9%, indicative of enhanced operational efficiency and prudent cost management initiatives. Profit After Tax amounted to INR 645 Crores, underscoring our commitment to delivering sustainable value to our stakeholders.

Hospital Business Performance

Our hospital business witnessed robust growth marked by several key achievements. Revenue growth for the year was driven by a notable increase in Average Revenue Per Occupied Bed (ARPOB), which grew 10.8% over the corresponding previous period. The top six key medical specialties including Oncology, Gastroenterology, Neurosciences, Renal Sciences, Orthopaedics, and Cardiac Sciences, collectively contributed to the positive performance, with a growth of 13% for the fiscal year. Revenues from medical travel also saw significant growth, contributing 8% to overall hospital revenues for the fiscal year, while revenues from digital channels witnessed a healthy increase of 27% YoY for FY24.

Clinical Excellence and Surgical Volumes

In fiscal year 2023-24, our commitment to clinical excellence and innovation drove substantial growth in surgical volumes and procedures, as evidenced by the following key metrics:

a. Key Surgeries and Procedures: Throughout the year, we performed in excess of 110,000 key surgeries and procedures, representing an increase of approximately 8% compared to the previous fiscal year. These largely relate in the medical specialties of Cardiac Sciences, Oncology, Gastroenterology, Neurosciences, Renal Sciences and Orthopaedics.

b. Transplant Procedures: Our transplant programme experienced healthy growth, with the volume of transplant surgeries increasing 11% compared to the previous fiscal year. This expansion demonstrates our leadership in organ transplantation and our ability to meet the growing demand for life-saving procedures.

c. Robotic Surgeries: The adoption of robotic-assisted surgical techniques continued to gain momentum. In FY23, our clinicians conducted 2,187 robotic procedures, whereas in FY24, the number of robotic procedures increased to 3,589, representing a surge of over 64%. This substantial increase underscores our commitment to leveraging advanced technology to enhance surgical precision and patient outcomes.

d. Radiation Therapy Procedures: As part of our comprehensive cancer care services, volumes for radiation therapy procedures also witnessed significant growth rising by over 60% in FY24.

These achievements highlight our success in expanding surgical capabilities, embracing technological advancements and meeting the evolving healthcare needs of our patients. By delivering a higher volume of such key procedures with precision and expertise, we are advancing towards our goal of setting new benchmarks for clinical excellence and patient care.

Investments in Medical Technology

Our continued investments in state-of-the-art medical technology initiatives reflect our unwavering commitment to providing cutting-edge healthcare services and improving patient outcomes. Throughout FY24, we strategically allocated resources to more than double our capital expenditure on expansion and growth, reaching approximately INR 650 Crores (excluding Medeor, Manesar acquisition), as compared to INR 300 Crores in FY23.

Key areas of focus include:

a. Diagnostic Imaging: Procurement of state-of-the-

Management Communique

MD & CEO'S Message

art imaging equipment such as MRI machines, CT scanners, and digital X-ray systems to facilitate accurate and timely diagnosis. Two MRI machines were procured for Anandapur and Manesar; a CT Scan machine was procured for Ludhiana, Mall Road and three Fixed X-ray machines were procured, one each for FMRI, Noida and Manesar facilities.

b. Surgical Innovation: Acquisition of advanced surgical instruments and robotic-assisted surgical systems to enable minimally invasive procedures, enhance surgical precision, and shorten recovery times for patients. Orthopaedic Robots were procured at FMRI, Noida and Shalimar Bagh. Noida and Anandapur also received Soft Tissue Robots while a Lap Tower was added at Vasant Kunj.

c. Cancer Treatment: Your company invested in cutting-edge radiation therapy machines, including the Elekta Versa HD (Mohali), Digital PET CT and Gamma Knife (Gurgaon), Truebeam STx, LINAC radiotherapy and radiosurgery platform (Noida). These advance technologies help our clinicians with accurate diagnosis, staging, delivery of highly precise, targeted therapies and patient monitoring. This results in reduced side effects, shorter recovery times and improved therapeutic outcomes.

Bed Capacity Expansion

During FY 2023-24, your Company remained focused on its strategic expansion plans with the acquisition of Medeor Hospital in Manesar, Gurugram, which would further strengthen its presence in the NCR region. Currently your Company operates 1,766 beds in the Delhi NCR region. When fully operational, the Manesar facility will potentially add 450 beds, taking the total to over 2,200 beds in the NCR Region.

To meet the increasing demand for quality healthcare services, your Company added a total of 246 beds across the network. A new 70-bed hospital was commissioned at Ludhiana. Beds were added to Mulund (57), BG Road (40), Anandapur (37) and Mohali (35) to name some of the key facilities. Plans are afoot to add in a phased manner & depending on uptake, approximately 700 beds in the forthcoming fiscal year in our key clusters at Delhi NCR (including about 300 at Manesar), Bangalore and Kolkata. These expansions align with our strategic objective of enhancing patient access and addressing the growing demand for healthcare services across our network of hospitals.

Looking ahead, plans are afoot to expand to approx. 6,000 beds by FY28 from the current capacity of around 4,000 operational beds (excluding O&M beds), demonstrating our commitment to scaling our operations for sustainable growth.

Portfolio Optimisation

Executing our portfolio optimisation strategy, we have exited from the Chennai market by selling both Arcot Road and Malar facilities for a cumulative total sale consideration of ~INR 280 crores. These decisions were made after a thorough evaluation of their performance and their alignment with our long-term business objectives. Despite being underperforming assets, we ensured a smooth transition for both staff and patients during the divestment process. This strategic move allows us to reallocate resources and focus on markets and facilities that present greater growth opportunities and better serve our strategic objectives. While it involved letting go of certain assets, it positions us better to maximise shareholder value and strengthen our overall portfolio performance.

Notably, your Company's total capital expenditure during the year was at INR 890 Crores. This was spent primarily on bed expansion, growth initiatives, and investments in medical and digital technology. This also includes ~INR 240 Crores for the acquisition of the hospital asset in Manesar, NCR. It is noteworthy that our investments in capex heavily outweigh the proceeds of INR 280 Crores received from the divestment of our two facilities in Chennai; signifying the robust cash flows being generated from operations.

Digital Initiatives

In 2022-23, we had embarked on a journey to implement Electronic Medical Records (EMR) aiming to streamline the documentation and circulation of patient health data digitally. We have successfully digitised medical records in the Outpatient Department (OPD) areas at Fortis Memorial Research Institute, Fortis Bannerghatta Road and Fortis Mulund in the fiscal year 2023-24. Patient Feedback Application was implemented to get real time insights about patient sentiments, staff responsiveness, facility rating and overall patient satisfaction with instant alerts and comprehensive reports.

Patient Discharge Tracker, an application was also launched to provide centralised real-time patient data about the current discharge status and manage the pathway of a patient's discharge to optimise bed usage.

We continue to improve our mobile app, MyFortis, and make it more patient friendly. In FY24, the app witnessed 3.2 lakh bookings as compared to 2.29 lakh in FY23, representing an increase of 42%.

Diagnostics Business Highlights

In May 2023, Agilus Diagnostics Limited (ADL), our diagnostic business, underwent a successful brand transformation. We continue to invest in brand campaigns to strengthen this new identity and enhance brand recall. In September 2023, as per the agreement with the 3 existing Private Equity investors in ADL and in order to provide an exit to these investors, we filed our Draft Red Herring Prospectus (DRHP) with SEBI for an intended IPO as an Offer for Sale (OFS). However, in February 2024, due to commercial considerations, the Board of Directors, in consultation and mutual agreement with the investors, decided to withdraw the DRHP. The agreement also provided for a 'put option' right with the investors on Fortis i.e. FHL that is to expire in August 2024. In light of the above developments and in order to appropriately address the 'put option' matter and ensure an exit to the Private equity investors, we are currently evaluating various options to ascertain the best course of action in the interest of all FHL and ADL shareholders.

Regarding performance, Agilus Diagnostics Limited reported gross revenues of INR 1,372 Crores for FY24, compared to INR 1,347 Crores in FY23, representing a muted growth of approximately 2 percent. This was primarily due to the brand change undertaken in May 2023, decline in COVID-related testing which reduced its contribution to total revenue to a mere 0.3% from 4% in the previous financial year and certain one-off government related business as briefed below.

During the year, the company received a notice from the Anti-Corruption Branch regarding alleged discrepancies in diagnostic tests conducted at Aam Aadmi Mohalla Clinics of the Delhi State Government. We have operated in compliance with applicable laws and are fully cooperating with the authorities including providing documents and information as requested. While we have provided services in the public interest and adhered to all requirements and procedures under the agreement; we have also as a matter of financial prudence made provisions in our books for the outstanding dues.

Despite the above challenges, the non-COVID business grew from INR 1,284 Crores in FY23 to INR 1,366 Crores in FY24, a 6% increase. Noteworthy achievements also include expanding our customer touchpoints by approximately 680 in FY24, reaching a total of approximately 3,976. Our preventive portfolio revenues grew by 14% in FY24, to INR 140 Crores, contributing 10.3% to the total revenues. With the rebranding exercise and related costs largely expected to be completed in the current fiscal; we would enhance our efforts to accelerate business performance and persist in consolidating, building efficiencies, reinforcing our test menu and focusing on delivering high-quality diagnostic care.

Corporate Social Responsibility (CSR) Initiatives

Our commitment to Corporate Social Responsibility (CSR) embodies our dedication to improving and sustaining the health and well-being of the communities we serve. Over the past financial year, we have made an investment of INR 11.77 Crores in various social and health initiatives, benefitting over 15.42 lakh beneficiaries.

For instance, our contributions have supported projects like 'Nikshay,' which aids thousands of TB patients, and the NatHealth program, which focuses on patient education. We have also enhanced the district-level ambulance network in Kerala and upgraded primary health centres (PHCs) across multiple states, positively impacting the quality of care for millions.

In the realm of education, our investments have helped develop digital classrooms, benefiting tens of thousands of students. Additionally, our scholarship programs are supporting the educational pursuits of deserving students from underprivileged families.

These initiatives, among others, reflect our holistic approach to CSR, aimed at creating meaningful and lasting impacts on society.

NATHEALTH Presidency

On a personal note, it was an honour for me to serve as the President of NATHEALTH, during FY 2023-24. NATHEALTH is an apex industry body that represents the healthcare ecosystem in the country and works towards building a healthier India. During the period, NATHEALTH launched the first-of-its-kind patient safety campaign to spur conversation and discussion about the subject. In addition, multiple whitepapers on Allied Healthcare Professionals, MedTech 2.0 and Health Financing were created and submitted to concerned government bodies.

Dividend Announcement

The Board of Directors are pleased to recommend a dividend of INR 1 per share, representing 10% of the face value, subject to shareholder approval. This dividend payout reaffirms our commitment to creating long-term value for our shareholders and underscores our confidence in the Company's financial strength and outlook. Notably, your Company had paid its maiden dividend amounting to INR 1 per share (10% of the share face value) in FY2022-23.

Long-Term Vision

With a clear vision and robust strategic roadmap in place, your company is well-positioned to capitalise on the evolving dynamics of the healthcare industry and deliver sustainable value to shareholders, patients, and communities. The plan to reach 6,000 operational beds and consolidate its position as a centre of excellence in specialised healthcare highlights the company's long-term commitment to growth, innovation, and superior patient outcomes.

Message to our Stakeholders

As I conclude, I would like to thank all our shareholders for their unwavering support and confidence in our vision. Your steadfast commitment has been instrumental in driving our progress. My sincere appreciation to the Board for their invaluable guidance and strategic foresight, which have been crucial in navigating the complexities of the healthcare landscape. I would also like to express my gratitude to our dedicated clinicians and staff for their unwavering support, hard work, and dedication. Together, we shall continue to redefine healthcare excellence and make a positive impact on the lives of millions.

Thank you for your continued trust and confidence in Fortis Healthcare.

Best,

Dr Ashutosh Raghuvanshi,
MD & CEO

Our digital transformation initiative has been progressing well. Electronic Medical Records (EMR), ERP implementation, website revamp and further development of the myFortis app have been among our major focus areas in the digital space.

Management Communique

Agilus Diagnostics Limited MD & CEO's Message

The new brand identity is our effort to instil ideals that will enable us to always stay one step ahead. It also reinforces our vision of empowering people on their path to good health by enabling high-quality diagnostic care.

Dear Shareholders,

Firstly I would like to begin my note with a thank you for placing your confidence and trust in Agilus Diagnostics. Our success stems from the trust we've established with our stakeholders.

FY 2023-24 has been a transformative year for us. In May 2023, we rebranded ourselves as Agilus Diagnostics. Agilus is a portmanteau of 'Agile' and 'Us' and is inspired from the Latin term 'agilis' which means 'agility'. The new brand identity is our effort to instil ideals that will enable us to always stay one step ahead. It also reinforces our vision of empowering people on their path to good health by enabling high-quality diagnostic care. While the name of the Company is new, our 28 year legacy stands testament to our commitment to patients, doctors, employees and the community at large.

The diagnostic industry has undergone significant changes ever since the pandemic. On the consumer side, we are witnessing a rising demand for at-home, convenient and on-demand services. On the clinical side, outcome-based diagnostics represent a paradigm shift in healthcare, focusing on the ultimate impact of diagnostic testing on patient outcomes. Personalised medicine, exemplified through genetic testing in cancer treatment, offers tailored approaches based on individual genetic profiles. Diagnostics play a pivotal role in the implementation and success of precision medicine by providing the foundational data necessary to tailor medical interventions to individual patients. We are acutely aware of the changing paradigm and are constantly upgrading ourselves to meet the healthcare demands. We have consistently built a test portfolio of 3600+ tests and packages that offers the latest diagnostic solutions. We have always led the way, being one of the first few labs in India to introduce Next Generation Sequencing and Sanger Sequencing more than a decade ago. More recently, we have launched whole exome sequencing panels and even ventured in to drug genomics and launched advanced tests like Component Resolved Diagnosis for allergies and RHD Genotyping tests etc. In the current financial year, we have reinforced our test menu with 70 new tests. We have collaborated with the Mayo Clinic, Microsoft, and PathPresenter on different initiatives that has applications that benefit the patients.

With increasing consumerisation and expansion of the industry, we saw an influx of pharmaceutical firms and online aggregators venturing into the diagnostics arena. The diagnostic industry that is primarily driven by 'illness' has always valued quality, reliability and quick turnaround time over discounting of tests. At Agilus, we are steadfast in our commitment to build trust with patients and doctors alike through high-quality diagnostic care. Our B2B and B2C business has been built firmly on quality and timely reports. Our B2C revenue contribution is 53% for FY'24.

Our PAN India Presence, a strong laboratory network and our wide reach gives us a unique advantage of being able to serve customers with quick turnaround times. Agilus is the largest diagnostic service provider in the country with 420 labs, over 3900 customer touchpoints and 13,500 pick-up points in 30+ states and union territories spanning 532 districts and 1000+ towns. Additionally, we are also the largest accredited network in the country with 42 NABL (National Accreditation Board for Testing and Calibration), and 2 CAP (College of American Pathologists) in Mumbai and Dubai.

Our robust R&D division, which has been approved by DSIR is engaged in identifying new business areas such as pharmacogenomics and preventive medicine, expand our existing test menu, and develop new diagnostic tests and assays to improve sensitivity, specificity, time, or costs as compared to available conventional tools. In particular, we focus on developing advanced solutions in diagnostics testing, laboratory efficiency and clinical decision support with a special focus on genomics and next-generation diagnostics. This year, advanced fourth generation sequencing technology i.e. Nanopore was adopted successfully in collaboration with Conducting comprehensive infectious disease panel targeting bacteria, fungi and antimicrobial drug resistance genes. We are also pleased to report that our R&D Division is now part of ICMR TB Diagnostic consortium. Through this association, R&D team will be supporting ICMR group in validating newer

Management Communique

Agilus Diagnostics Limited MD & CEO's Message

TB diagnostic tests and technologies. Also parallel efforts for registering R&D division as Evaluation Center for Medical Devices and Diagnostics under CDSCO were undertaken. We are also undertaking transformative work through our 3 centers of excellence in Molecular Pathology, Transplant Immunology and Histopathology. We will remain focused on these laboratory sciences that will greatly impact how care will be delivered to patients in the near future.

We are focused on digitalisation of our laboratory process and workflows that not only increases efficiency but also improves speed and accuracy. Digitisation also allows for seamless integration of laboratory instruments and systems thereby streamlining data exchange and automating tasks and results interpretation. AI and Machine learning algorithms help us analyse large datasets particularly in identifying patterns in genomics data. On the customer side, some of our ongoing efforts to empower customers include QR coded reports that builds assurance and credibility, chatbots to reduce wait times on queries, SMART+ reports for easier understanding of health data, robust web and app platforms to book tests and so on. We believe that the best way to build trust with our customers is by enabling transparency every step of the way and our communication systems are designed to achieve this goal.

During the year, in September 2023, we filed our DRHP with SEBI. The intended IPO was an OFS (offer for sale) to provide an exit for our existing stockholders. However, in February 2024, the Board of Directors approved the withdrawal of the DRHP owing to commercial considerations. This move was in consultation and mutual agreement with the Private Equity investors of Agilus Diagnostics. At Agilus, we are committed to build our network to reach more patients, reinforce our test menu in a way that helps clinicians make better treatment decisions and deliver high-quality diagnostic care with patient safety as our core focus.

Giving back to the community has always been one of our core ideologies. In FY 2023-24, we donated 3 ambulances to the Directorate of Health Services, Department of Health, Trivandrum, Kerala; distributed 11,000+ nutrition kits to patients diagnosed with tuberculosis; and disbursed academic scholarships to 51 medical students from disadvantaged families. In addition, we also undertook the installation of digital tools, such as smartboards and projectors, in 40+ government schools to elevate the learning experience of 18,000+ students. We believe that primary health centers are crucial in creating access to good quality healthcare. In FY 2023-24 we identified 40+ PHCs in need of essential medical equipment and upgraded these centers.

Finally, I also take this opportunity to thank our 7000+ strong team who make it possible to deliver our vision every single day. We are well positioned for a sustainable growth period in the coming years.

Regards,

Anand. K.

Managing Director & CEO

We are focused on digitisation of our laboratory process and workflows that not only increases efficiency but also improves speed and accuracy.

Know Our Hospitals

National Capital Region

Fortis Memorial Research Institute, Gurugram

Fortis Escorts Heart Institute, Okhla, New Delhi

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

Fortis Hospital, Shalimar Bagh, New Delhi

Fortis Hospital, Noida

Fortis Escorts Hospital, Faridabad

Fortis Hospital, Greater Noida

Fortis La Femme, GK - II, New Delhi

Fortis C-DOC, Nehru Place, New Delhi

Fortis Cancer Institute, Defence Colony, New Delhi

Fortis Hospital, Manesar*, Gurugram

*Manesar facility is yet to be operationalised.

Maharashtra

Fortis Hospital, Kalyan, Mumbai

Fortis Hospital, Mulund, Mumbai

Hiranandani Hospital, Vashi, (A Fortis Network Hospital)

SL Raheja Hospital, A Fortis Associate, Mahim, Mumbai

Punjab

Fortis Hospital, Mall Road, Ludhiana

Fortis Hospital, Mohali

Fortis Escorts Hospital, Amritsar

Fortis Hospital, Chandigarh Road, Ludhiana

West Bengal

Fortis Hospital, Anandapur, Kolkata

Fortis Hospital & Kidney Institute, Kolkata

Karnataka

Fortis Hospital, B.G. Road, Bengaluru

Fortis Hospital, C.G. Road, Bengaluru

Fortis Hospital, Richmond Road, Bengaluru

Fortis Hospital, Nagarbhavi, Bengaluru

Fortis Hospital, Rajajinagar, Bengaluru

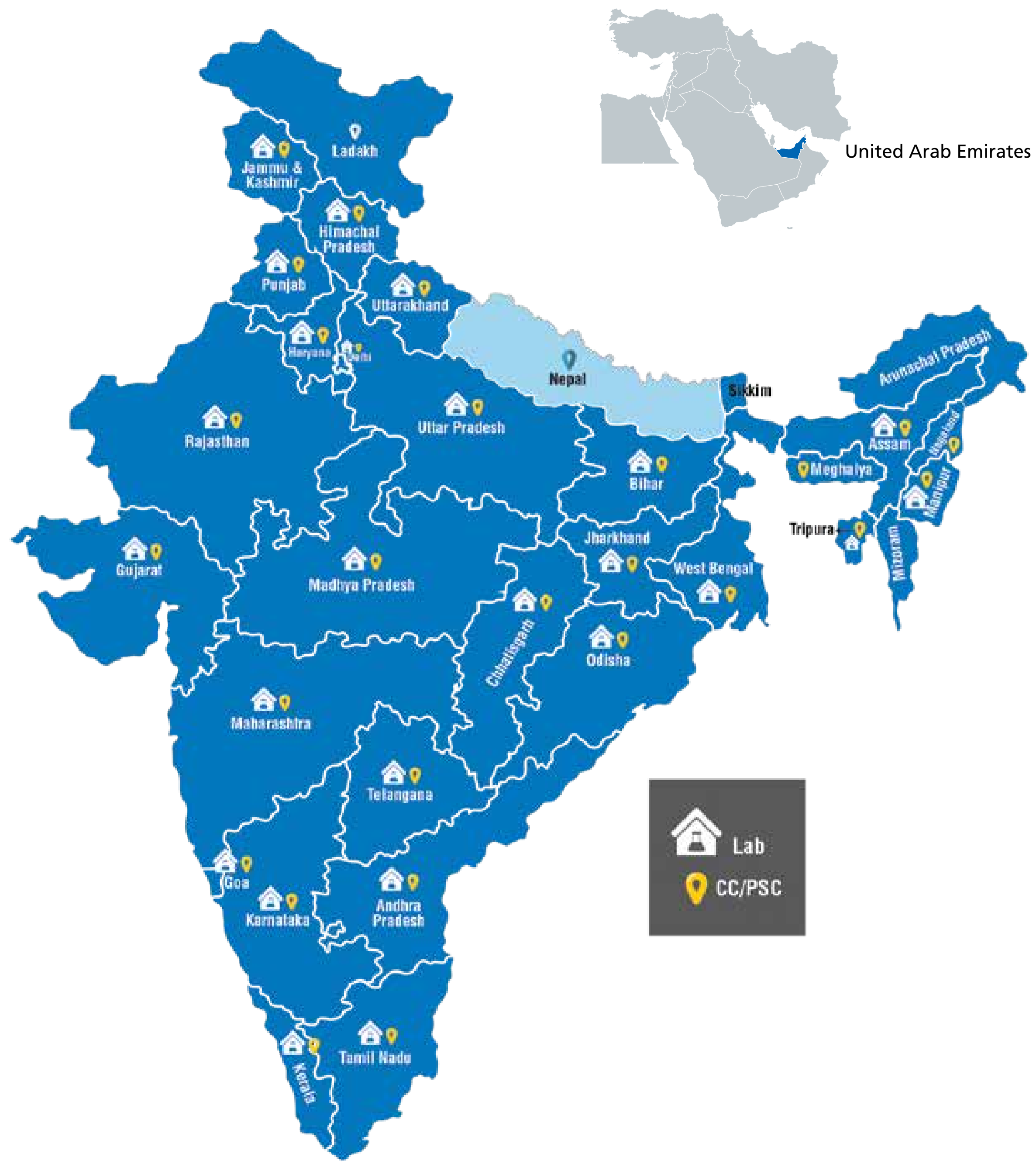
Chhattisgarh

Fortis OP Jindal Hospital & Research Centre, Raigarh

Rajasthan

Fortis Escorts Hospital, Jaipur

Agilus Diagnostics 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.

Fortis Healthcare Limited

Inspiring Trust Across the Nation

28
Hospitals Network

6,237
Doctors
(Including VC* Doctors)

*Visiting Consultants

6,380
Nurses

4,500+
Operational Beds (Network)

Agilus Diagnostics Limited

420
Labs

3,900+
Customer Touch Points

13,500+
Pick-up Points

43
Accredited Labs

25
States and
5 UT's

1,000
Towns and Cities and over
532
Districts

3,600+
Tests and Packages

7,000+
Employees

Our Journey

1 IHH infused **4,000** Crores in Nov 2018 through preferential allotment in FHL and became controlling shareholder with 31.17% equity stake along with majority Board Control

2 Fund infusion significantly re-capitalised Fortis' weak balance sheet, lowered borrowing costs and improved credit ratings. Stronger liquidity enabled investments for business operations continuity and capex for growth.

3 Funds infused by IHH were primarily utilised for the acquisition of RHT Health Trust portfolio of assets. This enabled the Company to consolidate RHT assets and save on annualised clinical establishment fees of **₹ 270** Crores resulting in a turnaround in the profitability as well as cash flows of the Company.

4 IHH and FHL collaborated and exchanged best practices in driving higher synergies for the Company in the areas of medical operations, procurement, supply chain and Information Technology.

5 Q4 of FY 2018-19 results showcased **significant positive impact** due to the acquisition of RHT's portfolio of assets.

6 Several transformational initiatives, including a comprehensive portfolio review, cost efficiency initiatives and incorporating an institutionalised governance framework with robust systems and processes were implemented.

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

8 IHH was recognised as the new promoter of FHL in June 2019

9 FHL witnessed operational turnaround in FY 2019-20 with significant jump in the operating profitability. This allowed the Company to accelerate its expansion and other growth levers and begin a new journey.

10 Operational performance of the Company in FY 2020-21 was impacted due to COVID-19 pandemic. However, the Company was able to successfully navigate the challenging environment thereby ensuring sustainability and continuity of operations primarily due to well-capitalised balance sheet, several cost efficiency initiatives and a robust diagnostics business performance on account of high Covid 19 tests volumes.

11 In April 2021, Agilus Diagnostics Limited acquired the balance 50% equity stake in its existing 50:50 DDRC Agilus JV in Kerala and consolidated its position in the Kerala market DDRC-SRL is the largest organised player.

12 Despite the impact of COVID during Q1 and Q4, FY 2021-22 witnessed healthy growth in both the hospitals and diagnostics business. The Company registered its highest ever consolidated EBITDA of ₹ 1,000+ Crores in FY 2021-22.

13 For the financial year 2022-2023, the operational performance continues to witness strong traction led by hospital business which saw higher occupancy and ARPOB with a significant 600 bps increase in contribution from surgical volumes. However, the diagnostic business witnessed muted performance due to significant decline in Covid volumes and the challenging industry environment.

14 In April 2023, the Company signed definitive agreements to acquire a hospital asset with a potential bed capacity of 350 beds in Manesar. The transaction was consummated in August 2023 and the hospital is expected to commence operations shortly.

15 FHL distributed its maiden dividend of INR 1 per share in FY23

16 In FY 2023-24, FHL successfully rationalised its portfolio by divesting two loss-making facilities in Chennai, enabling it to enhance its focus on key strategic clusters and improve the profitability of the Company.

17 During the fiscal year 2023-2024, the operational performance witnessed a strong traction primarily driven by the hospital business, which experienced a notable increase of 10.8% in ARPOB.

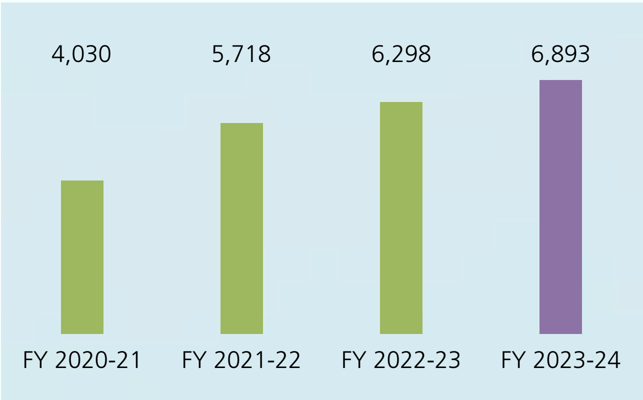
Financial Highlights

Performance Snapshot

FY 2020-21 - FY 2023-24

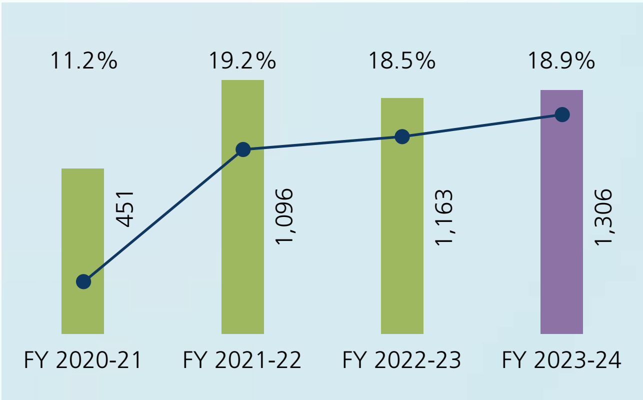
Consolidated Financials

Revenue from Operations (₹ Crores)

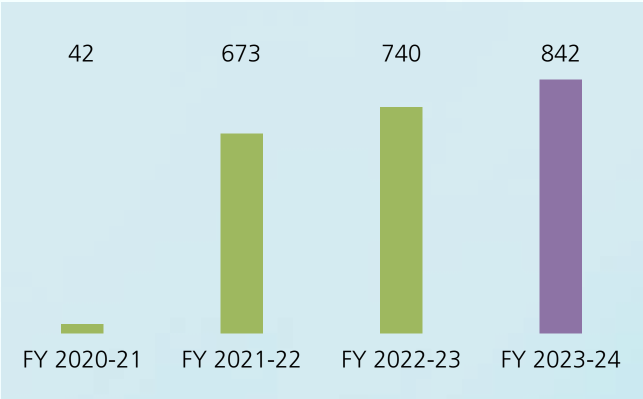


EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) (₹ Crores)

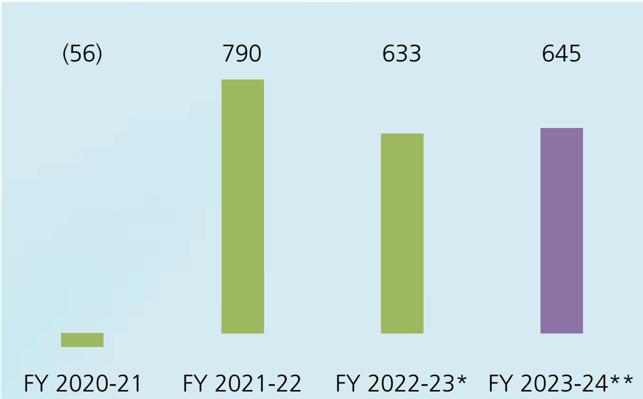
Margin (%)



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



PAT (Profit After Tax)
(₹ Crores)

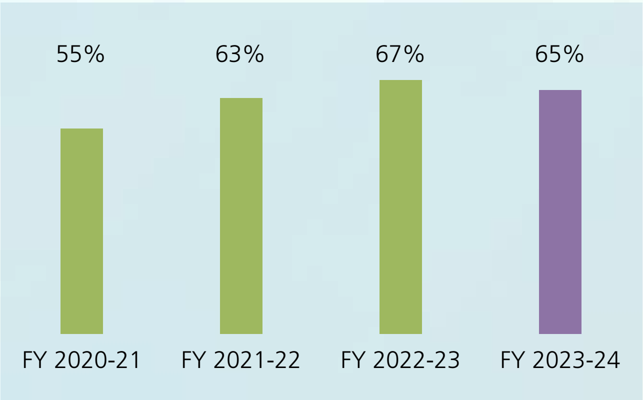


*Includes exceptional gain of ₹ 74 Crores for the year

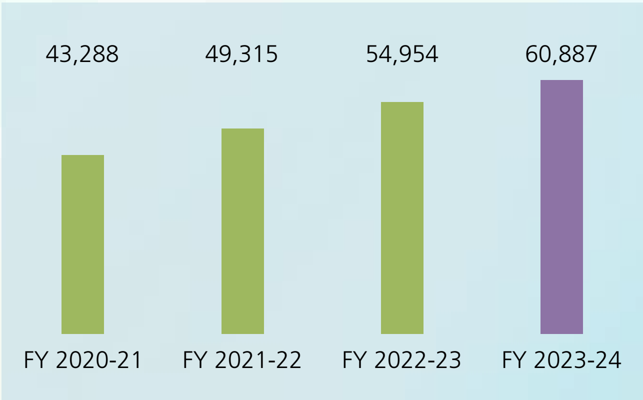
**Includes exceptional gain of ₹ 16 Crores for the year

Hospital Business

Hospital Business Occupancy (%)

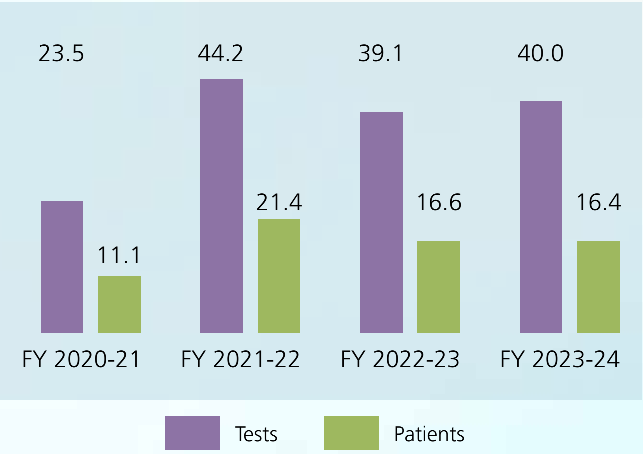


ARPOB (Average Revenue Per Occupied Bed) (₹ per day)

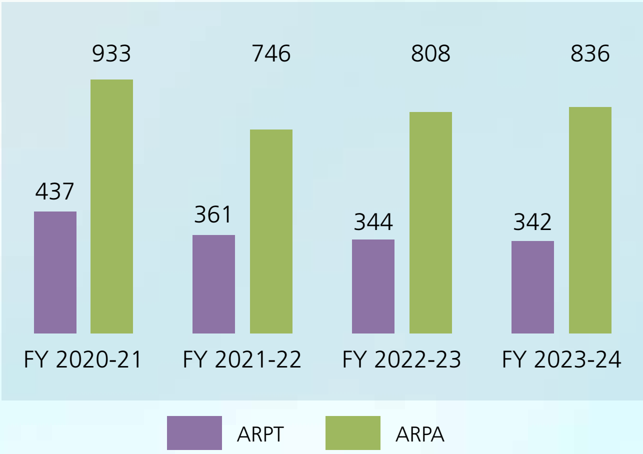


Diagnostics Business

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



Average Realisation Per Test and
Average realisation per Accession (₹)



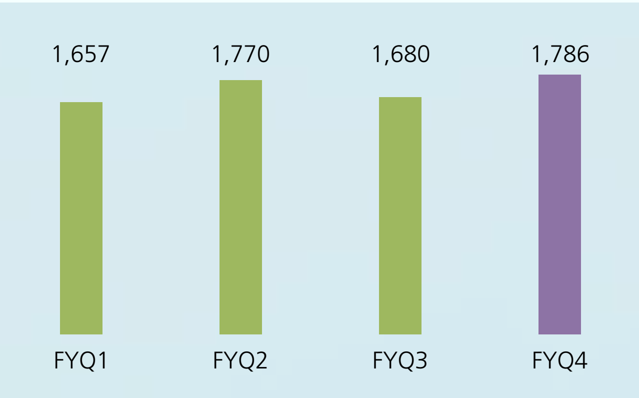
Financial Highlights

Performance Snapshot

Q1- Q4 (FY 2023-24)

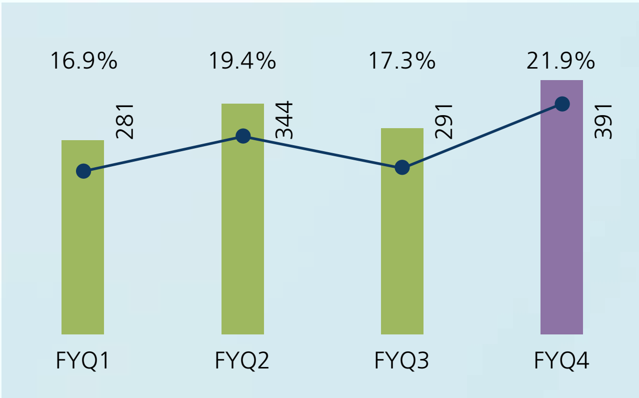
Consolidated Financials

Revenue from Operations (₹ Crores)

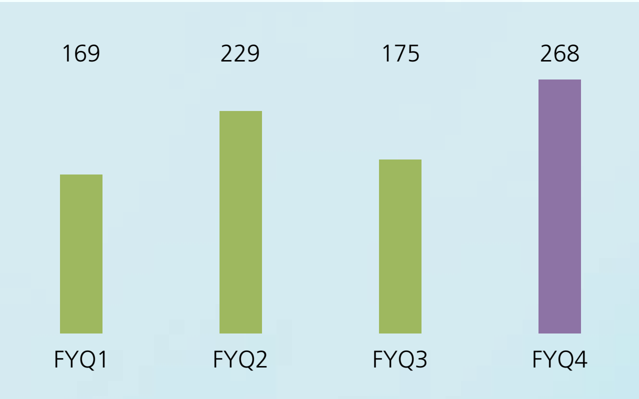


EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) (₹ Crores)

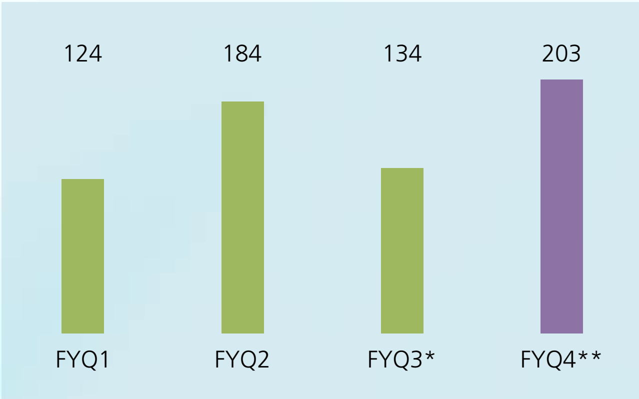
Margin (%)



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



PAT (Profit After Tax)
(₹ Crores)

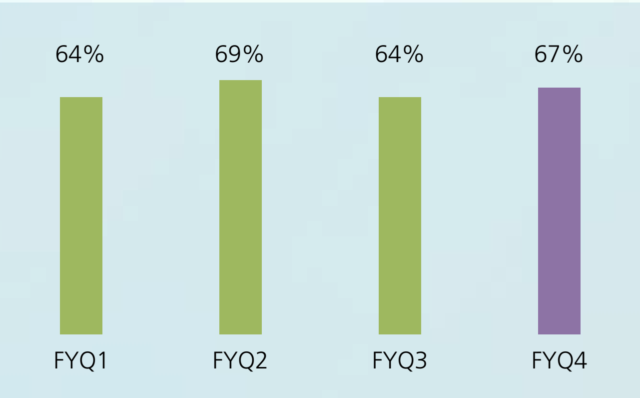


*Includes exceptional gain of ₹ 7.7 Crores for the quarter

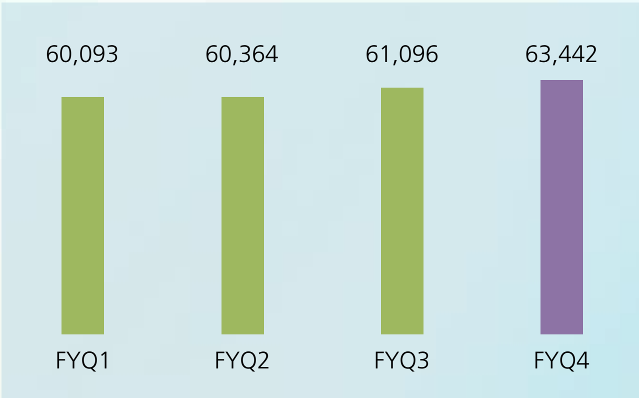
**Includes exceptional gain of ₹ 3.1 Crores for the quarter

Hospital Business

Hospital Business Occupancy (%)

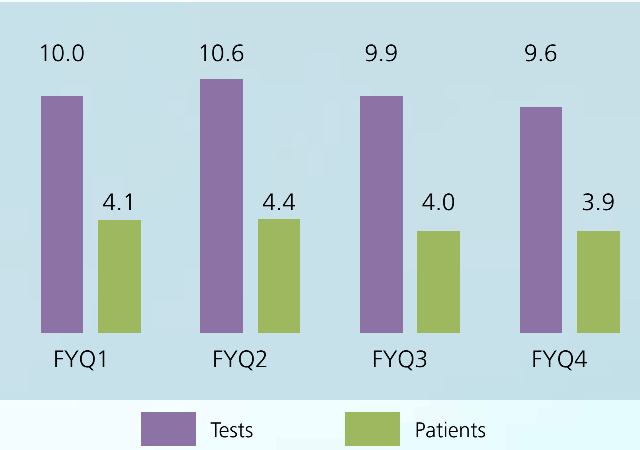


ARPOB (Average Revenue Per Occupied Bed) (₹ per day)

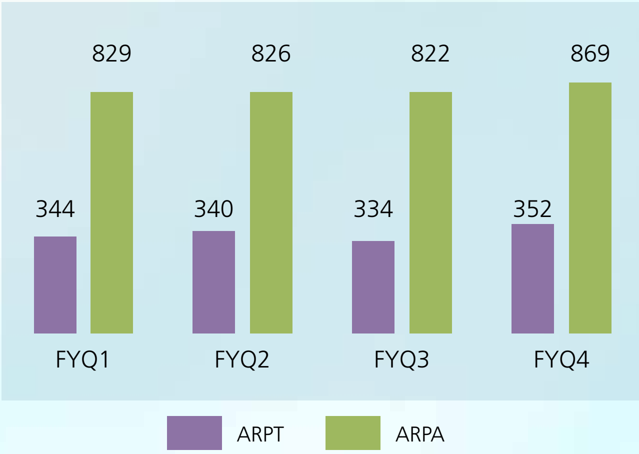


Diagnostics Business

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



Average Realisation Per Test and
Average realisation per Accession (₹)



Clinical Focus

New Facilities

April 2023
Fortis signs definitive agreements with VPS Group for the acquisition of its Medeor Hospital in Manesar, Gurugram, Haryana. The hospital will house potentially 450 beds, including 103 critical care beds, and a state-of-art OT complex with 9 OTs when operational.

December 2023
Fortis Healthcare inaugurates a 70-bed multi-speciality hospital, located on Mall Road, Ludhiana. This is the second facility in the city, with an existing facility on Chandigarh Road.

Capacity Expansion

April 2023
Fortis Hospital, Mulund, launches its new floor – SYMPHONY. This 38-bedded floor is built with a significant focus on holistic healing through enriching clinical care and biophilic design (constructing buildings with focus on connecting with natural environment).

June 2023
Fortis Escorts Hospital, Faridabad, launches Fortis Cancer Institute to offer specialised care to cancer patients. A new 13-bed surgical ward is also inaugurated.

August 2023
Fortis Vasant Kunj, New Delhi, inaugurates new Fortis Cancer Institute OPD Block offering holistic cancer care.

February 2024
Fortis Shalimar Bagh, New Delhi, introduces a new Dialysis Block with over 25 beds, dedicated to providing the best possible care for patients suffering from end-stage renal disease (ESRD).

Clinical Technology

July 2023
Fortis Memorial Research Institute, Gurugram, acquires India's first Digital PET CT for advanced imaging in cancer diagnosis.

July 2023
Fortis Escorts Hospital, Faridabad, strengthens Neuro team with advanced Sudoscan device to detect early peripheral neuropathy and record the Electrochemical Skin Conductance (ESC) of hands and feet.

December 2023
Fortis Hospital, Noida, introduces Uttar Pradesh's first advanced Artificial Intelligence powered Cath Lab for prompt and efficient diagnosis as well as treatment of interventional cardiology patients.

February 2024
Fortis Hospital Mohali launches the most advanced Elekta Versa HD, offering both precision Radiation Therapy and Surface Guided Radiation Therapy (SGRT) for cancer treatment.

Clinical Capabilities & Programmes

May 2023
Hiranandani Hospital Vashi-A Fortis Network Hospital, launches Navi Mumbai's first 'Diabetic Foot Clinic.' The clinic offers screening, pathology, wound care, surgical care and interventional procedures.

September 2023
Fortis Escorts Hospital, Jaipur, launches a dedicated Multiple Sclerosis & Autoimmune Neurology Clinic, which offers a range of therapies and patient support services, including helpline for acute worsening of Multiple Sclerosis, disease modifying therapies, monitoring services and symptomatic treatment, apart from neuro-rehabilitation.

October 2023
Fortis Hospital, Vasant Kunj, launches an Asthma & Allergy Clinic for patients who need urgent attention. The clinic offers a range of tests to detect allergies, apart from comprehensive and specialised treatment.

November 2023
Fortis Hospital, Anandapur, Kolkata, launches a cutting-edge Surgical Robot, offering greater precision and specialised treatment of Gastrointestinal Surgery, Urology, Oncology, Gynaecology and other soft tissue surgeries.

January 2024
Fortis Memorial Research Institute, Gurugram, launches Fortis Institute of Blood Disorders. The advanced facility offers specialised treatment of blood cancers and disorders.

February 2024
Fortis Escorts Hospital, Faridabad, launches an advanced Urology Clinic. The clinic is well equipped with the latest diagnostic tools, including ultrasound, uroflowmetry, prostate-specific antigen test, urine test and kidney function test.

Fortis Medical Centres: Expanding Outreach

June 2023
Hiranandani Hospital, Vashi - A Fortis Network Hospital launches Fortis Medical Centre, an out-patient facility, in Kharghar, Navi Mumbai.

January 2024
Fortis Hospital Mulund launches Fortis Medical Centre, offering out-patient services, at Kandivali, Mumbai.

January 2024
Fortis Healthcare expands its network with the opening of a Fortis Medical Centre in Greater Faridabad.

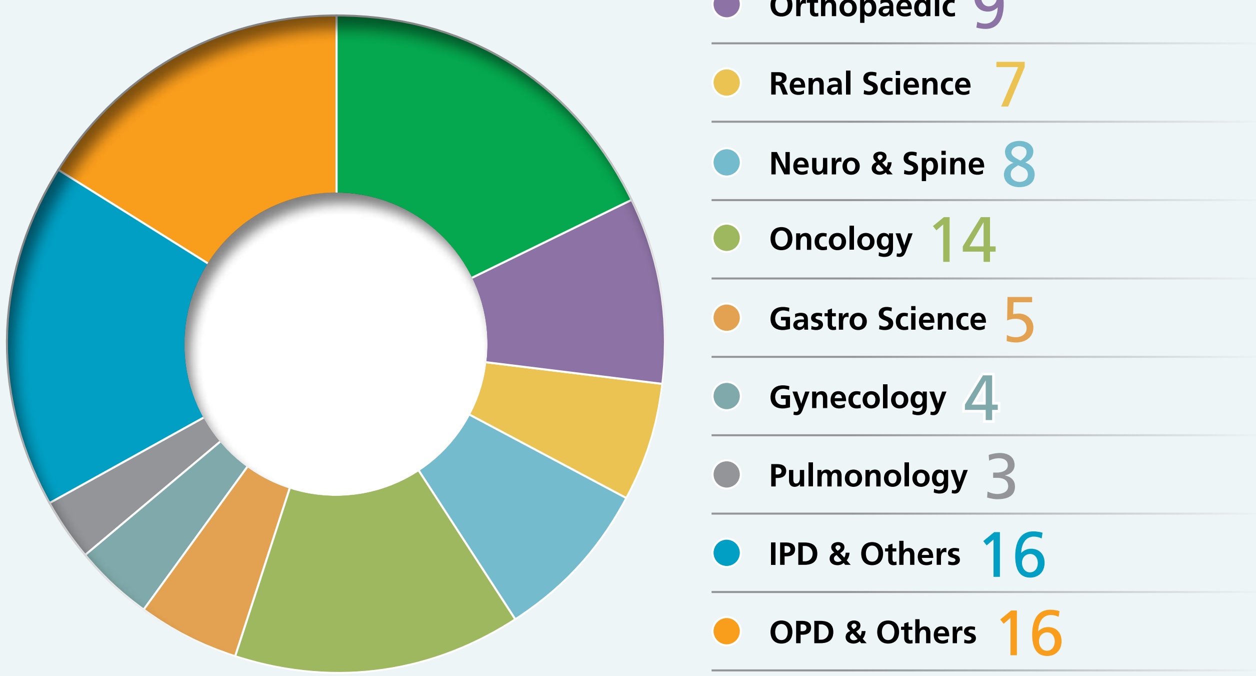
Fortis Information Centres: Expanding Reach Beyond Borders

September 2023
Fortis Healthcare launches its first Information Centre in Africa at Abuja, Nigeria.

January 2024
A Fortis Information Centre is launched in Nairobi, Kenya.

Specialty Mix

Contribution to Hospital Revenue %



Operational Review

FY24 was a robust performance year for Fortis as we registered healthy revenue growth and enhanced profitability. Throughout the year, our focus was on delivering strong execution on all our key strategic pillars. Major growth levers for the year included bed addition through brownfield expansion and new facility additions, compelling revenue growth across our focus specialties, significant contribution of digital channels in driving revenues, and a strong performance in international business.

Business Review Summary

Fortis Healthcare Limited

Clinical Excellence

Our commitment to clinical excellence remains unwavering as we continue to fortify our medical programs in key specialties including Cardiac Sciences, Oncology, Neurosciences, Gastroenterology, Orthopedics, and Renal Sciences. Throughout the year, we bolstered our clinical teams in these areas, augmenting our expertise across our facilities. We have also invested in cutting-edge medical equipment such as the Gamma Knife, Da Vinci Surgical Robot, Cath Labs, Holmium Laser, and Ortho Robot, etc. in some of our facilities to enhance our medical infrastructure.

Growth & Expansion

Aligned with our strategic objectives to expand our footprint in our focus geographic clusters, we pursued both organic and inorganic growth opportunities. This year, we successfully completed the acquisition of Medeor Hospital in Manesar, Gurugram (NCR). Concurrently, as part of our portfolio optimisation efforts, we divested our Vadapalani and Malar units in Chennai. Additionally, through our brownfield expansion initiatives, we increased our capacity by 246 beds across key units nationwide.

Operational Synergies

Throughout the year, we diligently executed our comprehensive cost optimisation program aimed at rationalising drug and consumable costs while enhancing procurement efficiencies for capital expenditures. Centralising Call Centre for all units in Delhi-NCR and Mumbai streamlined patient inquiries, appointment scheduling, and support services.

High-Performance Teams

Central to our strategy of building a high-performance organisation, we invested in enhancing the capabilities and competencies of our workforce. In this pursuit, we launched tailored leadership development programs for various employee categories. Moreover, our Employee Engagement Survey garnered an impressive 96% participation rate, and our eNPS saw a significant positive increase of 33%.

Digital Transformation

We successfully rolled out Electronic Medical Records (EMR) for OP module across three units in the initial phase. This solution streamlines the recording and flow of health information digitally, enhancing efficiency for clinical and non-clinical staff while elevating the overall patient experience. Additionally, we significantly enhanced capabilities of myFortis – our digital platform for customer lifecycle management, empowering patients with greater control over their healthcare journey.

ESG Initiatives

Demonstrating our commitment to Environmental, Social, and Governance (ESG) principles, we undertook a comprehensive approach to optimise energy consumption, water usage, and biomedical waste management. This multifaceted strategy underscores our dedication to environmental sustainability and responsible corporate citizenship.

Business Review Summary

Agilus Diagnostics Limited

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

For the FY 2023-24, Agilus reported net revenues of 1,372 Crores compared to 1,347 Crores reported during the FY 2022-23, a growth of 2%. The COVID revenue as a % of total revenue has declined from 4% in FY 2022-23 to only 0.3% in FY 2023-24. On the contrary, our non-Covid business has grown from 1,284 Crores in FY 2022-23 to 1,366 Crores in FY 2023-24, a 6% growth. EBITDA for the year is ₹ 229 Crores, compared to ₹ 263 Crores in FY23. EBITDA margins are 16.7% and 19.5%, respectively.

During the year we incurred one-time expenses of 58 Crore primarily in relation to Agilus rebranding and the provisioning pertaining to certain government contracts.

Our operational EBIDTA before one-time expenses of 58 Crore is 268 Crores representing a margin of 19.5%.

The business served a total of over 16.4 million patients during the year, compared to 16.6 million during FY 2022-23. Through these patients (Accessions), it undertook 40 million tests during the year compared to 39 million tests performed in FY 2022-23.

In an endeavor to go closer to the customer and provide services at their doorstep, we have increased our total number of touchpoints to more than 3,900. Our B2C:B2B mix is 53:47 in FY 2023-24 compared to 54:46 in FY 2022-23. The business continued to have a well-diversified geographical mix with no over-dependence on any region, allowing it to capitalise on the pan-India network optimally. Regional FY 2023-24 revenue contributions were 33% from the North, 21% from the West, 29% from the South, 14% from East, and 3% from International. Our preventive portfolio also went up by 14% in FY 2023-24 compared to previous financial year. From a product stand point, the revenue contributions are 36% from specialised testing, 54% from routine tests, and 10% from our wellness portfolio.

Key Initiatives Of 2023-24

Fortis Healthcare Limited

Electronic Medical Records (EMR)

In the year 2022-23, we had embarked on a journey to implement EMR solution. This solution aims to streamline the documentation and circulation of patient health data digitally, enhancing the productivity of both clinical and administrative staff while elevating the quality of patient care. As a significant aspect of this organisation-wide initiative, we have successfully digitised medical records in the Outpatient Department (OPD) areas across three hospital units as of now: Fortis Memorial Research Institute, Fortis Bannerghatta Road, and Fortis Mulund, completing this phase within the fiscal year 2023-24.

Ayushman Bharat Digital Mission (ABDM)

Integrated the Ayushman Bharat Digital Mission (ABDM) with HIS to develop the backbone necessary to support the integrated digital health infrastructure of the country. It will bridge the existing gap amongst different stakeholders of the healthcare ecosystem through digital highways.

Cardiology Reporting Solution

Web based standard reporting solution across network for cath lab reporting for four hospitals FEHI, FMRI, CG Road & Mohali.

Patient Feedback Application

Implemented feedback management system to get real-time insights on patient sentiments, staff responsiveness, facility rating and overall patient satisfaction with instant alerts and comprehensive reports.

Patient Discharge Tracker

Application to provide a central store of real-time patient data to inform the current discharge status and manage the pathway of a patient's discharge to optimise bed usage.

Internal Audit Tool

Implemented Internal Audit application at central level to manage the audits better and also record the observations along with the closure timelines / owners for better tracking and management.

Structured Digital Database

Implemented in Corporate Office to help regulate, monitor & ensure compliance with Insider Trading Regulations by maintaining details of designated person, such as PAN/other identifier authorised by law of persons / entities, with whom UPSI may be shared for legitimate purpose.

Bone Marrow Transplant

Implemented BMT application for complete management of Hematopoietic Stem Cell Transplantation in FMRI unit. BMT application is particularly designed for capturing information as per FACT/JACIE standards.

Virtual Tumor Board

Treatment planning process where a group of cancer doctors and other health care specialists meet regularly to review and discuss new and complex cancer cases and decide as a group on the best treatment plan for a patient. Implemented in FMRI, Fortis Mulund & Shalimar Bagh.

At Fortis, we remain committed towards enabling operations with technology, ensuring implementation 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.

Oracle ERP

Employee Lifecycle migrated from legacy Oracle system to Oracle Fusion ensuring seamless ERP experience across Finance, SCM and HR modules.

Information Security & Resilience

With enhanced focus on cyber security, upgraded security operations center (SOC) for improving organisation's security posture along with initiation of Network segregation project - VLAN to create different LAN segment to contain the threat. Further implemented Near DR site (Availability Zone-resilient) for OneFortis & OP Pharmacy for improving application resilience.

IT Infrastructure

To accelerate and augment the digital transformation journey and align with long term digital strategy, underlying IT infrastructure of Local Area Network (LAN) upgrade completed in pan India. Additionally, the latest Wi-Fi & Network access control to enhance efficiency in IT operations & security has been deployed at FMRI & Corporate Office.

Key Initiatives of 2023-24

Agilus Diagnostics Limited

Retail Network Expansion

Our strategic emphasis on expanding our retail network has significantly improved access to our diagnostic services. Through strategic collaborations and geographical diversification, we have successfully expanded our presence to encompass over 1000 towns and 30 states and union territories, establishing a comprehensive PAN India network with equal distribution of centres.

Over the past year, Agilus has augmented its outreach by incorporating more than 680+ customer touch points. Currently, our network includes 420 labs, 3,900+ customer touch points, and 13,500+ Pick-up points. Despite facing challenges such as brand transitions during the year, we have effectively grown our retail network, supported by below-the-line (BTL) activities and residential welfare association (RWA) activations."

International Business

APAC is expected to be one of the fastest-growing region for diagnostics owing to the increasing initiatives taken to improve healthcare infrastructure. The growing development in the field of cancer treatment, utility of advance molecular genomics and cytogenetics is likely to enhance the demand for clinical laboratory services in the region, thereby augmenting the market significantly in APAC.

Agilus International Division has a rich history of over two decades, during which it has witnessed various market situations across the geographies where it operates globally. The International operations of the Company includes state-of-the-art labs in Dubai (100% Subsidiary), Nepal (50:50 Joint Venture) in Kathmandu and Biratnagar, Afghanistan (Franchisee Lab), and Kazakhstan (Franchisee Lab). Agilus's international network consists of more than 50+ collection centres and 800+ Pick-up points spread across the SAARC region, Sub-Saharan Africa, Southeast Asia, CIS, Gulf, and the Middle East. These centres send samples in a temperature-controlled environment to Agilus Diagnostics Reference labs in India, which process the samples and provide reports in real-time using our efficient IT system and robust logistics network. Alongside laboratory services, we also assist our international clients and partners in the planning and implementation of laboratory management services, with complete IT support through our indigenously developed lab management software - 'CLIMS.'

In FY25, we plan to continue our focus on growing our organic and inorganic business in Asia Pacific, the Middle East, CIS, and Africa through network expansion. One of our endeavours will be to introduce highly specialised and advanced tests to our international clients and reinforce our relationship with doctors through well curated CMEs (continuous medical education programs) in Africa and Middle East market. We also plan to set up O&M (Operate and manage) labs in Oman and Bangladesh and acquire new clients for our outsourcing business in Nigeria, Kenya, Ghana, Oman, Kuwait, Mauritius, Indonesia, Sri Lanka, and Uzbekistan. Additionally, we will introduce Digital Pathology services in Ghana, Kenya, and Bangladesh.

Brand Initiatives

FY 2023-24 was an exceptional year for branding and marketing. We rebranded our 28-year-old legacy brand as Agilus Diagnostics. The name is derived from the words "agility" and "us," and literally means "We are agile." The new brand appeals to our new age customers who seek innovation, an improved customer experience, as well as accuracy and credibility. We revamped our brand's logo and colours, as well as created a new identity. The new logo's primary colour is blue, with the forward chevron is made of red, yellow, and green. Blue colour represents meanings of trust and loyalty while the forward chevron is our drive to stay one step ahead. The new design philosophy is reflected in all our marketing collaterals. We also maintained consistent marketing communication across all platforms to facilitate an effective brand makeover, which assisted us in increasing brand recall.

We needed to take some bold and inventive actions to deliver the brand change messaging to our patients and doctors. Our ATL awareness campaign began with print media in May 2023 and was sustained till the end of financial year in March 2024. We began the print campaign with national dailies and swiftly expanded to include regional dailies in the newspaper mix. The regions were chosen based on our emphasis and expansion geographies. We covered a pan-India

audience as well as all of our major vernacular consumers in Bengal, Karnataka, Delhi NCR, Mumbai, Maharashtra, MP, Chhatisgarh, Jaipur, Tamil Nadu, Punjab, Haryana, Jammu, and Assam.

We also collaborated with residential community management platforms like MyGate, No Broker Hood and Apna Complex for hyperlocal brand awareness. We collaborated with these platforms and conducted 1000+ health camps in their most premium societies. We also completed interior lift branding in over 1300 apartments and were exclusively listed on the MyGate app as diagnostic partners. This activity garnered us more than 6 Crores impressions along with an impressive reach of 6 Lakhs captive audience.

2023 was also the year of Men's Cricket World Cup in India. Riding on the popularity of cricket, we used this big-ticket event in October & November to reach more than 50 Crore audience within two months in a cost-effective manner by showcasing our brand logo in every action replay of every world cup match telecasted on TV. This provided us both reach and frequency at an enormous scale.

Shortly thereafter, we ran lucrative promotional offers such as Buy One Get One Free (BOGO) and a 30% discount on single preventative health packages. To meet the increasing demand throughout the months of January, February, and March, we launched a TV and radio campaign. On TV, we ran Non-FCT elements (Aston Bands, L-Bands, Logo Bugs, and Program Sponsorships) for one month on five channels, as well as a radio campaign during the same time period, to increase our awareness efforts. The radio campaign was conducted in our focus and expansion cities, with the top three stations in each city. The primary theme for both TV and radio was "India's Largest Diagnostic Company" with a call to action to take advantage of the BOGO offer.

Finally, we closed the year with another big ticket event: IPL. We followed the same strategy of redoing our action replay logo in all the matches of IPL but this time we did this on digital medium instead of linear TV as IPL matches go LIVE in the evening and most viewers see it on their phone during office commute and then switch to connected TVs upon reaching home.

With these branding activities, we achieved an impressive total brand awareness from 0 to 20% within a span of 8 months. In FY 2024-25, we will strive to take our brand even further and increase all brand metrics.

On the digitial side of the brand, in FY 2023-24, our mobile app was installed by 4 Lakhs new customers and our current month active userbase stands at 2.2 Lakhs users per month. Additionally, our website www.Agilusdiagnostics.com was visited by over 35 Lakhs unique users. UI/UX of the Agilus website & mobile App was improved to enhance the user experience and customer adaptability of the digital mediums.

Club AGILUS is the consumer loyalty program of AGILUS Diagnostics. It is the first ever loyalty program for consumers in the diagnostics industry to provide customers a lifetime of health and savings. Customers can join this program at zero fee and can get certain perks and privileges for being a member of Club AGILUS. They earn reward points on every transaction with AGILUS, and also earn additional reward points on enrolment, profile completion, participating in surveys, and other activities as introduced in the program from time to time. These reward points can be later redeemed for discounts and privileges at AGILUS and associated partners. Over the years, we have gained the trust of millions of patients. Currently about 29 Lakhs customers are enrolled for this program. We intend to expand and promote the loyalty program in FY25. Brand Agilus was promoted across digital platforms (Youtube , Meta platforms , Google and other digital partners) – These digital campaigns generated a combined reach of more than 100 Crores+ reach.

This year, Agilus Diagnostics won 12 Industry awards for Outstanding Pathology Services, Excellence in High-End Diagnostics, Excellence in Home Healthcare Services, and Customer Experience. These awards were curated by prestigious platforms like Economic Times, Voice of Healthcare, India Health & Wellness Council, and eHealth. Our brand PR efforts led to more than 500+ media mentions and coverages across financial, mainline, regional, online, and trade media publications.

Information Technology

In the ever-evolving landscape of technology, staying abreast of the latest updates is crucial for our business. During the FY 2023-24 period, CLIMS underwent significant enhancements to support our operations, including the upgrade of our IT infrastructure and the automation of various business processes.

Similar to the previous year, in FY 2023-24, we maintained a steadfast focus on API-based integrations with our partners to facilitate the exchange of Pathology Test Orders and Patient Results, as well as integration with our service support partners. Notably, one such integration was established with Pathpresenter for Digital Pathology Solution.

Agilus has consistently prioritised data security and privacy, implementing various measures to safeguard sensitive patient data. This effort has included the implementation of robust security protocols and the adoption of advanced technologies.

In line with our commitment to excellence, Agilus's Mumbai and Gurgaon IT Systems at Datacenters were re-audited for ISO 27001:2013, ensuring continued adherence to international standards for information security management.

Recognising the importance of business continuity, a robust contingency plan was developed for CLIMS, which includes the establishment of a highly scalable and secure disaster recovery setup on the Oracle Cloud Infrastructure. This setup enables us to effectively mitigate the impact of various scenarios.

Additionally, we have prioritised user training on technology, various business applications, and overall security risks and threats. This comprehensive training initiative aims to empower our team with the necessary skills and knowledge to utilise these tools effectively, thereby enhancing efficiency and overall performance.

Research and Development

The Company in FY 2023-2024 maintained its industry-leading position through continued focus on diagnostic advancements, process efficiency, cutting edge technologies and futuristic areas such as Genomics. This year major focus was to develop and launch multi-pathogen panels for syndromic testing of infectious diseases, oncology and genetics. We launched 12 new molecular tests and panels targeting women health and ophthalmological infections were. Our genomics portfolio experienced continued growth for reproductive medicine, oncology and rare disorders panels. Advanced fourth generation sequencing technology i.e. Nanopore was adopted successfully for conducting comprehensive infectious disease panel targeting bacteria, fungi and antimicrobial drug resistance genes.

Our R&D team continued its focus on clinical research studies, co-marketing projects, contract validations and collaborations. Under clinical research and co-marketing studies, feasibility of 26 studies was concluded; unique study pertaining to novel biomarker i.e. nitric oxide analysis in diabetic cases was awarded to Agilus. Agilus participated in MCGM funded study pertaining to TB Whole Genome Sequencing in low socio-economic region of Mumbai. Approximately 1000 patients participated in this study leading to data generation of TB Whole Genome sequencing in treatment naïve/treatment failed cases.

Along with commercial services, this year R&D team also progressed on collaboration with Public institutes for contract validation of diagnostic kits/technologies. R&D Division is now part of ICMR TB Diagnostic consortium. Through this association, R&D team will be supporting ICMR group in validating newer TB diagnostic tests and technologies. Also parallel efforts for registering R&D division as Evaluation Center for Medical Devices and Diagnostics under CDSCO were undertaken. Documentation process has been concluded, final registration is awaited.

Our concerted efforts towards connecting clinicians through scientific and academic discourses were further strengthened through our participation in round table meeting and conferences across the country.

Apart from upcoming futuristic high-end segments, we continue our parallel focus on chronic and life-style diseases categories, preventive healthcare and specialised portfolio i.e. Autoimmune diseases, transplant immunology and genetics.

Academic Achievements

Agilus Diagnostic Ltd is the first diagnostic laboratory to offer a one year Fellowship program to doctors in India that imparts applied knowledge of molecular pathology in cancers, genetic disorders and infectious diseases under the aegis of Maharashtra University of Health Sciences (MUHS), Nashik. Under this program, one pathologist registered and is undergoing a Fellowship Course in Molecular Pathology. Also one MSc students from MGM Hospital, Navi-mumbai enrolled and completed their dissertations in 2023. Two students from Patkar Varde College, Mumbai University are undergoing their dissertation at our Genomics Department at our global reference laboratory in Goregaon, Mumbai.

In FY 2023-24 there was 8 communique including two issues of Pulse, Agilus' medical case reports journal, and 6 issues of Udaan, Agilus' employee newsletter. Our doctors published more than 25 scientific research papers in indexed peer-reviewed journals.

Quality & Compliance

Agilus's Quality Assurance team remains dedicated to safety, training, and regulatory compliance. We utilise a three-circle approach: internal self-audits, QA team audits, and external agency audits (NABL, CAP, etc.). In FY 2023-24, we upheld accreditation across our labs, transitioning some to ISO 15189:2022. We expanded our lab network and ensured certifications for TB Drug Resistance Testing, ISO 9001:2015, and ISO 27001:2013 renewals. Brand transitions and name changes for all accredited labs were smoothly managed. Our team conducted audits for clinical trials and ensured timely completion of test validations. We've implemented ISO 15189:2022 standards and conducted comprehensive training initiatives nationally and internationally. Support was extended to international labs, including in Nepal and Dubai, for compliance and accreditation. Our commitment to quality is evident through our rigorous training programs and continuous improvement efforts, reinforcing confidence in our stakeholders.

Clinical Highlights

May 2023
The world's first reported case of Robotic en-bloc kidney transplant is performed at Fortis Bannerghatta Road, Bengaluru.

July 2023
India's first reported case of a twisted aorta and a failed tissue valve replacement is successfully treated with Hybrid TAVR at Fortis Bannerghatta, Bengaluru.

September 2023
In a first in India, a woman with inverted organs undergoes single-incision gall bladder surgery at Fortis Memorial, Gurugram.

September 2023
A multi-disciplinary team of doctors at Fortis Mohali saves the life of a 9-year-old girl child by conducting a complex kidney transplant and bladder reconstruction surgery.

September 2023
A 42-year-old male, brought with a flat line ECG, is successfully resuscitated and given a new lease of life at Fortis Shalimar Bagh, New Delhi.

December 2023
A critically ill 42-year-old male from Agra with white lung disease (severe lung infection, wherein the lung shows up as a white patch on an X-ray image) is treated at Fortis Escorts, Okhla, using Extracorporeal Membrane Oxygenation (ECMO).

February 2024
In a first in India, an Automatic Implantable Cardioverter Defibrillator (AICD) device to prevent sudden cardiac death is implanted on 79-year-old at Fortis Escorts Hospital, Jaipur.

AWARDS & RECOGNITIONS

Fortis Healthcare wins seven awards in the Medical Value Travel Specialist Hospital category at Advantage Healthcare India's Medical Value Travel Awards 2023.

May 2023

Fortis Mulund, Fortis Anandapur and Fortis Mohali win multiple awards at CAHOCON 2023.

April 2023

Fortis Corporate Communications wins 'BW Healthcare Award for Institutional Excellence in Healthcare Marketing'

February 2024

Fortis Hospital Mulund bags two awards at Regional Federation of Critical Care Nursing SAARC Conference 2024

March 2024

Fortis Noida and Fortis Faridabad receive World Stroke Organisation's 'Diamond WSO Angels Award 2023'

September 2023

Fortis Memorial Research Institute, Gurugram, is honoured with Odisha Chief Minister's Award for Excellence in Healthcare Services.

February 2024

Fortis Healthcare's Nursing and Infection Prevention & Control teams win six awards at AHPI Healthcare Excellence Awards 2024

February 2024

Human Resources – Fortis Healthcare Limited

Inspiring Trust Through People Power

Employee Engagement & Wellbeing

At Fortis we believe in providing opportunities of wellbeing in personal & work life. Our approach is to go beyond individual wellbeing by creating a culture of wellness at work. We launched a comprehensive employee financial wellbeing program on employee financial education and awareness to accelerate the employees' financial wellness journey.

We had a great response to our employee survey with humbling feedback. The results in terms of 96% participation and eNPS taking a big positive swing of 33%. Increase in Employee net promotor score, an indicator of how comfortable employees hold brand Fortis to recommend it to their friends and family, is a true encouragement to HR and its initiatives targeted to enhance employee experience and engagement.

This year saw us reach encouraging levels of employee retention with overall annualised attrition improving by 4.5% in absolute terms, majorly owing to 5.7% improvement in nursing category. Both are our best outcomes of last 4 years.

Technology in Human Resource Management

We went live with Oracle Fusion HCM as a well-integrated technology platform for people management processes. We see this as a key differentiator with self-service, anytime access and availability of relevant data for decision making through mobile app.

Digital learning, with self-paced, bite sized knowledge nuggets will support our agile approach in skilling our resources.

Skill Development

We now have one of the biggest skill development programs in the Healthcare space under Fortis Apprentice Program with 1626 apprentices. This initiative witnessed huge success not only in non-clinical functions but also in nursing. Hire and train model is helping us integrate workforce from marginalised sections of society in a fair and merit based process.

Capacity and Capability Building, with a Long-term Value Perspective

Upskilling is a valuable investment for employees and organisation alike. It allows employees to thrive in their professional domain. In 2023, in addition to regular Training plan, we focused on building technical & job specific skills for key functions such as Sales & Marketing, Pharmacy, Digital Marketing, Patient Experience, Contractual Nursing GDA in collaboration with government agencies, premium academic institutes and external consultants.

Learning and Development

9,06,955
Total Manhours

14,035
Total Participants Count (Unique)

29,534
Total Program Count

Human Resources –

Agilus Diagnostics Limited

Training and Development

Agilus remains committed to training and development, offering tailored competency enhancement programs for employees. Our curriculum includes technical, soft skills, and behavioural training sessions facilitated by internal SMEs and external experts. In FY 2023-24, we clocked 6400+ mandays conducted over 1837 training hours, reaching 25300+ participants. Leveraging platforms like MedGurukul, Tech Talk and Agilus LMS, we shared expertise across specialties and conducted sessions on soft skills, POSH, and Ayushman Bharat initiatives. We also concluded leadership development programs and workshops on consultative selling and corporate effectiveness. Our competency framework, supported by intense research, aims to drive a performance-driven culture focused on collaboration, ownership, teamwork, and innovation.

Overarching group CSR Philosophy

Investing in communities to drive change

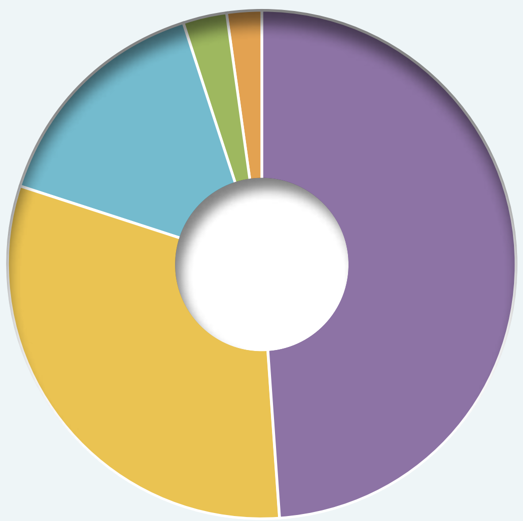
Our Commitment to Community Transformation

At the heart of our Corporate Social Responsibility (CSR) ethos lies a steadfast commitment to investing in communities to foster positive change. As a healthcare organisation deeply rooted in our societal responsibilities, our focus remains on initiatives that directly impact the well-being of women, children, students, and the marginalised.

Throughout the fiscal year 2023-24, we have dedicated ourselves to several impactful projects, including:

- Strengthening public health infrastructure and enhancing emergency response capabilities.
- Extending support to patients battling tuberculosis, ensuring they receive comprehensive care and assistance.
- Spearheading Social and Behavior Change Communication (SBCC) campaigns aimed at combating anemia within underprivileged communities.
- Providing financial aid to deserving medical students, ensuring that talented individuals have access to education and training.
- Empowering educational institutions by enhancing digital infrastructure and facilitating hygiene requirements, thus ensuring a conducive learning environment.
- Promoting employability and skill development through our robust apprenticeship program, thereby fostering sustainable livelihoods within our communities.

These endeavors embody our unwavering dedication to effecting tangible, positive change and reflect the essence of our CSR philosophy. As we look towards the future, we remain committed to leveraging our resources and expertise to drive meaningful impact and create a brighter, healthier tomorrow for all.



Summary Status of fund utilisation for FY 2023-24

Theme	CSR Intervention	Fortis	agilus diagnostics	Total
Healthcare	Project Nikshay	1,00,00,000	1,00,00,000	2,00,00,000
Healthcare	NATHealth	20,00,000	-	20,00,000
Healthcare	Ambulance Support	-	1,00,16,180	1,00,16,180
Healthcare	PHC Upgrade	1,19,99,000	84,55,200	2,04,54,200
Healthcare	Anaemia Eradication	50,00,000	-	50,00,000
Education	WaSH Infrastructure	1,75,00,000	-	1,75,00,000
Education	Scholarship Support	-	57,63,709	57,63,709
Education	Digital Classroom	-	1,29,05,266	1,29,05,266
Skilling	Apprenticeship Training	1,41,98,713	37,02,884	1,79,01,597
Contingency	PM Cares	34,63,562	-	34,63,562
Admin	Admin Cost	18,20,000	9,20,400	27,40,400
	Total	6,59,81,275	5,17,63,639	11,77,44,914

Strengthening of Primary Health Centers and Emergency Response

Geographical areas: Maharashtra, Tamil Nadu, Haryana, Rajasthan, Kerala and Uttar Pradesh

IMPACT: 61 PHCs made NQAS compliant with equipment types that include Episiotomy Sets, Neonatal resuscitation, Crash Cart, Oximeters, Bio-waste trolley, etc.

2 Basic Cardiac Life Support Ambulances and 1 Advanced Cardiac Life Support Ambulance donated to the Department of Health, Kerala

Assisting Patients with Tuberculosis through NIKSHAY Program

Geographical areas: Haryana, Maharashtra, Punjab, and Uttar Pradesh

IMPACT: Distributed 26,076 nutrition kits to 9739 TB patients through 30 distribution centers

Addressing Anemia in Underprivileged Communities

Geographical areas: Underprivileged communities of Nuh in Haryana

IMPACT: The project focussed on anaemia eradication, and engaged with the local community to assess key needs by identifying key beliefs influencing health-seeking behaviour through 6 Focus Group Discussions.

Further, it developed a training curriculum on 4 topics and in 2 languages on anaemia prevention and eradication to train a cadre of 35 facilitators. It also provided 205 units of "lucky iron leaf" to anaemic patients, 30 electronic tablets for the field team to capture data, and 10 Non-invasive haemoglobin testing devices. In addition to this, it delivered a 5 episode podcast series to enable Social and behavioural change among community members towards Anaemia.

Enabling Deserving Medical Students with Financial Assistance

Geographical areas: PAN India

IMPACT: The project supported 51 medical students from disadvantaged families with a scholarship grant of ₹ 1,00,000 each to enable the continuation of their medical studies.

Powering Digital Infrastructure in School and Equipping Schools meet Hygiene Needs

Geographical areas: Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttrakhand, Uttar Pradesh, West Bengal

IMPACT: Digital Transformation: 46 schools equipped with 66 smart projectors and smartboards enabling access for 3,000+ students to digital education

IMPACT: Hygiene Transformation: 25 schools assisted with improved WASH infrastructure through provisioning, new construction and renovation, enabling access for 9000+ to improved WASH facilities

Improving Employability and Skill Building through Apprenticeship Program

Geographical areas: PAN India

IMPACT: Digital Transformation: The project benefitted 797 units of apprentices with on-the-job training skills along with a monthly stipend amount ranging from ₹ 10,000 to ₹ 26,000 across different units of Fortis and Agilus.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting herewith the Twenty Eight 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, 2024.

FINANCIAL RESULTS

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

(₹ in Lakhs)

Particulars	Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023
1. Revenue from operations	689,292	629,763
2. Other income	3,825	6,172
3. Total income (1+2)	**693,117**	**635,935**
4. Expenses		
(a) Purchases of medical consumable and drugs	160,325	145,465
(b) Changes in inventories of medical consumable and drugs	1,543	6
(c) Employee benefits expense	111,953	104,688
(d) Finance costs	13,095	12,909
(e) Professional charges to doctors	145,951	131,146
(f) Depreciation and amortisation expense	34,250	31,574
(g) Other expenses	142,756	138,324
Total expenses	**609,873**	**564,112**
5. Net profit / (loss) from continuing operations before share in profit / (loss) of associates and joint ventures, exceptional items and tax (3-4)	**83,244**	**71,823**
6. Add: Share in profit of associate companies and joint ventures	951	2,184
7. Net profit / (loss) before exceptional items and tax (5+6)	**84,195**	**74,007**
8. Exceptional gain (refer note 4)	**1,602**	**7,361**
9. Profit / (loss) before tax from continuing operations (7+8)	**85,797**	**81,368**
10. Tax expense / (credit)	21,275	18,070
11. Net profit / (loss) for the period from continuing operations (9-10)	**64,522**	**63,298**
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)	**64,522**	**63,298**
16. Profit / (loss) from continuing operations attributable to:		
Owners of the Company	59,888	58,873
Non-Controlling Interest	**4,634**	**4,425**
17. Profit / (loss) from discontinuing operations attributable to:		
Owners of the Company	-	-
Non-Controlling Interest	-	-

Particulars		Consolidated	
		Year ended March 31, 2024	Year ended March 31, 2023
18.	Other Comprehensive Income (including OCI relating to associates and joint venture) (after tax)	178	(787)
19.	**Other comprehensive Income / (Loss) attributable to:**		
	Owners of the Company	224	(771)
	Non-Controlling interest	(46)	(16)
20.	**Total comprehensive Income / (Loss) (15+18)**	**64,700**	**62,511**
21.	**Total comprehensive Income / (Loss) attributable to:**		
	Owners of the Company	60,112	58,102
	Non-Controlling interest	4,588	4,409

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

(₹ in Lakhs)

Particulars		Standalone	
		Year ended March 31, 2024	Year ended March 31, 2023
Continuing Operations			
1.	Operating Income	118,142	105,293
2.	Other Income	14,300	14,957
3.	**Total Income (1+2)**	**132,442**	**120,250**
4.	Total Expenditure (Excluding finance cost, depreciation & tax expenses)	98,861	91,979
5.	**Operating Profit (EBITDA) (3-4)**	**33,581**	**28,271**
6.	Finance Charges, Depreciation & Amortisation	18,290	22,212
7.	**Profit before exceptional items and tax (5-6)**	**15,291**	**6,059**
8.	Exceptional items	9,365	4,829
9.	**Profit before tax (7+8)**	**24,656**	**10,888**
10.	Tax Expenses	4,711	1,264
11.	**Net Profit for the year (9-10)**	**19,945**	**9,624**
12.	Share in profits of associate companies		-
13.	**Profit for the year from continuing operations (11+12)**	**19,945**	**9,624**
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)**	**19,945**	**9,624**
	Other comprehensive income	(33)	(127)
	Total comprehensive income (15+16)	**19,912**	**9,497**

Directors' Report (Contd.)

STATE OF COMPANY'S AFFAIR, OPERATING RESULTS AND PROFITS

For the financial year 2023-24, the Company reported a consolidated revenue from operations of ₹ 6,893 Crores compared to ₹ 6,298 Crores reported for FY 2022-23. Revenue from Hospital business stood at ₹ 5,686 Crores compared to ₹ 5,107 Crores reported during the corresponding year. Hospital business revenues contributed 82% to the total consolidated revenue in FY 2023-24 as compared to 81% in FY 2022-23. Agilus Diagnostics Limited ("Agilus"), the diagnostic business of the Company, reported gross revenues of ₹ 1,372 Crores compared to ₹ 1,347 Crores in the previous financial year. Considering elimination of inter-company revenue (within the group), net revenue of Agilus was at ₹ 1,207 Crores compared to ₹ 1,190 Crores in FY 2022-23.

The growth in hospital business was led by 10.8% growth in ARPOB at ₹ 2.22 Crores compared to ₹ 2.01 Crores. The occupancy levels stood at 64.7% in FY 2023-24 as compared to 67.1% in FY 2022-23 owing to an increase in the operational beds by ~175. The Company's focus specialties comprising oncology, gastroenterology, neurosciences, renal sciences, orthopaedics and cardiac sciences grew 13% YoY and contributed 62% to the total hospital revenues as compared to 61% in FY 23. Revenue from International business recorded growth of 12.2% in FY 2023-24 to reach ₹ 479 Crores compared to ₹ 427 Crores in FY 2022-23.

The diagnostics business revenue reported revenues of ₹ 1,372 Crores in FY 2023-24 as compared to the ₹ 1,347 Crores reported during the corresponding year. The COVID revenue as a % of total revenue has declined from 4% in FY 2022-23 to only 0.3% in FY 2023-24. Non-COVID business grew from ₹ 1,284 Crores in FY 2022-23 to 1,366 Cr in FY 2023-24, a 6% growth.

The consolidated EBITDA of the Company stood at ₹ 1,306 Crores compared to ₹ 1,163 Crores for the previous corresponding year. EBITDA margin of the Company stood at 18.9% versus 18.5% in FY 2022-23. Hospital business EBITDA for FY 2023-24 was at ₹ 1,077 Crores compared to ₹ 900 Crores reported for FY 2022-23. The EBITDA margin of the hospital business stood at 18.9% versus 17.6% in FY 23.

The diagnostic business of the Company reported EBITDA of ₹ 229 Crores compared to ₹ 263 Crores reported in the previous corresponding year. The EBITDA margin of the diagnostic business stood at 16.7% versus 19.5% (basis gross revenue) for the year FY 2022-23. The decline in EBITDA was primarily due to one off expense related to rebranding of the business to Agilus Diagnostics Limited and provisioning related to the certain government business.

Profit after tax for FY 2023-24 stood at ₹ 645 Crores compared to the PAT of ₹ 633 Crores in FY 2022-23. PAT of ₹ 645 Crores includes exceptional gain of ₹ 16 Crores while PAT of ₹ 633 Crores in FY 2022-23 includes exceptional gain of ₹ 74 Crores which pertains to reversal of impairment in an associate Company.

The Company maintained a comfortable liquidity position with net debt of ₹ 264 Crores as on March 31, 2024 compared to ₹ 340 Crores as on March 31, 2023 (net debt to equity of 0.03x versus 0.04x to the FY 23). Net debt to EBITDA stood at 0.17x as on March 31, 2024 as compared to the 0.30x as on March 31, 2023 (basis Q4 annualized EBITDA). Gross debt of the Company stood at ₹ 859 Crores as on March 31, 2024, versus ₹ 703 Crores as of March 31, 2023.

Fortis continues to drive its core value of patient centricity in all aspects of healthcare service delivery. Your company strives to pursue the highest standards in patient care while aiming to achieve the best experience and outcome for each patient and their family. As one of the leading, accredited, private healthcare chains in India, the Company's systems-based approach demands continuous monitoring and evaluation of healthcare services, thereby enabling greater transparency and clinical success. Your company provides state-of-the-art healthcare facilities equipped with advanced treatment and healthcare technologies and a competent team comprising some of the finest clinical and paramedical talent available in the country. The 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.

The Company reinstated its focus on the strategic priorities that it had outlined for FY24. During the year 2022-23, your Company further strengthened its prime medical programs in key facilities across India with addition of several eminent clinicians in Cardiac Sciences, Oncology, Neuro-Sciences, Gastroenterology and Renal Sciences. Your Company augmented its medical infrastructure by commissioning LINAC, Cath Labs, Ortho Robots, Surgical Robots, Advanced Neuro Labs, Digital PET CT and Da Vinci Robotic Systems in some of its key facilities such as Anandpur, Noida, Faridabad, Shalimar Bagh, FMRI and others.

The hospital business has been the primary driver of the Company's performance, consistently demonstrating year-over-year improvements in margins. The Company continues to supplement its expansion plans inorganically with the acquisition of assets such as the 450 potential bed hospital in Manesar, NCR and adjunct land parcels to the existing facilities such as the one in Kolkata. The Manesar facility although has an FSI potential of a total ~450 beds but would witness the commissioning of ~350 beds currently to be operationalized in phases keeping in mind the demand and occupancy trends. Furthermore, as part of its portfolio rationalization strategy, your company has divested two of its lossmaking facilities in Chennai; the Arcot Road Vadapalani facility in July 2023 and the Fortis Malar facility in February 2024, for a cumulative total sale consideration of ~INR 280 Crores.

Additionally, your Company endeavors to commission ~2,000 beds over the next 4 years in existing facilities to leverage economies of scale – majority of bed additions are planned in Noida, BG Road, Anandpur, Mulund, Shalimar Bagh, FMRI, Manesar and Mohali.

The healthcare vertical of the Company primarily comprises day care specialty, diagnostics and tertiary and quaternary care. As of March 31, 2024, the Company had a network of 28 healthcare facilities in India with more than 4,500 operational beds including beds under the O&M model.

In addition, its Indian diagnostics business has a presence in over 1,000+ cities and towns, with an established strength of over 420+ laboratories, 43+ Accreditations (NABL/NABH/CAP) and a footprint spanning 3,900+ 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.

(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 strategically reviewed 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. Details about which 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 regarding 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 matters are mentioned below:

Post a successful bid, your Company had entered into share 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 Healthcare Berhad ('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 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 07, 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 ("Status Quo 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 Status Quo 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. Vide its order dated November 15, 2019, the Hon'ble Supreme Court had 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 Status Quo Order ("Contempt Petition").

Petitions before the Hon'ble Supreme Court including the suo moto contempt were disposed of vide judgement dated September 22, 2022 ("Judgement"). No finding of contempt has been made against either your Company, or its independent directors. Based on legal advice, the Company is of the clear view that the Status Quo Order dated December 14, 2018 no

Directors' Report (Contd.)

longer exists. Therefore, your Company is continuing to pursue actions which are in the best interest of its shareholders and itself. Our promoter is simultaneously seeking legal counsel for pursuing and securing the Open Offer.

In the Judgement, it has been stated by the Hon'ble Supreme Court that RHT Transaction appeared prima facie to be an acquisition of proprietary interest to sub-serve the business structure of the Company. It also passed certain directions inter alia, that the High Court of Delhi may consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between FHL and RHT and other related transactions. Your Company plans to strenuously object to any contemplation of a forensic given that in the Judgment, no wrongdoing by the Company had even been alluded to. The Company's stated position is that these transactions were done in compliance with applicable laws, post requisite corporate and regulatory approvals and necessary disclosures/ announcements. Currently, Your Company, is vehemently opposing the application filed by Decree Holder before the High Court of Delhi for appointment of forensic auditor.

OTHER RELEVANT MATTERS

Based on complaint filed by your Company with the Economic Offences Wing ("EOW") in November 2020 against the erstwhile promoters/ erstwhile promoters group company in respect of certain transactions, First Information Report (FIR) was registered on July 03, 2021, against them. EOW is investigating the matter. The said Complaint is also being investigated by the Enforcement Directorate and the Company is co-operating and providing requisitioned documents/ information to it. Further, pursuant to the order dated February 17, 2018 of MCA, SFIO has been investigating into the affairs of your Company/ its subsidiaries. The Company is co-operating in the said investigation.

Fortis Hospitals Limited had filed a civil suit for recovery of Rupees 52,019 Lakhs before Hon'ble Delhi High Court against the ex-promoters and certain entities which is sub-judice.

DIVIDEND AND TRANSFER TO RESERVES

The Board of Directors has recommended a final dividend ₹ 1 (One) per equity share at the rate of 10% of the face value of the shares of the Company for the year ended March 31, 2024, be paid subject to the approval of the shareholders, to those shareholders whose names appear in the register of members as on the record date in proportion to the paid up value of the equity shares.

Refer the Company's policy on Dividend Distribution available on the website of the Company at https://www.fortishealthcare.com/drupal-data/investors/Policy%2Bon%2BDividend%2BDistribution.pdf.

MATERIAL CHANGES

There are no material changes and commitments, affecting the financial position of your Company which have accurate in FY2023-24, except as disclosed in this Annual Report.

The following changes took place during the year under review:

- Your Company entered into a Share Purchase Agreement for acquiring 99.9% stake equivalent to 9990 equity shares in Artistery Properties Private Limited ("Artistery") and accordingly, Artistery became the subsidiary of the Company with effect from November 08, 2023; and
- Your Company has divested two of its loss making facilities in Chennai; the Arcot Road Vadapalani facility in July 2023 and the Fortis Malar facility in February 2024, for a cumulative total sale consideration of approx. ₹ 280 crores enabling the Company to enhance its focus on key strategic clusters and improving profitability.

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 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, 2023, 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 the Company entered into a Share Purchase Agreement for acquiring 99.9% stake equivalent to 9990 equity shares in Artistery Properties Private Limited ("Artistery") and accordingly, Artistery became the subsidiary of the Company with effect from November 08, 2023.

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://www.fortishealthcare.com/drupal-data/investors/Policy%2BOn%2BMaterial%2BSubsidiary.pdf

In terms of the said policy, as on April 01, 2024, Fortis Hospitals Limited (FHsL), International Hospital Limited (IHL), Fortis Hospotel Limited (FHTL) and Agilus Diagnostics Limited (ADL) 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, 2024.

LOANS/ADVANCES/INVESTMENTS/GUARANTEES

Particulars of Loans / Advances / Investments /guarantees given and outstanding during the FY 2023-24 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 utilisation of funds earlier 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 March 31, 2018. As mentioned in the note, the Group has been submitting information required by SFIO and is also cooperating in the regulatory investigations.

Directors' Report (Contd.)

As explained in the said note, the Group had recorded significant adjustments/ provisions in its books of account during the year ended March 31, 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 year ended March 31, 2021 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.

b) Note 30 of the consolidated financial statements relating to the order dated September 22, 2022 of the Hon'ble Supreme Court, whereby it has directed the Hon'ble High Court of Delhi inter alia that it may also consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between the Company and RHT Health Trust and other related transactions. The above-mentioned Note also states that the Hon'ble Supreme Court has observed that prima facie, it appears to be acquisition of proprietary interest of RHT Health Trust by the Holding Company are to subserve the business structure of the Holding Company.

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.

Further, the proposal with regards to re-appointment of statutory auditors forms part of the AGM Notice.

- **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 FY 2023-24 at a remuneration of ₹ 3.5 Lakhs (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 had appointed M/s. PI & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Company has complied with the provisions of Secretarial Standards. The Secretarial Audit Report is enclosed herewith as **"Annexure - II"**.

  Further, pursuant to the provisions of Regulation 24A, the secretarial audit reports of material subsidiaries are attached as **"Annexure- II(A)"**.

- **Internal Auditors**

  Mr Rajiv Puri, Head of Risk & Internal Audit of the Company has resigned w.e.f. August 31, 2023.

  Upon the recommendation of the Audit Committee, the Board of Directors has appointed Mr Sanjay Baweja as Chief Internal Audit & Risk Officer of your Company and authorised him to engage independent firm(s), if needed, for conducting the internal audit for the FY 2023-24 to enable him to extend adequate coverage of internal audit checks. For FY 2023-24, Internal Audit(s) were performed in accordance with the Internal Audit plan approved by the Audit Committee.

  In addition to the internal IA team conducting audit(s) covering key business processes as per approved plan, Deloitte Touche Tohmatsu India LLP and Protiviti India Member Private Limited were engaged as an external service providers to perform Internal Audit for specific processes

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During FY 2017-18 the Company, the Securities and Exchange Board of India (SEBI), initiated investigation w.r.t. siphoning of approx. ₹ 5 billion by its ex-promoters. Post investigation, SEBI had issued two Show Cause Notices i.e., dated November 12, 2020 (SCN 1) and April 09, 2021 (SCN 2), respectively.

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. The new promoter of the Company (i.e. NTK Venture Pte. Ltd.) assumed control of the Company pursuant to a preferential allotment, which was approved by both Competition Commission of India and SEBI, which approved the open offer that had got triggered pursuant to 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. SEBI passed an order dated 19.04.2022 w.r.t SCN -1 directing the Company & FHsL to pursue the measures taken to recover the amount of ₹ 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 had imposed a penalty of ₹ 50 lakh and ₹ 1 Crore on FHsL and the Company respectively.

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 show cause notice, with respect to EHIRCL, it was alleged that ₹ 567 Crores 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 was 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 09, 2021 EHIRCL had been clubbed along with the other noticees, and had 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 Crores 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 09, 2021, SEBI passed an order dated 18.5.2022 wherein it held that 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 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 imposed a penalty of ₹ 1 Crores on EHIRCL for violation of certain provisions of SEBI laws. The reasoning that was adopted for imposition of penalty on EHIRCL appears to be exactly on the same lines as the reasoning in the case of Company and FHsL.

SEBI vide order dated May 18, 2022, passed in the Show Cause Notice dated April 09, 2021, imposed a penalty of ₹ 1 (one)

Directors' Report (Contd.)

Crore on EHIRCL after finding that there has been violation of certain provisions of SEBI laws. While imposing the said penalty, SEBI 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.

Both the orders dated 19.4.2022 and 18.5.2022 passed by SEBI have been appealed against by the Company, FHsL and EHIRCL before Securities Appellate Tribunal, Mumbai ("SAT"). Pursuant thereto, SAT has stayed both the SEBI Orders dated 19.4.2022 and 18.5.2022 respectively subject to deposit of 50% of the penalty amount with SEBI, which has been deposited in compliance of SAT orders. Appeals are pending adjudication.

CAPITAL STRUCTURE/STOCK OPTION

During the year under review, there is no change in the capital structure of the Company and no further stock options were granted under Employee Stock Option Plan 2007 and Employee Stock Option Plan 2011.

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, 2024 is available at the website of the Company at https://www.fortishealthcare.com/investors/annual-reports/476.

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.

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, 2024 is available on the Company's website at https://www.fortishealthcare.com/drupal-data/2024-07/Annual%20Return%20MGT-7%202023-24.pdf

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 Crores)

Particulars	Amount
Foreign Exchange earned in terms of Actual Inflows	10.20
Foreign Exchange outgo in terms of Actual Outflows	21.46

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

CORPORATE SOCIAL RESPONSIBILITY - OUR JOURNEY THROUGH THE PAST YEAR

The CSR Policy (approved by the Board of Directors) approaches this area under the philosophy that the Company's efforts should strive towards building and sustaining healthier humanity and fostering the holistic well-being of communities. 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.

The policy has defined the roles and responsibilities associated with governance and administration of design and implementation of initiatives. It further clarifies the criteria for identifying eligible programmes, mechanisms for monitoring, evaluation and as well as 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. These programs are consistent with the themes outlined in the relevant Acts as well as the CSR policy of the organisation.

The policy as approved by the Board is available on the Company's web site at:

https://www.fortishealthcare.com/drupal-data/investors/Corporate%2BSocial%2BResponsibility%2BPolicy%2B2022.pdf

During the year, the Company engaged Sattva Media and Consulting Pvt. Ltd. ("Sattva Consulting") as an external agency/ advisor for undertaking CSR activities of the Company and its subsidiaries for the financial year 2023-2024. Further, Sattva Consulting is engaged in the business of, inter alia, providing consultancy services in the social impact sector and implementation of corporate social responsibility programmes/initiatives.

This year Company and its subsidiaries contributed their CSR Fund to Project Nikshay – TB eradication, Apprenticeship training and PM Cares fund as highlighted in the table shown below –

Qualifying Amount & Paid during the FY 2023-24

Particulars	Amount in ₹			TOTAL
	FHL	FHTL	IHL	
FY 2023-24 (Qualifying amount)	68,49,183	4,90,58,667	1,00,73,425	6,59,81,275
Total (A)	**68,49,183**	**4,90,58,667**	**1,00,73,425**	**6,59,81,275**
Paid to				
YUVA Unstoppable		1,75,00,000		1,75,00,000
Mamta Health Institute		50,00,000		50,00,000
Fortis CSR Foundation for Mamta Health Institute	50,00,000			50,00,000
Sattva Media and Consulting Pvt Ltd	3,42,000	14,78,000		18,20,000
Healthcare Federation of India		20,00,000		20,00,000
Lords Educatoin and Health Society		1,19,99,000		1,19,99,000
American India Foundation		50,00,000		50,00,000
Fortis Apprenticeship Program	9,01,858	42,96,173	90,00,682	1,41,98,713
PM Care/ PM Relief	6,05,325	17,85,494	10,72,743	34,63,562
Total (B)	**68,49,183**	**4,90,58,667**	**1,00,73,425**	**6,59,81,275**

Report 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 AND KEY MANAGERIAL PERSONNEL

The Board of Directors of your Company as on date of this report comprises Eleven (11) 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, Mr Dilip Kadambi and Mr Mehmet Ali Aydinlar 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, Mr Heng Joo Joe Sim and Mr Joerg Ayrle resigned from the directorships of the Company w.e.f. September 01, 2023 and October 02, 2023 respectively. The Board expressed its gratitude for the service provided by the aforementioned Directors and acknowledged that they took their Board duties with dedication, grace and seriousness. It may be noted that, pursuant to Shareholder Subscription Agreement ("SSA") with Northern TK Venture Pte. Ltd. ("NTK") dated July 13, 2018, NTK has a right to appoint 2/3rd of the Directors on the Board of the Company and accordingly, to fill the aforesaid vacancies, NTK nominated new candidates on the Board of the Company. The Board appointed, pursuant to the recommendation of the Nomination & Remuneration Committee Mr Lim Tsin Lin, Mr Ashok Pandit and Dr. Prem Kumar Nair as Additional Non- Executive Directors, of the Company w.e.f May 04, 2023, September 13, 2023 and November 10, 2023 respectively. Further, pursuant to Regulation 17(1C) of SEBI LODR, the Company obtained approval of shareholders for confirming the appointment of Mr Lim Tsin Lin as Non-Executive Directors of the Company vide a postal ballot on June 29, 2023. Mr Ashok Pandit was appointed as Non-Executive Director of the Company vide a postal ballot on December 01, 2023. Dr. Prem Kumar Nair was appointed as Non-Executive Director of the Company vide a postal ballot on January 01, 2024.

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under

Directors' Report (Contd.)

Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the FY 2023-24, Ten (10) 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 Satyendra Chauhan*	Company Secretary & Compliance Officer
Mr Murlee Manohar Jain**	Company Secretary

** Appointed with effect from March 01, 2024.*

***Resigned with effect from February 29, 2024.*

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 Nomination of Remuneration Committee ("NRC") and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, it's committees and individual directors is required to be made.

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

Sr. No.	Process	Remarks	Criteria for Evaluation (including Independent Directors)
1.	Kick Off Board Evaluation Program	The NRC Chairperson kick starts the process. The relevant questionnaires were circulated to the Board members.	-
2.	Evaluation forms	The feedback so received from the members on the process was collated by Chief Human Resource Officer (CHRO).	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 was 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, CHRO circulated a report to the Board members for further discussion and action planning. Based on the above, a final report on Board Evaluation 2023-24 was presented at a meeting of the Board of Directors held in May 2024.	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 FY 2023-24*

Name of the Director	Designation	Remuneration of Director (₹ in Crores)	Median Remuneration of Employees	Ratio
1. Dr. Ashutosh Raghuvanshi*	Managing Directors & CEO	9.07	0.0390	232.36:1
2. Mr Ravi Rajagopal#	Chairman (Independent Director)	1.03		26.41:1
3. Mr Heng Joo Joe Sim@	Non- Executive Director	0.06		1.53:1
4. Mr Dilip Kadambi	Non- Executive Director	0.10		2.56:1
5. Mr Indrajit Banerjee#	Independent Director	1.00		25.64:1
6. Ms Shailaja Chandra#	Independent Director	1.00		25.64:1
7. Ms Suvalaxmi Chakraborty#	Independent Director	0.89		22.82:1
8. Mr Mehmet Ali Aydinlar	Non-Executive Director	0.08		2.05:1
9. Mr Tomo Nagahiro	Non-Executive Director	0.10		2.56:1
10. Mr Lim Tsin Lin&	Non- Executive Director	-		-
11. Mr Ashok Pandit&	Non- Executive Director	0.09		2.30:1
12. Dr. Prem Kumar Nair&	Non- Executive Director	0.08		2.05:1
13. Mr Joerg Ayrle@	Non- Executive Director	0.07		1.79:1

* *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.*

Independent Directors are paid sitting fees & commission.

& *Mr Lim Tsin Lin, MrAshok Pandit and Dr. Prem Kumar Nair has been appointed with effect from May 04, 2023, September 13, 2023 and November 10, 2023 respectively.*

@ *Mr Heng Joo Joe Sim and Mr Joerg Ayrle resigned w.e.f. September 01, 2023 and October 02, 2023 respectively.*

(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	5.66%
Mr Vivek Kumar Goyal	Chief Financial Officer	6.53%
Mr Murlee Manohar Jain*	Company Secretary	6.44%

**Resigned w.e.f February 29, 2024*

(c) The percentage increase in the median remuneration of employees in the financial year **11.57%**

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 2593 as on March 31, 2024.

Directors' Report (Contd.)

(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 FY 23
(A) Average percentile increases already made in the salaries of employees other than the managerial personnel	11.44%
(B) Percentile increase in the managerial remuneration	6.21%
Comparison of (A) and (B)	+5.23%
Justification	11.44% is the Company average salary increment excluding KMPs. The percentage increment varies by Job grades wherein lower grades get higher increments as compared to senior grades. Additionally market correction is also considered in this overall increment itself.
Any exceptional circumstances for increase in the managerial remuneration	-

*** Salary increases % (percentage) considered in comparison between salary as on 31/3/2022 and 31/3/2023 of the active employees as on 31/3/2023*

(f) During the financial year 2023-24, the following payments are made to the KMPs, which include Annual variable payments, Retention Bonus and Joining Bonus

Dr. Ashutosh Raghuvanshi	3,38,38,860.00
Mr Vivek Kumar Goyal	2,16,91,787.00
Mr Murlee Manohar Jain*	31,08,793.00
Mr Satyendra Chauhan**	10,00,000.00

** Resigned with effect from February 29, 2024.*

*** Appointed with effect from March 01, 2024.*

(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 familiarised 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/drupal-data/investors/Board%2Bof%2BDirectors%2BGovernance%2BStandards.pdf

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://www.fortishealthcare.com/drupal-data/investors/Policy%2Bon%2BRelated%2BParty%2BTransactions.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 formalised 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 organisation-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 minimise adverse impact on achievement of business objectives and enhance your Company's competitive advantage. Your company has also defined quantitative key risk indicators (KRIs) to monitor the effectiveness of actions take to mitigate the identified risks. 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 2023-24, your Company has received 4 complaints on sexual harassment and all 4 complaints have been resolved with appropriate action taken and no complaint was pending as on March 31, 2024. The same may also be read in terms of Companies (Accounts) Rules, 2014.

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, 2024;

(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

Directors' Report (Contd.)

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;

(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 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 take this opportunity to extend a special thanks to the medical fraternity and patients for their continued cooperation, patronage and trust in the Company.

Your Directors are glad to place on record that your Company has posted a strong financial performance during the year and greatly appreciate the commitment and dedication of all the employees, that has contributed to the growth and success of the Company. Your Directors also thank all the strategic partners, business associates, Banks, financial institutions for their assistance, co-operation and encouragement to the Company during the year.

Last but not the least your Directors thank the Shareholders of the Company for their continued faith in the Company.

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

Sd/-	Sd/-
Ashutosh Raghuvanshi	**Ravi Rajagopal**
Managing Director & CEO	Chairman (Independent Director)
DIN: 02775637	DIN: 00067073

Date: May 23, 2024
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 Lakhs)

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	March 31, 2024	₹	256.29	66,131.07	90,511.47	24,124.11	68,454.10	43,542.51	5,371.86	651.32	4,720.54	-	100.00%
2	Fortis Healthstaff Limited	March 31, 2024	₹	510.00	(2,080.72)	17.27	1,587.99	-	-	(120.08)	-	(120.08)	-	100.00%
3	Fortis Asia Healthcare Pte. Ltd	March 31, 2024	US$	16,219.40	(117,177.61)	10,559.93	111,518.15	8,576.22	24.12	(172.58)	-	(172.58)	-	100.00%
4	Fortis Healthcare International Pte. Limited	March 31, 2024	SGD	-	(101.88)	(129.64)	(27.77)	(129.64)	9.10	(63.85)	-	(63.85)	-	100.00%
5	Mena Healthcare Investment Company Limited	March 31, 2024	AED	19.82	(1,096.02)	41.66	1,117.87	41.66	-		-	-	-	82.54%
6	Medical Management Company Limited	March 31, 2024	AED	32.55	907.48	1,084.70	144.67	-	-	-	-	-	-	82.54%
7	Agilus Pathlab FZ-LLC	March 31, 2024	AED	282.00	(1,713.37)	1,796.43	3,227.80	-	1,830.00	(188.31)	-	(188.31)	-	57.11%
8	Hiranandani Healthcare Private Ltd	March 31, 2024	₹	561.33	6,490.92	9,449.87	2,397.62	-	12,016.32	473.61	367.40	106.21	-	100.00%
9	Adayu Mindfulness Limited	March 31, 2024	₹	7.00	(145.45)	46.22	184.66	-	0.14	(37.77)	-	(37.77)	-	100.00%
10	Fortis CSR Foundation	March 31, 2024	₹	5.00	28.67	87.40	53.73	-	103.75	2.79	-	2.79	-	100.00%
11	Agilus Diagnostics Limited	March 31, 2024	₹	7,842.55	131,115.45	166,941.37	27,983.36	78,670.61	90,165.31	4,655.36	737.72	3,917.65	-	57.11%
12	Agilus Pathlab Private Limited	March 31, 2024	₹	395.82	18,526.93	39,250.03	20,327.28	950.88	27,550.93	2,909.65	537.26	2,372.39	-	57.11%
13	Agilus Pathlab Reach Limited	March 31, 2024	₹	800.00	(605.31)	1,077.40	882.72	-	1,054.30	180.72	17.36	163.36	-	57.11%

ANNEXURE- I TO DIRECTOR'S REPORT- FORM AOC-1 (Contd.)

(₹ in Lakhs)

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 *
14	Fortis Healthcare International Limited	March 31, 2024	US$	227.30	1,708.01	2,700.12	764.81	2,489.84	57.32	(17.48)	-	(17.48)	-	100.00%
15	Fortis Global Healthcare (Mauritius) Limited	March 31, 2024	US$	373.53	(43,579.73)	61.31	43,267.50	-	86.90	(1,532.30)	-	(1,532.30)	-	100.00%
16	Fortis Hospitals Limited	March 31, 2024	₹	7,998.76	(51,018.75)	315,699.53	358,719.52	33,296.89	367,663.00	15,649.63	-	15,649.63	-	100.00%
17	Fortis Cancer Care Limited	March 31, 2024	₹	15.00	(4,717.98)	2.74	4,705.72	-	0.24	(386.44)	-	(386.44)	-	100.00%
18	Fortis Malar Hospitals Limited	March 31, 2024	₹	1,875.70	9,044.95	11,538.68	618.03	5.00	926.70	6,070.44	466.90	5,603.54	-	62.71%
19	Malar Star Medicare Limited	March 31, 2024	₹	5.00	26.35	233.96	202.62	-	14.18	6.40	1.56	s4.85	-	62.71%
20	Fortis Health Management (East) Limited	March 31, 2024	₹	7.00	(1,516.82)	17.42	1,527.24	-	0.98	(120.33)	-	(120.33)	-	100.00%
21	Birdie and Birdie Realtors Private Limited	March 31, 2024	₹	71.00	(14,475.38)	6.55	14,410.93	-	0.11	(221.87)	-	(221.87)	-	100.00%
22	Stellant Capital Advisory Services Private Limited	March 31, 2024	₹	1,750.00	1,608.69	3,600.97	242.28	91.07	309.44	(447.24)	-	(447.24)	-	100.00%
23	Fortis Hospotel Limited	March 31, 2024	₹	56,117.02	215,724.54	288,658.20	16,816.64	95,340.90	45,928.80	31,017.86	7,973.67	23,044.19	-	100.00%
24	RHT Health Trust Manager Pte Ltd	March 31, 2024	SGD	609.45	8,946.78	9,975.69	419.46	9,713.57	68.15	(425.33)	-	(425.33)	-	100.00%
25	Fortis Emergency Services Limited	March 31, 2024	₹	5.00	(9,095.69)	916.70	10,007.39	-	65.05	(631.39)	-	(631.39)	-	100.00%
26	DDRC Agilus Pathlab Limited	March 31, 2024	₹	50.00	17,851.28	27,250.02	9,348.74	-	27,948.47	6,183.09	1,610.62	4,572.46	-	57.11%
27	Escorts Heart and Super Speciality Hospital Limited	March 31, 2024	₹	3,392.52	16,023.73	71,124.62	51,708.37	17,775.00	17,504.79	3,727.23	954.10	2,773.13	-	100.00%

ANNEXURE- I TO DIRECTOR'S REPORT- FORM AOC-1 (Contd.)

(₹ in Lakhs)

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 *
28	International Hospital Limited	March 31, 2024	₹	33,963.13	95,491.56	313,954.87	184,500.18	98,447.71	52,312.44	17,682.29	4,559.01	13,123.28	-	100.00%
29	Hospitalia Eastern Private Limited	March 31, 2024	₹	5.10	(18,874.37)	16,704.05	35,573.32	-	357.76	(2,959.47)	-	(2,959.47)	-	100.00%
30	Fortis Health Management Limited	March 31, 2024	₹	250.00	(81,159.81)	60,962.83	141,872.64	52,050.01	8,494.77	(7,547.14)	-	(7,547.14)	-	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 Lakhs)

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	March 31, 2024	2,257.48	2,665.19	27.82%	Associate	Not Applicable	2,665.19	(1.77)	-
2.	Lanka Hospitals Corporation PLC	December 31, 2023	641.21	20,049.59	28.60%	Associate	Not Applicable	20,049.59	963.98	-
3.	Fortis Cauvery	March 31, 2024	NA, a partnership firm		51.00%	Joint Venture	Not Applicable	27.44	-	-
4.	Agilus Diagnostics (Nepal) Private Limited	March 31, 2024	2.40	250.32	50.00%	Joint Venture	Not Applicable	250.32	(11.17)	-

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

Company Note (not part of signed financial statements): @ SRL Diagnostics (Nepal) Private Limited is in the process of changing its name to Agilus Diagnostics (Nepal) Private Limited.

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

Place : Gurugram
Date : May 23, 2024

SATYENDRA CHAUHAN
Company Secretary
Membership No.A14783

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, 2024, which are not at arms' length basis.

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

There were no 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, 2024, which are on arm's length basis.

(₹ in Lakhs)

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-Nil	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-Nil	Approved by Board of Directors on August 4, 2016	NA

* During the year company has withdrawn all the outstanding corporate guarantees.

ANNEXURE- II TO DIRECTOR'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Fortis Healthcare Limited
Tower A, Unitech Business Park, Block – F,
South City - 1, Sector-41, Gurgaon, Haryana-122001

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" or "FHL")**. The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon for the year ended on March 31, 2024 **("Audit Period")**.

LIMITATION OF THE AUDITORS

(i) 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 authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder; and

(ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

AUDITORS RESPONSIBILITY

(i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit (**"Guidance Note"**) and Auditing Standards issued by the Institute of Company Secretaries of India (**"ICSI"**). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

(ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

(iii) Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanism exist in the Company to assess any material weakness and testing and evaluating the design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgement, including assessment of the risk of material non-compliance whether due to error or fraud.

(iv) 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 Board processes and compliance mechanism.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Audit Period, 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 Byelaws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

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

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

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(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 Non-Convertible Securities) Regulations, 2021; **(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 **(Not applicable);**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable during the Audit Period)**

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable during the Audit Period)** and

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **'SEBI(LODR) or Listing Regulations'**).

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (including Labour Laws, Tax Laws, etc.) and specific laws. As informed to us following are the specific laws applicable to the Company:

a. The Clinical Establishment (Registration and Regulation) Act, 2010 and Rules made thereunder;

b. The Drugs Control Act, 1950 and Rules made thereunder; and

c. The Transplantation of Human Organs Act, 1994 and bye laws made thereunder.

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

(i) Secretarial Standards (SS) issued by the ICSI wherein the Company is generally complying with the standards and

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and Listing Regulations.

During the Audit Period, the Company complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.as mentioned hereinabove.

We further report that:

(i) The Board of Directors of the Company was duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Independent Directors during the Audit Period. 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 and the changes that took place in the composition during the Audit Period are as herein mentioned:

   a. That Mr Lim Tsin Lin was appointed as an Additional Non-Executive Non-Independent Director with effect from May 04, 2023 who was subsequently regularised vide Postal Ballot dated June 29, 2023.

   b. That Mr Heng Joo Joe resigned from the post of Non-Executive Non-Independent Director with effect from September 01, 2023.

   c. That Mr Ashok Pandit was appointed as an Additional Non-Executive Non-Independent Director with effect from September 13, 2023 who was subsequently regularised vide Postal Ballot dated December 06, 2023.

   d. That Mr Joerg Ayrle resigned from the post of Non-Executive Non-Independent Director with effect from October 02, 2023.

   e. That Mr Prem Kumar Nair was appointed as an Additional Non-Executive Non-Independent Director with effect from November 10, 2023 who was subsequently regularised vide Postal Ballot dated January 03, 2024.

(ii) Further, the composition of all statutory committees was also in compliance with the Act and applicable Rules and Regulations.

(iii) Adequate notice was given to all directors to schedule the Board Meetings, Statutory Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except few Board Meetings and Committee Meetings which were held at shorter notice 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.

(iv) Majority decisions were carried through and there were no instances where any director expressed any dissenting views.

ANNEXURE- II TO DIRECTOR'S REPORT (Contd.)

We further report that in our opinion, the Company has, in all material respects, adequate systems and processes 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 following events occurred in the Company having major bearing on the Company's affairs.

i. The Company had acquired a multi-speciality hospital situated in Sector-5, IMT- Manesar, Tehsil & District, Gurgaon, Haryana ("Medeor Hospital Manesar") along with all the structures and buildings as well as the movable assets present at Medeor Hospital Manesar.

ii. The Company had entered into a Business Transfer Agreement ('BTA') with Sri Kauvery Medical Care (India) Limited on June 22, 2023, for the sale of business operations of the Fortis hospital located at Arcot Road, Vadapalani, Chennai.

iii. The Board of the Company at its meeting held on September 25, 2023, accorded its consent to enter into a Share Purchase Agreement for acquiring 99.9% stake equivalent to 9,990 equity shares in Artistery Properties Private Limited ("Artistery") for consideration of ₹ 32 Crores and also approved payment of charges amounting to ₹ 10.80 Crores levied by authority for change of purpose of land owned by the Artistery. Further, the Board vide resolution by circulation dated November 02, 2023 approved the payment of additional amount of ₹ 4.9 Crores. Subsequently, the Board in its meeting held on November 10, 2023 ratified such additional sum of ₹ 15.70 Crores over and above the consideration of ₹ 32 Crores as unsecured inter-corporate Loan to Artistery and further increased such loan by ₹ 1 Crores.

iv. During the Review Period, Agilus Diagnostics Limited, a material subsidiary of the Company filed a Draft Red Herring Prospectus with the Securities and Exchange Board of India for the proposed Initial Public Offer. However, subsequently, the same was withdrawn by the subsidiary.

v. That the Composite Scheme of Arrangement is entered between International Hospital Limited, Fortis Hospitals Limited and Fortis Hospotel Limited (collectively referred as wholly-owned subsidiaries) and their respective shareholders and creditors. The Scheme is pending for disposal by the National Company Law Tribunal.

vi. Following subsidiaries of the Company have entered into definitive agreements on November 24, 2023, with MGM Healthcare Private Limited (MGM) for an aggregate consideration of approximately ₹ 1,28,00,25,000/- as mentioned below:

(a) Fortis Malar Hospitals Limited (FMHL)had entered into a business transfer agreement with MGM for the sale and divestment of entire business operations of Malar Hospital, as a going concern on a slump sale basis, for a consideration of approximately ₹ 45,50,00,000/- and the said transaction was consummated on February 01, 2024.

(b) FHML (Fortis Health Management Limited) had entered into a business transfer agreement with MGM for the sale and divestment of OPD and radiology business operations related to the FMHL (including land and building on which the Malar Hospital is situated), as a going concern on a slump sale basis, for a consideration of approximately ₹ 47,59,42,841/- and the said transaction was consummated on February 01, 2024;

(c) FHML has entered into an agreement to sell with MGM for the sale and divestment of land and building adjacent to FMHL, as owned by FHML, for consideration of approximately ₹ 11,38,10,909/-. The said transaction was consummated on February 01, 2024; and

(d) HEPL (Hospitalia Eastern Private Limited) had entered into an agreement to sell with MGM for the sale and divestment of vacant land adjacent to FMHL, as owned by HEPL, for a consideration of approximately ₹ 23,52,71,250. This transaction was consummated on February 21, 2024.

For **PI & Associates,**
Company Secretaries

Nitesh Latwal
Partner
ACS No.: 32109
CP No.: 16276
Peer Review No.: 1498/2021
UDIN: A032109F000410025

Date: May 23, 2024
Place: New Delhi

Disclaimer

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.

ANNEXURE-A

To,

The Members

Fortis Healthcare Limited

Our Secretarial Audit Report of even date is to be read along with this letter:

(i) 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.

(ii) 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 a sampling basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

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

(iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

(v) The compliance of the provisions of corporate and other sector specific laws as applicable on the Company, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on sampling basis.

(vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **PI & Associates,**
Company Secretaries

Nitesh Latwal
Partner
ACS No.: 32109
CP No.: 16276
Peer Review No.: 1498/2021
UDIN: A032109F000410025

Date: May 23, 2024
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

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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering April 01, 2023 to March 31, 2024 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, 2023 to March 31, 2024 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;

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

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

(i) 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 except in cases where meetings were convened at a shorter notice 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:

(i) Approved the composite scheme of arrangement between the Company, Fortis Hospitals Limited and Fortis Hospotel Limited.

(ii) Appointed Mr. Rajesh Kumar as Company Secretary and Key Managerial Personnel of the Company in place of Ms. Trapti Singh.

For **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991F000398867

Place: Delhi
Date: May 18, 2024

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: F005991F000398867

Place: Delhi
Date: May 18, 2024

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 March 31, 2024

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 March 31, 2024 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 March 31, 2024 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) Approved the Composite Scheme of Arrangement between the Company, International Hospital Limited and Fortis Hospotel Limited;

(ii) Approved the extension of maturity date of Inter-Corporate Loan and revised the rate of interest after due compliances, as applicable.

(iii) Approved the release of Corporate Guarantee given by Fortis Healthcare Limited (the Holding Company) to Fortis Hospotel Limited on behalf of Fortis Hospitals Limited (FHsL)

For **Mukesh Agarwal & Company**
Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991F000405027

Place: Delhi
Date: May 20, 2024

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: F005991F000405027

Place: Delhi
Date: May 20, 2024

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

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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering April 01, 2023 to March 31, 2024 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, 2023 to March 31, 2024 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;

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

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

(i) 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:

(i) Approved the composite scheme of arrangement between the Company, Fortis Hospitals Limited and International Hospital Limited.

(ii) Mr Abhishek Jain has resigned from the position of Company Secretary and Key Managerial Personnel of the Company effective from November 23, 2023 (close of business hour).

(iii) Approved release of Corporate Guarantee given by Fortis Healthcare Limited (the Holding Company) to the Company on behalf of Fortis Hospitals Limited (FHsL).

For **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991F000404972

Place: Delhi
Date: May 20, 2024

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: F005991F000404972

Place: Delhi
Date: May 20, 2024

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

To,
The Members,
AGILUS DIAGNOSTICS LIMITED
(FOMERLY KNOWN AS 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 **AGILUS DIAGNOSTICS 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, 2023 to March 31, 2024 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 **AGILUS DIAGNOSTICS LIMITED** for the period covering April 01, 2023 to March 31, 2024 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;

(iii) 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:

(i) 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:

(i) Declared dividend of Rs. 2.98 per Equity shares.

(ii) Approval for initiating the process of Initial Public Offering ("IPO")

(iii) Appointed Ms. Trapti Singh as Company Secretary and Key Managerial Personnel of the Company in place of Mr. Murlee Manohar Jain.

(iv) Appointed Mr. Ashok Pandit as Additional Director of the Company.

(v) Withdraw the Draft Red Herring Prospectus ("DRHP") dated September 29, 2023 filed with Securities and Exchange Board of India ("SEBI")

For **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991F000411101

Place: Delhi
Date: 21.05.2024

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,
AGILUS DIAGNOSTICS 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: F005991F000411101

Place: Delhi
Date: 21.05.2024

ANNEXURE- III TO DIRECTOR'S REPORT

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

ESG: A Core Value at Fortis Healthcare

At Fortis Healthcare, ESG goes beyond being a trend; it's getting deeply embedded within our growth strategy. We recognise that the healthcare sector has a significant environmental footprint, and we believe that adopting sustainable practices is not only essential for the environment but also contributes to long-term business success and the well-being of the larger society we serve.

Fortis Healthcare has undertaken a comprehensive approach to ESG, focusing on optimizing energy consumption, water usage, responsible bio-medical waste management, achieving employee welfare through human-first policies and robust corporate governance. This multifaceted approach ensures a holistic sustainability strategy, championing Environmental, Social & Governance parameters.

FY 2023-24 was a testament to the efforts aFortis Healthcare has been putting in towards achieving environmental sustainability. We have implemented a program focused on continuous monitoring, benchmarking, and improvement of per-occupied bed energy & water consumption for each of our unit. We have empowered a dedicated team of ESG champions within each unit and leverage monthly connect forums to share best practices in various ESG initiatives.

Our approach towards achieving energy & water efficiency can be summarised as below:

- **Per Occupied Bed Energy & Water Monitoring:** We meticulously monitor energy consumption per occupied bed across all Fortis healthcare facilities on a monthly basis. This granular data allows us to identify the most and least energy-efficient units and sharing of best practices across the organisation.
- **Benchmarking and Initiative Identification:** Based on the monitoring data, we conduct in-depth benchmarking across all units. This process has resulted in the identification of 19 distinct initiatives designed to optimise energy consumption.
- **Unit-Specific Improvement Opportunities:** Each unit is then benchmarked against the 19 identified initiatives. This analysis allows us to pinpoint specific areas for improvement within each facility, ensuring a targeted and effective approach.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: Not Applicable

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

Financial and Environmental Benefits: Measurable results have translated to a reduction in per occupied bed energy by 3.4% & reduction in per occupied bed water by 8.4% on a consolidated level. Beyond financial benefits – the energy and water thus saved have added back to the environmental bounty that the Indian society enjoys at large.

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 all Fortis Units:

- Variable Frequency Drives (VFDs) have been used in Chillers, Cooling towers, HVAC Pumps, Hydropneumatics Pumps, Critical AHUs.
- Timers for corridors lighting system, street lighting, AHU, etc
- Motion sensors in OPD rooms, remote areas, service floor and AHU rooms.
- Dimmable lights in staircases, AHU rooms, non-moving areas.
- Replacement of old cast iron cooling tower fan blades with epoxy material fan blades

- IoT base automation to AHU system to reduce and to control system from any location
- Condenser tube cleaning system for chillers to use the STP recycled water to save the water consumption
- RO reject water usage for kitchen dish cleaning, floor cleaning and usage in flushing system
- STP treated water usage in flushing system to avoid the water consumption
- Installation of water aerators to wash basin tab to save water
- Installation of heat pump system to avoid electrical consumption and to avoid manpower utilisation and automation
- Centralise UPS distribution to save consumption and space allocation. Improvement in power factor, to avoid unnecessary charges from electrical boards
- Installation of PRV system in water lines to reduce water usage & to maintain water line pressures. Installation of VFD base AIR compressor to save electrical consumption
- Rain water harvesting pits have been provided to conserve rain water and improve water table

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

- As mentioned in point A.a.c

C. Measure taken for energy conservation in new projects.

- Use of energy-efficient lighting systems and medical equipment a use of tech-enhanced renewable energy systems. More daylight exposure and natural ventilation into the environment.
- Improving the air quality is an essential component of designing the hospital. Efficient ways of reducing the air content of toxins and contaminants across all corners of the building are being explored.
- The addition of VFDs to motors is one of the most commonly used methods to achieve energy efficiency in the power distribution system.
- Use of a low-flow plumbing system in a bid to save significant amount of water, rainwater from the roof and use it to irrigate the landscaping. In addition, the collected rainwater will also be used to operate cooling towers which the hospital uses for their air conditioning system. By using back wash water of WTP and RO plant for flushing will reduce the pumping cost.
- Some of these design features include use of high-efficiency windows, super insulated roofs, use of sensors which automatically turn the lights off or on in a room depending on whether it is occupied. In addition to these, the patient rooms have been redesigned to allow more exposure to natural light and ventilation.
- Use of renewable energy – solar etc to reduce the energy consumption. Monitoring, controlling & efficient operation of heavy equipment's by technological means like Building Management System (BMS) to save the energy.
- Use of locally extracted material to save on the energy used for transporting the materials.

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	**Ravi Rajagopal**
Date: May 23, 2024	Managing Director & CEO	Chairman- Independent Director
Place: Gurugram	DIN: 02775637	DIN: 00067073

ANNEXURE – IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The CSR Policy (approved by the Board of Directors) approaches this area under the philosophy that the Company's efforts should strive towards building and sustaining healthier humanity and fostering the holistic well-being of communities. 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.

The policy has defined the roles and responsibilities associated with governance and administration of design and implementation of initiatives. It further clarifies the criteria for identifying eligible programmes, mechanisms for monitoring, evaluation and as well as 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. These programs are consistent with the themes outlined in the relevant Acts as well as the CSR policy of the organisation.

The policy as approved by the Board is available on the Company's web site at

https://www.fortishealthcare.com/drupal-data/investors/Corporate%2BSocial%2BResponsibility%2BPolicy%2B2022.pdf

Aligned to the CSR policy, in the fiscal year 2023-24, our Company undertook the following projects detailed below.

DETAILS OF THE PROJECTS/INITIATIVES:

During the year, the Company undertook the following projects/ initiatives:

(i) Project Nikshay

The Nikshay project is an initiative aligned to the Ministry of Health and Family Welfare's (MoHFW) National Strategic Plan to achieve End TB targets by 2025. The goal was to supplement the Government of India's Pradhan Mantri TB Mukt Abhiyan (PMTBMBA) by addressing the nutritional requirements of tuberculosis (TB) patients. Implemented in partnership with a Non Profit Organisation i.e. MAMTA - Health Institute for Mother and Child (Mamta-HIMC), the project, which was operational in 7 districts across Maharashtra, Punjab, and Haryana, provided vital support to 9739 TB patients through the distribution of 26,076 nutrition kits.

By adhering to the prescribed guidelines set by the Government and offering a healthy, protein-rich diet tailored to the specific needs of TB patients, the project aimed to expedite the recovery process and contribute to the overall nutritional well-being of the patients.

(ii) Apprenticeship Training

The Apprenticeship Program aimed to empower youth by providing training and hands-on experience in healthcare, hence improving their employability skills, livelihood opportunities in the healthcare ecosystem. In FY 2023-24, the program ran across 2 Fortis Healthcare Limited Units in Delhi and Punjab, training over 200 individuals.

Through this program, Fortis Healthcare Limited supported the skill training of youth under the National Apprenticeship scheme, affirming its commitment to contribute to the professional development of aspiring individuals, fostering a skilled workforce, and creating avenues for sustained livelihood opportunities in the healthcare industry.

(iii) PM Cares Fund

Fortis Healthcare Limited, through its various initiatives, is committed to support and supplement Government efforts aimed towards societal well-being. Aligned with this vision, Fortis Healthcare Limited made a contribution towards the PM Cares fund set up in March 2020 by the Government of India to provide relief to the affected communities in times of emergency or distress. This contribution reflects the Company's commitment to the goal of nation building.

Annexure – IV (Contd.)

Brief details of CSR amounts spend on the said projects/initiatives are mentioned hereunder:

Sr. No.	CSR Project or activity identified	Sector in which the Project/initiatives is covered (schedule VII of the Companies Act, 2013)	Projects or programs local Area or other specify the state and districts where projects were undertaken	Amount outlay (budget) project or programs	Amount spent: Direct or through implementing agency
(i)	Project Nikshay	i	Punjab, Haryana, Maharashtra	50,00,000	Implementing Agency
(ii)	Apprenticeship Training	ii	Delhi, Punjab	9,01,858	Direct
(iii)	PM Cares Fund	viii	PAN India	6,05,325*	Direct

*The contribution was refunded due to technical issue and was paid again by the Company.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year (FY 2023-24)	Number of meetings of CSR Committee attended during the year (FY 2023-24)
1.	Mr Indrajit Banerjee	Member (Independent Director)	2	2
2.	Mr Ravi Rajagopal	Member (Independent Director)	2	2
3.	Dr. Ashutosh Raghuvanshi	Member (Managing Director)	2	2

3. PROVIDE THE WEB-LINK(S) 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/drupal-data/2024-01/Composition%20of%20Committees%20as%20on%20Nov%2010%2C%202023.pdf

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE: Not applicable

5.

a. Average net profit of the Company as per sub-section (5) of section 135. ₹ 34,24,59,128/-

b. Two percent of average net profit of the Company as per sub-section (5) of section 135. ₹ 68,49,183/-

c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. NIL

d. Amount required to be set-off for the financial year, if any. NIL

e. Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ 68,49,183/-

6.

a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). ₹ 65,07,183/-

b. Amount spent in Administrative Overheads. ₹ 3,42,000/-

c. Amount spent on Impact Assessment, if applicable. Not Applicable

d. Total amount spent for the Financial Year [(a)+(b)+(c)]. ₹ 68,49,183/-

Annexure – IV (Contd.)

e. 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 sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
68,49,183/-	-	-	-	-	-

f. Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
i	Two percent of average net profit of the Company as per sub-section (5) of section 135	68,49,183/-
ii	Total amount spent for the Financial Year	68,49,183/-
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

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS: Not Applicable

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1							
2	FY-2							
3	FY-3							

Annexure – IV (Contd.)

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

☐ Yes ☑ No

If Yes, enter the number of Capital assets created / acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property of asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB- SECTION (5) OF SECTION 135: Not Applicable

Sd/-

Ashutosh Raghuvanshi

Chief Executive Officer or Managing Director or Director and Chairman of CSR Committee.

DIN: 02775637

Date: May 23, 2024

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 amongst 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 and with a view to meticulously attain the highest standards of governance.

2. COMPANY'S PHILOSOPHY 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 emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

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 organisation, 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, 2024, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations' in this report) and the Companies Act, 2013. Other details relating to the Directors as on March 31, 2024 are as follows:

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#	Name of the Indian Listed Entity in which holding other directorship$
Mr Ravi Rajagopal	Non-Executive Chairman and Independent Director	5	3	0	Fortis Malar Hospitals Limited (ID)
Dr. Ashutosh Raghuvanshi	Managing Director and CEO	3	2	1	-
Mr Dilip Kadambi	Non-Executive Director	2	0	0	-
Mr Indrajit Banerjee	Independent Director	2	3	2	Endurance Technologies Limited (ID)
Ms Shailaja Chandra	Independent Director	3	4	1	Fortis Malar Hospitals Limited & Birla Corporation Limited (ID)
Ms Suvalaxmi Chakraborty	Independent Director	4	2	1	-
Mr Tomo Nagahiro	Non-Executive Director	0	0	0	-
Mr Mehmet Ali Aydinlar	Non-Executive Director	0	0	0	-
[1]Mr Lim Tsin Lin	Non- ExecutiveDirector	0	0	0	-
[2]Mr Ashok Pandit	Non-Executive Director	1	2	0	
[3]Dr. Prem Kumar Nair	Non-Executive Director	0	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 *Appointed as a Director w.e.f. May 04, 2023*

2 *Appointed as a Director w.e.f. September 13, 2023*

2 *Appointed as a Director w.e.f. November 10, 2023*

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 7 (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	Mr Dilip Kadambi	Mr Indrajit Banerjee	Mr Lim Tsin Lin	Mr Mehmet Ali Aydinlar	Ms Shailaja Chandra	Ms Suvalaxmi Chakraborty	Mr Tomo Nagahiro	Mr Ashok Pandit	Dr. Prem Kumar Nair
People of proven business capability, people of integrity and reputation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience in handling senior level responsibility (especially in large complex organisations) either business or otherwise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ensure members are from diverse background that bring different perspective and experiences	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Report on Corporate Governance (Contd.)

Core skills / Expertise	Mr Ravi Rajagopal	Dr. Ashutosh Raghuvanshi	Mr Dilip Kadambi	Mr Indrajit Banerjee	Mr Lim Tsin Lin	Mr Mehmet Ali Aydinlar	Ms Shailaja Chandra	Ms Suvalaxmi Chakraborty	Mr Tomo Nagahiro	Mr Ashok Pandit	Dr. Prem Kumar Nair
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	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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.

Mr Dilip Kadambi and Mr Mehmet Ali Aydinlar are liable to retire by rotation at the forthcoming Annual General Meeting of the Company.

Profiles of the Directors seeking 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.

Change in the Board of Directors

During FY 2023-24, the Board of Directors had on the recommendation of the Nomination and Remuneration Committee approved the appointment of Mr Lim Tsin Lin, Mr Ashok Pandit and Dr. Prem Kumar Nair as an Additional Director on the Board of the Company with effect from May 04, 2023, September 13, 2023, and November 10, 2023 respectively. Further, their appointment have also been regularised by the shareholders by way of ordinary resolution through postal ballot on June 29, 2023, December 06, 2023 and January 01, 2024 respectively.

Mr Heng Joo Joe Sim resigned from the position of Non-Executive Director & Non-Independent Director of the Company with effect from September 01, 2023. Further, Northern TK Ventures Pte Limited ("NTK") withdrew the nomination of Mr Joerg Ayrle vide letter dated October 06, 2023 according to which Mr Joerg Ayrle ceased to be the Non-Executive Director & Non-Independent Director of the Company with effect from October 02, 2023.

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

Board Functioning and Procedure

The Board 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.

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.

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 and majority of Directors present.

Familiarisation Programs for Independent Directors

Independent Directors inducted on the Board are given a formal introduction about the Company and its operations. This is enabled through a meeting with the Managing Director and members of senior management team. The objective is to provide them an insight about the industry in which the Company operates and comprehensive information about Company's business, its operations and management.

Various familiarisation initiatives are carried out throughout the year on an on-going basis which include comprehensive update at Board and Committee meetings on Company's performance and industry scenario, and information on specific functions/ departments through presentations by senior executives and hospital visits. Further, an analysis on amendments in corporate laws and regulations applicable to the Company including its implications thereof are also complied and circulated for information of Board members.

The aim of familiarisation programmes is to give independent directors an update on:

i. the industry in which the Company operates;

ii. Business strategy and financial model of the Company;

iii. Risk management;

iv. Important developments in legal and auditing matters;

v. Change in government policies having impact on the business;

vi. Development in statutory compliances; and

vii. Development in business undertaken by the Company.

The Directors have unrestricted access to information and are free to interact with the senior management officials/ Key Managerial Personnel. Such forums provide an opportunity to the Board members to interact with project/ functional teams which gives an insight from business perspective and provides a platform for the management to receive strategic inputs from the directors. The time devoted by each of the Independent Directors on such forums is not included in the details of familiarisation program published.

Details of familiarisation initiatives undertaken by the Company are made available on the website of the Company at https://www.fortishealthcare.com/drupal-data/2024-07/Familarization%20Program%202023-24.pdf

The details of Board Evaluation including criteria for evaluation of Independent Directors form 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, Ten (10) Board Meetings were held on (i) May 23, 2023 (ii) August 04, 2023 (iii) September 25, 2023 (iv) November 10, 2023 (v) November 15, 2023 (vi) February 07, 2024 (vii) February 13, 2024 (viii) March 01, 2024 (ix) March 13, 2024 (x) March 20, 2024.

The following table gives the attendance record of the directors at the above said Board meetings and also at the last Annual General Meeting, which was held on August 01, 2023.

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S. No.	Name of the Director	No. of Board Meetings attended	Attendance at last AGM
1.	Mr Ravi Rajagopal	10	Yes
2.	Dr. Ashutosh Raghuvanshi	10	Yes
3.	Mr Dilip Kadambi	9	Yes
4.	[1]Mr Heng Joo Joe Sim	2	Yes
5.	Mr Indrajit Banerjee	10	Yes
6.	[2]Mr Joerg Ayrle	3	Yes
7.	Ms Shailaja Chandra	10	Yes
8.	Ms Suvalaxmi Chakraborty	10	Yes
9.	Mr Tomo Nagahiro	10	Yes
10.	Mr Mehmet Ali Aydinlar	8	Yes
11.	[3]Mr Lim Tsin Lin	7	Yes
12.	[4]Mr Ashok Pandit	7	NA
13.	[5]Dr. Prem Kumar Nair	6	NA

[1]*Resigned with effect from September 01, 2023.*

[2]*Resigned with effect from October 02, 2023.*

[3]*Appointed with effect from May 04, 2023.*

[4]*Appointed with effect from September 13, 2023.*

[5]*Appointed with effect from November 10, 2023.*

Save as elsewhere provided in this report, the information / documents as required under Listing Regulations, to the extent applicable, were 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 year ended on March 31, 2024. A declaration to this effect signed by the Managing Director and 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, 2024, Audit Committee comprised of the following members, namely:

(i) Mr Indrajit Banerjee, Chairperson;

(ii) Ms Shailaja Chandra;

(iii) Ms Suvalaxmi Chakraborty; and

(iv) Mr Ashok Pandit

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

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

- overseeing the Company's financial reporting process,
- overseeing the integrity of the Company's financial statements and announcements,
- overseeing the Company's internal control processes and procedures,
- overseeing the Company's risk management systems,

- overseeing Company's internal audit function and matters in relation thereto,
- ensuring the independence of the statutory auditors with a view to facilitate a fair, transparent and effective audit process,
- to review significant accounting and reporting issues, including any significant changes in accounting principles and accounting practices,
- 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 utilised 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 scrutinise the inter corporate loans and investments,
- obtaining valuation of undertakings or assets of the Company, wherever it is deemed so necessary. Refer to Schedule II, Part C, A (10) of the LODR. While transactions in general do not require approval of the Committee, it is a general obligation of the Committee to undertake valuation of undertakings and assets of the Company,
- 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 investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary,
- to review the functioning of the whistle blower mechanism including establishing review procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal controls, and auditing matters which shall allow for the confidential, anonymous submission by employees; and protection of employees and others who raise concerns through the whistleblower mechanism, including direct access to the chairperson of the Committee in appropriate or exceptional cases,
- management letters/letters of internal control weaknesses issued by the statutory auditors,
- to review Internal audit reports relating to internal control weaknesses,
- evaluating internal financial controls and risk management systems,
- approving the appointment of chief financial officer after assessing the qualifications, experience and background, and other aspects with respect to the candidate,
- the appointment, removal and terms of remuneration of the chief internal auditor,
- approving all audit and permitted non-auditing services to be provided by the statutory auditor to the Company. Adopting policies and procedures for the Committee's pre-approval of the permitted services by the Company's independent auditors on an ongoing basis, including delegation to one or more designated members of the Committee the authority to pre-approve audit and permissible non-audit services, provided such

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pre-approval decision is presented to the full Committee at its scheduled meetings.

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://www.fortishealthcare.com/drupal-data/2024-07/Audit%20Committee%20Mandate-01-08-2023.pdf

The Company has laid down sufficient safeguards to ensure risk assessment and risk management which forms part of Management Discussion and Analysis Report.

➢ Meetings of Audit Committee during the year

Eight (8) Meetings of the Audit Committee were held during the year under review on (i) May 19, 2023 (ii) May 22, 2023 (iii) August 04, 2023 (iv) September 25, 2023 (v) November 03, 2023 (vi) November 10, 2023 (vii) February 07, 2024 (viii) March 19, 2024.

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.	[1]Ms Suvalaxmi Chakraborty	8
2	[2]Mr Indrajit Banerjee, Chairperson	8
3.	[3]Mr Joerg Ayrle	4
4.	Ms Shailaja Chandra	8
5.	[4]Mr Ashok Pandit	3

[1]*Ceased to be Chairperson w.e.f. July 27, 2023.*

[2]*Appointed as a Chairperson w.e.f July 27, 2023.*

[3]*Ceased to be a member w.e.f. October 02, 2023.*

[4]*Appointed as a member w.e.f. October 30, 2023.*

Managing Director and 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, 2024, Risk Management Committee comprised of the following members, namely:

(i) Ms Shailaja Chandra, Chairperson;

(ii) Mr Dilip Kadambi;

(iii) Dr. Ashutosh Raghuvanshi;

(iv) Mr Anil Vinayak; and

(v) Dr. Bishnu Panigrahi

* Mr Heng Joo Joe Sim ceased to be a member w.e.f. September 01, 2023

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

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;
- to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; 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://www.fortishealthcare.com/drupal-data/investors/Risk%2BManagement%2BCommittee%2BMandate.pdf

Meetings of Risk Management Committee during the year

Two (2) Meeting of the Risk Management Committee were held during the year under review on May 04, 2023 and October 26, 2023.

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.	[1]Mr Heng Joo Joe Sim	1
2.	Ms Shailaja Chandra	2
2.	[2]Mr Dilip Kadambi	1
3.	Dr. Ashutosh Raghuvanshi	2
4.	Mr Anil Vinayak	2
5.	Dr. Bishnu Panigrahi	2

[1]*Ceased to be a member w.e.f. September 01, 2023.*

[2]*Appointed as a member w.e.f. September 29, 2023.*

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

C. Stakeholders Relationship Committee

Composition

As on March 31, 2024, the Stakeholders Relationship Committee comprised of the following members, namely:

(i) Ms Shailaja Chandra, Chairperson;

(ii) Mr Indrajit Banerjee; and

(iii) Dr. Ashutosh Raghuvanshi

The Company Secretary, acts as the Secretary to 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 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 Annual Report, non-receipt of dividend warrants, Non-receipt of securities etc; and
- to authorise 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://www.fortishealthcare.com/drupal-data/2023-06/Stakeholder%20Relationship%20Committee%20Mandate.pdf

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

Four (4) meetings of Stakeholders Relationship Committee were held during the year ended March 31, 2024 on (i) May 23, 2023 (ii) August 04, 2023 (iii) November 10, 2023 and (iv) February 07, 2024.

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.	Ms Shailaja Chandra, Chairperson	4
2.	Mr Indrajit Banerjee	4
3.	Dr. Ashutosh Raghuvanshi	4

➢ **Details of Investors' Grievances received during the FY 2023-24:**

Nature of Complaints	Pending as on April 01, 2023	Received during the year	Resolved / attended during the year	Pending as on March 31, 2024	Complaints not solved to the satisfaction of shareholder
Non-receipt non-receipt of Annual Reports / Non-receipts of dividend warrants / Non-receipt of securities.	0	14	14	0	0
Total	**0**	**14**	**14**	**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.

D. Corporate Social Responsibility Committee

➢ **Composition**

As on March 31, 2024, Corporate Social Responsibility Committee comprised of the following members, namely:

(i) Dr. Ashutosh Raghuvanshi;

(ii) Mr Indrajit Banerjee; and

(iii) Mr Ravi Rajagopal.

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

The Company Secretary acts as the Secretary to 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 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://www.fortishealthcare.com/drupal-data/investors/Corporate%2BSocial%2BResponsibility%2BPolicy%2B2022.pdf

➢ Meetings of Corporate Social Responsibility Committee during the year

2 (Two) Meetings of Corporate Social Responsibility Committee were held during the year ended March 31, 2024 on (i) May 23, 2023 and (ii) June 16, 2023.

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.	Dr. Ashutosh Raghuvanshi	2
2.	Mr Indrajit Banerjee	2
3.	Mr Ravi Rajagopal	2

E. Nomination and Remuneration Committee

➢ Composition

As on March 31, 2024, the Nomination and Remuneration Committee comprised of the following members:

(i) Ms Shailaja Chandra, Chairperson

(ii) Mr Indrajit Banerjee, and

(iii) [1] Dr. Prem Kumar Nair

[1] Appointed with effect from November 10, 2023

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

- assist in identifying and finalising 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;
- 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);

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- recommend appointment and removal of Directors and KMP;
- recommend a policy on Board;
- devising of remuneration policy and Board diversity policy for the Board Members;
- 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 plan for the Key Managerial Personnel and all senior Management personnel;
- review grant of stock options 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://www.fortishealthcare.com/drupal-data/investors/NRC%2BMandate-January%2B2021.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. The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

➢ Meetings of Nomination and Remuneration Committee during the year

5 (Five) meetings of Nomination and Remuneration Committee were held during the year ended March 31, 2024. These were held on (i) April 24, 2023 (ii) May 22, 2023 (iii) June 26, 2023 (iv) March 01, 2024 and (v) March 19, 2024.

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.	Mr Indrajit Banerjee	5
2.	Ms Shailaja Chandra	5
3.	[1]Mr Heng Joo Joe Sim	3
4.	[2]Dr. Prem Kumar Nair	2

[1]*Ceased to be Member w.e.f. September 01, 2023.*

[2]*Appointed as Member w.e.f. November 10, 2023.*

➢ Senior Management:

The following are the Senior Management Personnel of the Company as at March 31, 2024

Sr. No.	Name	Designation
1	Dr. Ashutosh Raghuvanshi	Managing Director & Chief Executive Officer
2	Mr Ranjan B Pandey	Chief Human Resources Officer
3	Mr Sanjay Baweja	Chief Internal Audit & Risk Officer
4	Mr Manu Kapila	Head - Corp. Affairs, CSR, Asset Protection & Fraud Prevention
5	Mr Ajey Maharaj	Head - Corporate Communication & PR
6	Ms Richa S Debgupta	Chief of Strategy, Group Head ESG & Business Head - CJK
7	Mr Prabhat Kumar	Group General Counsel
8	Mr Vivek Kumar Goyal	Chief Finance Officer
9	Mr Anil Vinayak	Group Chief Operating Officer (GCOO)
10	Dr. Bishnu Prasad Panigrahi	Group Head MSOG
11	Mr Satyendra Chauhan	Company Secretary and Compliance Officer
12	Mr Bipin Kumar	Chief Information Officer
13	Mr Rajeev Kumar Dua	Head Business Development and Supply Chain Management

The details of changes in the Senior Management Personnel during the year ended March 31, 2024 is as mentioned hereunder:

Sr. No.	Name	Designation	Change
1	Mr Rajiv Puri	Head-Risk & Internal Audit	Resigned with effect from August 31, 2023
2	Mr Sanjay Baweja	Chief Internal Audit & Risk Officer	Appointed with effect from March 13, 2024
3	Mr Murlee Manohar Jain	Company Secretary	Resigned with effect from February 29, 2024
4	Mr Satyendra Chauhan	Company Secretary & Compliance Officer	Appointed with effect from March 1, 2024
5	Mr Mayank Bhargava	Chief Information & Digital Officer	Resigned with effect from January 12, 2024
6	Mr Bipin Kumar	Chief Information Officer	Appointed with effect from February 9, 2024

➢ 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 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 and Central Government, 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 be paid remuneration upto ₹ 70,00,000 each 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, calculated in accordance with the provisions of Section 198 of Companies Act, 2013, as approved by 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:

Sr. 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 weblink of the website Company at https://www.fortishealthcare.com/drupal-data/investors/Board%2Bof%2BDirectors%2BGovernance%2BStandards.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 ₹ 9,07,14,070/- during the financial year ended March 31, 2024 as per terms of appointment. Further, in terms of his agreed contract his notice period is 3 months.

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The details of his remuneration for the FY 2023-24 are as under:

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	8,82,06,082
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	17,57,988
	(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 (Provident Fund- Tax Free amount)	7,50,000
	Total	**9,07,14,070**

**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.*

***Perquisites include the Car perk, Employer contribution of Provident Fund over and above ₹ 7.5 Lakhs for the year, however perquisite towards the PF and NPS interest accretion ₹ 5,01,360 to the respective fund not included.*

b) Non-Executive Directors

During the period under review, sitting fees paid to Non-Executive Directors and their shareholding as on March 31, 2024 is as follows:

S. No.	Name of the Director	Gross Sitting Fees (₹)	Shareholding in the Company as on March 31, 2024 or as on the date of resignation, whichever is earlier
1.	Mr Ravi Rajagopal	13,00,000	Nil
2.	Mr Dilip Kadambi	10,00,000	Nil
3.	[1]Mr Heng Joo Joe Sim	6,00,000	Nil
4.	Mr Indrajit Banerjee	30,00,000	Nil
5.	[2]Mr Joerg Ayrle	7,00,000	Nil
6.	Ms Shailaja Chandra	30,00,000	Nil
7.	Ms Suvalaxmi Chakraborty	19,00,000	Nil
8.	Mr Tomo Nagahiro	10,00,000	Nil
9.	Mr Mehmet Ali Aydinlar	8,00,000	Nil
10.	[3]Mr Lim Tsin Lin	NA	Nil
11.	[4]Mr Ashok Pandit	9,00,000	Nil
12.	[5]Dr. Prem Kumar Nair	8,00,000	Nil

[1]Resigned with effect from September 01, 2023.

[2]Resigned with effect from October 02, 2023.

[3]Appointed with effect from May 04, 2023 and has waived off the sitting fee payable to him for attending the meeting of the Board or any Committee thereof.

[4]Appointed with effect from September 13, 2023.

[5]Appointed with effect from November 10, 2023.

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 Directors during the year**

One (1) Meeting of Independent Directors was held during the year on March 20, 2024. All the Independent Directors attended the same.

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 01, 2024, Fortis Hospitals Limited (FHsL), International Hospital Limited (IHL), Fortis Hospotel Limited (FHTL) and Agilus Diagnostics Limited (ADL) 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 the investments 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://www.fortishealthcare.com/drupal-data/investors/Policy%2BOn%2BMaterial%2BSubsidiary.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, 2024. 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	
FY 2022-23	August 01, 2023	02.00 P.M.	Through Video Conferencing / Other Audio Visual Means	None
FY 2021-22	August 01, 2022	02.00 P.M.	Through Video Conferencing / Other Audio Visual Means	1. Re-appointment of Mr Ravi Rajagopal (DIN: 00067073), as an Independent Director of the Company for another period of five years with effect from April 27, 2023. 2. Re-appointment of Mr Indrajit Banerjee (DIN: 01365405), as an Independent Director of the Company for another period of five years with effect from April 27, 2023. 3. Re-appointment of Ms Suvalaxmi Chakraborty, (DIN: 00106054), as an Independent Director of the Company for another period of five years with effect from April 27, 2023.

Report on Corporate Governance (Contd.)

Financial Year	Date	Time (IST)	Venue	Special Resolution(s) passed
FY 2020-21	July 30, 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 01, 2021 for a period of 3 years.

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 resolutions 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 May 23, 2023 (approved on June 29, 2023):

a) To consider appointment of Mr Lim Tsin Lin (DIN: 10118906) as a Non-Executive Director of The Company (Ordinary Resolution).

b) To Consider And Approve Entering into a Composite Scheme of Arrangement Between International Hospital Limited, Fortis Hospitals Limited And Fortis Hospotel Limited (Collectively Referred As Wholly-Owned Subsidiaries) And Their Respective Shareholders And Creditors (Special Resolution).

For conducting the aforementioned postal ballot / electronic voting exercise, Mr Mukesh Agrawal proprietor of Mukesh Agarwal & Co, Practicing Company Secretaries (C.P. No. 3851), was appointed as the Scrutiniser.

Summary of the results of aforementioned Postal Ballot / electronic voting process announced by the Company Secretary of the Company on June 30, 2023:

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)
To consider appointment of Mr Lim Tsin Lin (DIN: 10118906) as a Non-Executive Director of The Company (Ordinary Resolution).	60,56,32,324	58,01,71,580 (96%)	2,54,60,744 (4.2%)
To Consider And Approve Entering into a Composite Scheme of Arrangement Between International Hospital Limited, Fortis Hospitals Limited And Fortis Hospotel Limited (Collectively Referred As Wholly-Owned Subsidiaries) And Their Respective Shareholders And Creditors (Special Resolution).	60,56,32,675	60,49,47,634 (99.88%)	6,85,041 (0.11%)

2. Postal Ballot Notice dated August 04, 2023 (approved on September 07, 2023):

a) To authorise initiation of an initial public offer process by way of an 'offer for sale' by Agilus Diagnostics Limited ("Agilus"), a material subsidiary of the Company (Ordinary Resolution).

b) To amend the Existing Shareholders Agreement Between Agilus Diagnostics Limited ("Agilus") And International Finance Corporation, Nylim Jacob Ballas India Fund Iii Llc, Resurgence Pe Investments Limited (Together, The "Pe Investors") And Fortis Healthcare Limited ("The Company") As Well As The Articles Of Association Of Agilus, And The Execution, Amendment And/Or Termination Of Any Other Agreements In Furtherance Of The Proposed Initial Public Offer Of Agilus's Equity Shares (Special Resolution).

For conducting the aforementioned postal ballot / electronic voting exercise, Mr Mukesh Agrawal proprietor of Mukesh Agarwal & Co, Practicing Company Secretaries (C.P. No. 3851), was appointed as the Scrutiniser.

Summary of the results of aforementioned Postal Ballot / electronic voting process announced by the Company Secretary of the Company on September 07, 2023:

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)
To authorise initiation of an initial public offer process by way of an 'offer for sale' by Agilus Diagnostics Limited ("Agilus"), a material subsidiary of the Company (Ordinary Resolution).	61,66,35,412	61,66,23,738 (99.99%)	11,674 (0.001%)
To Amend The Existing Shareholders Agreement Between Agilus Diagnostics Limited ("Agilus") And International Finance Corporation, Nylim Jacob Ballas India Fund Iii Llc, Resurgence Pe Investments Limited (Together, The "Pe Investors") And Fortis Healthcare Limited ("The Company") As Well As The Articles Of Association Of Agilus, And The Execution, Amendment And/Or Termination Of Any Other Agreements In Furtherance Of The Proposed Initial Public Offer Of Agilus's Equity Shares (Special Resolution).	61,63,19,171	61,63,06,493 (99.99%)	12,678 (0.002%)

3. Postal ballot Notice dated November 04, 2023 (result declared on December 06, 2023):

a) Appointment of Mr Ashok Pandit (DIN: 09279899) as a Non-Executive Director of the Company (Ordinary Resolution).

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 Scrutiniser.

Summary of the results of aforementioned Postal Ballot / electronic voting process announced by the Company Secretary of the Company on December 06, 2023:

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)
Appointment of Mr Ashok Pandit (DIN: 09279899) as a Non-Executive Director of the Company (Ordinary Resolution).	61,52,78,434	59,00,75,772 (95.90%)	2,52,02,662 (4.09%)

4. Postal ballot Notice dated December 01, 2023 (approved on on January 01, 2024):

a) Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Fortis Malar Hospitals Limited ("FMHL"), an Indirect/step down subsidiary of the Company (Special Resolution).

Report on Corporate Governance (Contd.)

b) Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Fortis Health Management Limited ("FHML"), a subsidiary of the Company (Special Resolution).

c) Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Hospitalia Eastern Private Limited ("HEPL"), a step-down subsidiary of the Company (Special Resolution).

d) Appointment of Dr. Prem Kumar Nair (DIN:10348774) as a Non-Executive Director of the Company (Ordinary Resolution).

For conducting the aforementioned postal ballot / electronic voting exercise, Mr Mukesh Agrawal proprietor of Mukesh Agarwal & Co, Practicing Company Secretaries (C.P. No. 3851), was appointed as the Scrutiniser.

Summary of the results of aforementioned Postal Ballot / electronic voting process announced by the Company Secretary of the Company on January 03, 2024:

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)
Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Fortis Malar Hospitals Limited ("FMHL"), an Indirect/step down subsidiary of the Company (Special Resolution).	63,46,61,168	62,80,81,125 (98.96%)	65,80,043 (1.03%)
Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Fortis Health Management Limited ("FHML"), a subsidiary of the Company (Special Resolution).	63,46,61,168	62,80,81,149 (98.96%)	65,80,019 (1.03%)
Divestment proposal of the Fortis Malar Hospital and transactions in relation thereto to be entered into by Hospitalia Eastern Private Limited ("HEPL"), a step-down subsidiary of the Company (Special Resolution).	63,46,61,168	62,80,81,074 (98.96%)	65,80,094 (1.03%)
Appointment of Dr. Prem Kumar Nair (DIN:10348774) as a Non-Executive Director of the Company (Ordinary Resolution).	63,46,60,665	60,93,20,630 (96.00%)	2,53,40,035 (3.99%)

5. Postal ballot Notice dated February 07, 2024 (approved on March 30 , 2024):

a) Proposal for Intra-group transfer of Fortis Mohali Hospital and transactions in relation thereto to be entered into by Escorts Heart and Super Specialty Hospital Limited ("EHSSHL"), a wholly owned subsidiary of the Company (Special Resolution).

b) Proposal for intra-group transfer of land parcel adjacent to Fortis Mohali Hospital owned by International Hospital Limited ("IHL"), a wholly owned subsidiary of the Company, to the Company and transactions in relation thereto entered into by IHL (Special Resolution).

c) Issuance of Optionally Convertible Redeemable Non-cumulative Preference Shares ("OCRPS") by Fortis Health Management Limited ("FHML") to International Hospitals Limited ("IHL") in lieu of cancellation of Optionally Convertible Debentures ("OCD's") issued by FHML to IHL (Special Resolution).

For conducting the aforementioned postal ballot / electronic voting exercise, Mr Mukesh Agrawal proprietor of Mukesh Agarwal & Co, Practicing Company Secretaries (C.P. No. 3851), was appointed as the Scrutiniser.

Summary of the results of aforementioned Postal Ballot / electronic voting process announced by the Company Secretary of the Company on April 01, 2024:

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)
Proposal for Intra-group transfer of Fortis Mohali Hospital and transactions in relation thereto to be entered into by Escorts Heart and Super Specialty Hospital Limited ("EHSSHL"), a wholly owned subsidiary of the Company (Special Resolution).	64,33,50,640	64,33,25,035 (99.99%)	25,605 (0.0040)
Proposal for intra-group transfer of land parcel adjacent to Fortis Mohali Hospital owned by International Hospital Limited ("IHL"), a wholly owned subsidiary of the Company, to the Company and transactions in relation thereto entered into by IHL (Special Resolution).	64,33,50,639	6,43,32,4691 (99.99%)	25,948 (0.004%)
Issuance of Optionally Convertible Redeemable Non-cumulative Preference Shares ("OCRPS") by Fortis Health Management Limited ("FHML") to International Hospitals Limited ("IHL") in lieu of cancellation of Optionally Convertible Debentures ("OCD's") issued by FHML to IHL (Special Resolution).	64,33,50,639	64,09,21,844 (99.62%)	24,28,795 (0.37%)

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 of Posting / 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 so as to reach the scrutiniser 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 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 KTL e-voting system of KFIN Technologies Limited (KFIN) as detailed in Notice of Postal ballot.

The scrutiniser appointed for the purpose scrutinises 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://www.fortishealthcare.com/investors and the last date for voting is deemed to be the date of passing the resolution(s).

Report on Corporate Governance (Contd.)

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 is 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://www.fortishealthcare.com/drupal-data/investors/Policy%2Bon%2BRelated%2BParty%2BTransactions.pdf on 'Materiality on Related Party Transactions.

  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.

- **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.

  During the year under review, there were no non compliance of requirements of Corporate Governance Report of Sub para 2 to 10 of Clause C of Schedule V of SEBI (LODR), 2015.

  There were no penalties levied by the Stock Exchanges during the FY 2023-24.

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 victimisation of Director(s) / employee(s) / Stakeholder(s) who avail of the mechanism and also provide for direct access to the Chairperson 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://www.fortishealthcare.com/drupal-data/investors/Whistle%2BBlower%2BPolicy.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://www.fortishealthcare.com/drupal-data/investors/FHL%2BPolicy%2Bon%2BProhibition%2Bof%2BInsider%2BTrading-%2BAugust%2B2021%28New%29.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 Business Standards (English) and Rozana Spokesman (Punjabi).

The Company also sends an email to its members after declaration of quarterly / yearly results, in order to update them about the Company's quarterly and yearly performance and some of the significant developments.

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. https://www.fortishealthcare.com/investors. 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 from time to time in compliance with SEBI (LODR) Regulations.

e) **NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance and the Listing Centre:** NEAPS is a web-based application 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 centralised web-based complaints redress system. The salient features of this system are: Centralised 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.

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 2023-24 is proposed to be held on Friday, August 02, 2024 at 2:00 P.M. (IST) through Video Conferencing or other Audio-Visual means.

(i) **Financial Year of the Company** is starting from April 01 and ending on March 31 of next year.

(ii) **Financial calendar 2024-25 (tentative & subject to change)**

S. No.	Tentative Schedule	Tentative Date (On or Before)
1	Financial Reporting for the quarter ended June 30, 2024	August 14, 2024
2	Financial Reporting for the quarter ending September 30, 2024	November 14, 2024
3	Financial Reporting for the quarter ending December 31, 2024	February 14, 2025
4	Financial Reporting for the quarter and year ended March 31, 2025	May 30, 2025
5	Annual General meeting for the year ending March 31, 2025	On or before September 30, 2025

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(iii) 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 - 400 001.

The Company has paid listing fees to the above stock exchanges for the FY 2024-25 and there are no outstanding payments as on date.

(iv) Stock code of Equity Shares

Trade symbol at National Stock Exchange of India Limited is FORTIS.

Scrip Code at BSE Limited is 532843

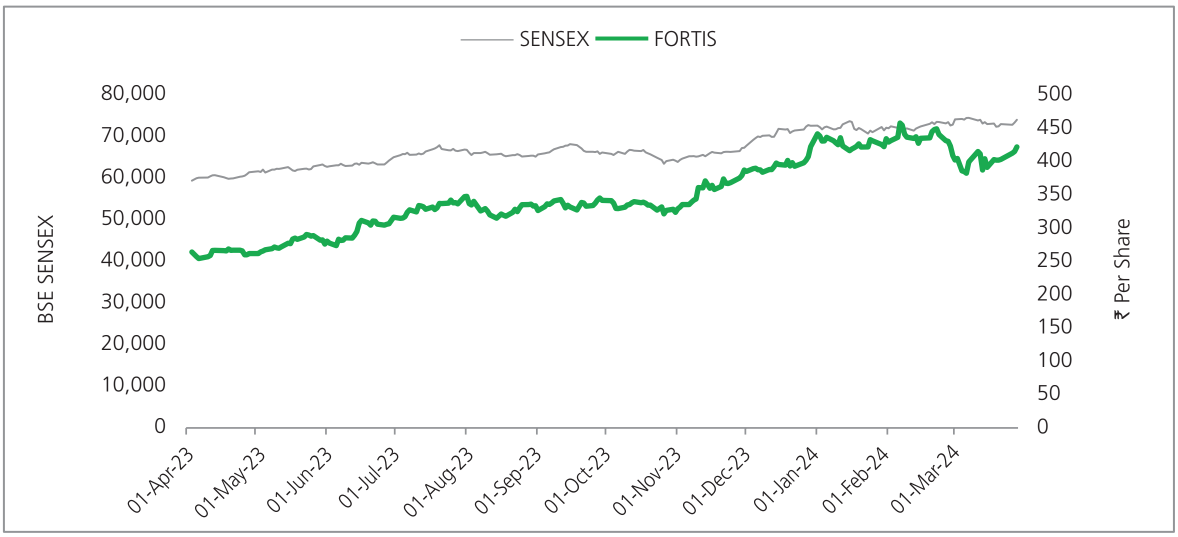
ISIN for equity is INE061F01013

(v) Stock market Data

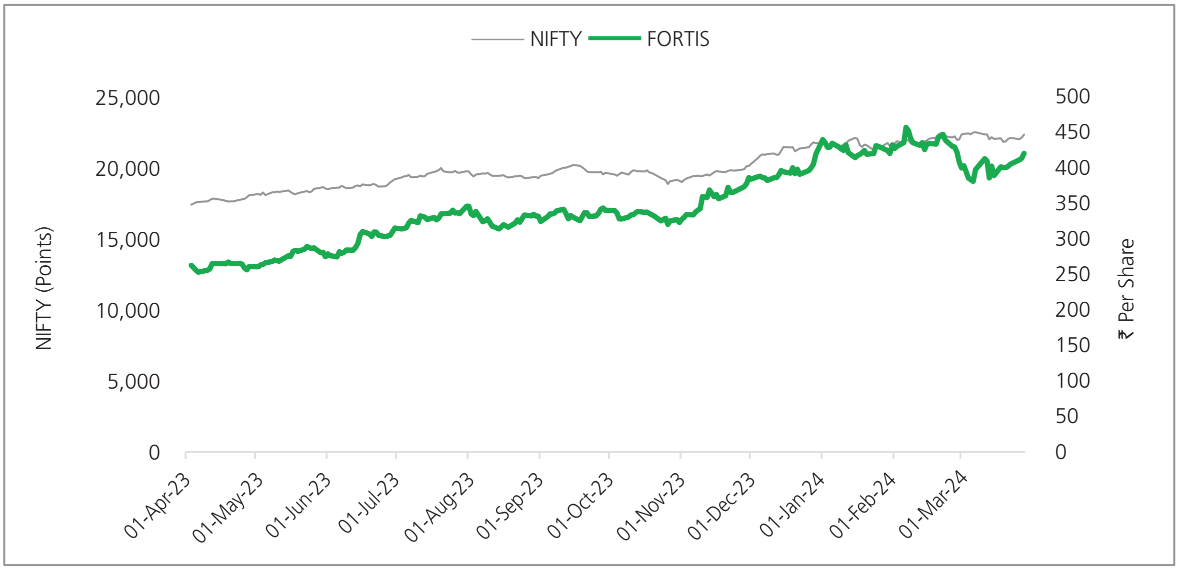
The Company's shares are among the actively traded shares on NSE & BSE. The Monthly high and low of share price of the Company during the Financial Year and comparisons with broad-based indices, viz BSE Sensex and NSE Nifty is as follows:

Month	Share Price on BSE (₹)		Share Price on NSE (₹)	
	High	Low	High	Low
Apr-23	267	253	267	253
May-23	289	261	289	261
Jun-23	315	272	315	274
Jul-23	346	313	346	314
Aug-23	346	313	346	314
Sep-23	343	325	343	324
Oct-23	340	320	340	320
Nov-23	385	327	386	327
Dec-23	420	382	419	382
Jan-24	439	414	440	414
Feb-24	456	407	457	408
Mar-24	420	381	420	381

Based on closing data of BSE Sensex (Value) and FHL (₹ Per Share)



Based on closing data of NSE Nifty (Value) and FHL (₹ Per Share)



(vi) **Registrar and Transfer Agent**

M/s. KFIN Technologies Limited (formerly 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 dematerialised 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 Selenium,
Tower B, Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal
Hyderabad-500032
Toll Free No.: 1-800 309 4001
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.

(vii) **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 dematerialised form may contact their respective Depository Participant (DP) to avail the nomination facility.

As on March 31, 2024, 75,48,18,440 Equity shares representing 99.98% of the paid-up Equity Share Capital of the Company have been dematerialised.

The shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest, as the Company's Shares are required to be compulsorily traded at Stock Exchanges in dematerialised form only.

(viii) **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.

(ix) **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-materialisation of shares and take on record status of redressal of Investors' Grievance, etc., if any. Further in terms of Regulation 40 of Listing

Report on Corporate Governance (Contd.)

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 of Directors of the Company has authorised M/s. KFIN Technologies Limited (formerly known as KFIN 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.

As per the requirements of Regulation 7 of Listing Regulations, the Company has obtained the yearly certificates from Compliance Officer and authorised representative of share transfer agent for due compliance of share transfer formalities.

(x) 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 FY 2023-24, 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 dematerialised shares held with the depositories. Such Audit Report for each quarter of the FY 2023-24, has been filed with Stock Exchanges within Thirty days from the end of the respective quarter.

(xi) 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 01, 2024: 48 shareholders and 4,677 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, 2024: 48 shareholders and 4,677 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.

(xii) Share Dematerialisation System and Liquidity

The requests for dematerialisation of shares are processed by RTA expeditiously and the confirmation in respect of dematerialisation is entered by RTA in the depository system of the respective depositories, by way of electronic entries for dematerialisation 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 01, 2019, as per the circular issued by SEBI, no transfer can be affected in physical form.

(xiii) Details on Outstanding Securities as on March 31, 2024 and details of commodity price risk, foreign exchange risk & hedging activity

As on March 31, 2024, 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, 2024

S. No.	Category	No. of Shareholders	% of Share Holders	% of Total Paid up share Capital
1	1 - 5000	1,62,236	99.15	2.92
2	5001 - 10000	500	0.31	0.50
3	10001 - 20000	270	0.17	0.52
4	20001 - 30000	115	0.07	0.38
5	30001 - 40000	61	0.04	0.29
6	40001 - 50000	41	0.03	0.25
7	50001 - 100000	110	0.07	1.10
8	100001 & Above	297	0.18	94.03
	Total:	**1,63,630**	**100.00**	**100.00**

(xvi) Shareholding pattern as on March 31, 2024

S. No.	Description	No. of Shareholders	Total Shares	% of Total Paid up Share Capital
1	Alternative Investment Fund	9	9,41,979	0.12
2	Banks	2	90,00,015	1.19
3	Clearing Members	9	3,00,947	0.04
4	Employees	26	2,03,600	0.03
5	Foreign Corporate Bodies	1	6,70,194	0.09
6	Foreign Promoters	1	23,52,94,117	31.17
7	Foreign Portfolio – Corp	240	17,54,30,052	23.24
8	HUF	3,587	17,07,076	0.23
9	Bodies Corporates	742	2,26,02,398	2.99
10	Mutual Funds	116	20,01,69,345	26.51
11	NBFC	8	16,443	0.00
12	Non- Resident Indians	1,504	12,93,403	0.17
13	Non Resident India Non Repartriable	1,198	7,41,028	0.10
14	Resident individuals	1,56,169	8,14,61,611	10.79
15	Qualified Institutional Buyer	10	2,50,52,148	3.32
16	Trusts	8	73,792	0.01
	Total:	**1,63,630**	**75,49,58,148**	**100.00**

(xvi) Lock-in of Equity Shares

As on March 31, 2024, no Equity shares of the Company are under lock in.

(xvii) Employee Stock Option

Detailed information relating on Employee Stock Option, has been mentioned in the Board's Report.

Report on Corporate Governance (Contd.)

(xviii) Details of Agreement under Clause 5A, Para A of Part-A of Schedule III of SEBI LODR Regulations:

Pursuant to Regulation 30A(2) of the Listing Regulations, the Company hereby discloses that it has the following agreements which subsist as on the date of notification of Clause 5A to para A of Part A of Schedule III (i.e., July 15, 2023):

(i) a share subscription agreement dated July 13, 2018 **("SSA")** entered into between the Company and Northern TK Venture Pte Ltd **("NTK")**, an indirect wholly owned subsidiary of IHH Healthcare Berhad **("IHH")** for issuance of 235,294,117 equity shares representing 31.17% of the total voting equity share capital of the Company to NTK pursuant to a preferential allotment, which was completed on November 13, 2018. Upon completion, NTK exercised its right to nominate as of completion date, 2/3rd of the members on the Board of the Company, and consequently acquired control of the Company.

(ii) a shareholders' agreement dated June 12, 2012, as amended from time to time **("Shareholders' Agreement")** entered into among the Company, Agilus Diagnostics Limited **("Agilus")**, a material subsidiary of the Company and certain private equity investors governing their inter-se rights and obligations in Agilus. The Shareholders' Agreement inter alia includes obligations of the Company as the promoter of Agilus and rights of the investors (including exit rights) in respect of their shareholding in Agilus.

The details of the said agreements have been disclosed on the website of the Company at the following link – https://www.fortishealthcare.com/drupal-data/2024-07/Disclosure%20pursuant%20to%20Regulation%2030A.pdf

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
A Block, Shalimar Bagh, Near Kela Godown,
New Delhi-110088

Fortis O P Jindal Hospital, Raigarh
(a Fortis network hospital)
Fortis O P Jindal Hospital, Patrapali, Near JSPL Plant, Kharsia Road, Raigarh - 492001, Chhattisgarh

S L Raheja Hospital, Mumbai
(a Fortis network hospital)
S L Raheja Hospital, Raheja Rugnalaya Marg, Mahim West, Mumbai, Maharashtra - 400016

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 / dematerialisation of shares / payment of dividend and for any other query relating to shares, the shareholders may contact at the below address:

M/s. KFIN Technologies Limited
Selenium, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal
Hyderabad-500032, Toll Free No.: 1-800 309 4001,
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,
Gurugram, Haryana - 122001
Telephone No. 0124 4921021
Fax No. 0124 4921041
Email: secretarial@fortishealthcare.com,
Website: www.fortishealthcare.com

(xix) 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 mobilisation of funds, whether in India or abroad is as given below:

Entity	Credit Rating Agency	Type of Rating	Rating as on March 31, 2023#	Movement July 22, 2023	Rating as on March 31, 2024
Fortis Healthcare Limited	CRISIL	Long Term Loan Facility / (ies)	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable
Fortis Healthcare Limited	CRISIL	Working Capital Facility / (ies)	CRISIL A1+	CRISIL A1+	CRISIL A1+
Fortis Hospitals Limited	CRISIL	Long Term Loan Facility / (ies)	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable
Fortis Hospitals Limited	CRISIL	Working Capital Facility / (ies)	CRISIL A1+	CRISIL A1+	CRISIL A1+
Escorts Heart Institute and Research Centre Limited	CRISIL	Long Term Loan Facility / (ies)	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable
Escorts Heart Institute and Research Centre Limited	CRISIL	Working Capital Facility / (ies)	CRISIL A1+	CRISIL A1+	CRISIL A1+
International Hospital Limited	CRISIL	Long Term Loan Facility / (ies)	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable
International Hospital Limited	CRISIL	Working Capital Facility / (ies)	CRISIL A1+	CRISIL A1+	CRISIL A1+
Fortis Hospotel Limited	CRISIL	Long Term Loan Facility e/ (ies)	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable
Fortis Hospotel Limited	CRISIL	Working Capital Facility / (ies)	CRISIL A1+	CRISIL A1+	CRISIL A1+
Agilus Diagnostics Limited	CRISIL	Long Term Loan Facility e/ (ies	CRISIL AA- / Positive	CRISIL AA / Stable	CRISIL AA / Stable

In 2023 ratings were under credit watch which has been removed.

(xx) Details of Utilisation 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.

(xxi) 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 to this report.

(xxii) 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:-

(₹ in Lakhs)

Particulars	Amount
Statutory Audit	543.24
Tax Audit	34.44
Limited Reviews	324.27
Other services	17.95
Out of Pocket Expenses	79.31
Total	**999.21**

(xxiii) 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.

(xxiv) It is confirmed that there was no instance during FY 2023-24 when the Board had not accepted any recommendation of any committee of the Board.

Report on Corporate Governance (Contd.)

(xxv) During the year, Company along with 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.

(xxvi) Details of material subsidiaries of the Company including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries, are as under:

Name of Material Subsidiary	Date	Place of Incorporation	Name of Statutory Auditors	Date of Appointment
Agilus Diagnostics Limited	July 07, 1995	New Delhi, Delhi	M/s. B S R & Co. LLP	September 26, 2019
Fortis Hospitals Limited	June 18, 2009	Gurgaon, Haryana		September 24, 2019
International Hospital Limited	March 08, 1994	New Delhi, Delhi		August 28, 2020
Fortis Hospotel Limited	January 23, 1990	Mohali, Punjab		September 14, 2020

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. PI & 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.

B. Reporting of Internal Auditor

The Chief Internal Audit and Risk Officer reports directly to the Audit Committee / Board of Directors .

C. Modified Opinion(s) in Audit Report

The statutory Auditors have issued Audit report with unmodified audit opinion.

D. E- mail Communication to the Members

The Company also sends an email to its members after declaration of quarterly / yearly results, in order update to them about the Company's quarterly and yearly performance and some of the significant developments.

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, 2024.

For & on behalf of Board of Directors

Sd/-

Dr. Ashutosh Raghuvanshi
Managing Director & CEO

Date: May 23, 2024
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 Mr 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, 2024 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 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 22, 2024

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Fortis Healthcare Limited

1. We have examined the compliance of the conditions of Corporate Governance by **Fortis Healthcare Limited ("Company")**, for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation 2 of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance stipulated in SEBI Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **PI & Associates,**
Company Secretaries

Nitesh Latwal
Partner
ACS No.: A32109
CP No.: 16276
Peer Review No.: 1498/2021
UDIN: A032109F000410124

Date: May 23, 2024
Place: New Delhi

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

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, 2024 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 Mehmet Ali Aydinlar	10073483	March 28, 2023
8.	Mr Tomo Nagahiro	10074111	March 28, 2023
9.	Mr Lim Tsin Lin	10118906	May 4, 2023
10.	Mr Ashok Pandit	09279899	September 13, 2023
11.	Dr. Prem Kumar Nair	10348774	November 10, 2023

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 : F005991F000430921

Place: Delhi
Date: May 23, 2024

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

ESG: A Core Value at Fortis Healthcare

At Fortis Healthcare, ESG goes beyond being a trend; it's getting deeply embedded within our growth strategy. We recognise that the healthcare sector has a significant environmental footprint, and we believe that adopting sustainable practices is not only essential for the environment but also contributes to long-term business success and the well-being of the larger society we serve.

Fortis Healthcare has undertaken a comprehensive approach to ESG, focusing on optimising energy consumption, water usage, responsible bio-medical waste management, achieving employee welfare through human-first policies and robust corporate governance. This multifaceted approach ensures a holistic sustainability strategy, championing Environmental, Social & Governance parameters.

FY 2023-24 was a testament to the efforts Fortis Healthcare has been putting in towards achieving environmental sustainability. We have implemented a program focused on continuous monitoring, benchmarking, and improvement of per-occupied bed energy & water consumption for each of our units. We have empowered a dedicated team of ESG champions within each unit and leverage monthly connect forums to share best practices in various ESG initiatives.

Our approach towards achieving energy & water efficiency can be summarised as below:

- **Per Occupied Bed Energy & Water Monitoring:** We meticulously monitor energy consumption per occupied bed across all Fortis healthcare facilities on a monthly basis. This granular data allows us to identify the most and least energy-efficient units and facilitates best practices across the organisation.
- **Benchmarking and Initiative Identification:** Based on the facilitates monitoring data, we have conducted in-depth benchmarking across all units. This process has resulted in the identification of 19 distinct initiatives designed to optimise energy consumption.
- **Unit-Specific Improvement Opportunities:** Each unit was then benchmarked against the 19 identified initiatives. This analysis allowed us to pinpoint specific areas for improvement within each facility, ensuring a targeted and effective approach.
- **Financial and Environmental Benefits:** Measurable results have translated to a **reduction in per occupied bed energy by 3.4% & reduction in per occupied bed water consumption by 8.4%** on a consolidated level. Beyond financial benefits – the energy and water thus saved have added back to the environmental bounty that the Indian society enjoys at large.

Fortis Healthcare is committed to responsible bio-medical waste management. We closely monitor the bio-medical waste generated per occupied bed for each hospital across the five categories outlined by the Government of India as per the Bio-Medical Waste Management guidelines, 2016. This rigorous monitoring ensures proper segregation, treatment, and disposal of bio-medical waste, minimising environmental and health risks.

Our directors and all our employees, including senior management, conduct themselves in accordance with the highest moral and ethical standards. We are committed to ensuring a fair workplace for our employees as well as partners with whom we do business. We have strict policies to protect against unlawful discrimination and harassment. Our Values and business principles encourage honest and direct communication to resolve issues and concerns in an expeditious manner. We also have a channel that provides an alternative and anonymous method of reporting suspected compliance violations, unlawful or unethical behavior, or fraud.

The company's Code also reflects our longstanding dedication to the preservation of basic rights and human dignity in our workplace and beyond. We hold human rights to be an essential component of our business. We reject all forms of forced or child labor, as well as contemporary slavery and human trafficking. This position applies not only to our company but also to our business partners. We consider governance practices to be essential to creating and preserving value for its shareholders and other stakeholders. This includes a sound approach to corporate governance that aims to comply with all applicable laws, rules, regulations and policies, as well as adherence to corporate values and business principles. We have an effective, committed and highly skilled Board of Directors.

Business Responsibility & Sustainability Report (Contd.)

We promote board independence and embrace board diversity in all its facets, including skills, experience, gender, ethnicity, and race.

Detailed performance of Fortis Healthcare against the Business Responsibility & Sustainability parameters has been mentioned in this BRSR report that follows.

Sustainability in healthcare is a long & fulfilling journey. We at Fortis healthcare are committed towards the same in our thoughts, words & actions.

A compelling testament to the sustainability efforts of Fortis Healthcare is seen in the multiple awards that we have received in FY 2023-24:

- Fortis Healthcare has been recognised for its **outstanding contribution to sustainability** by Tata Power-DDL (Delhi Distribution Limited) under the 'Green Warriors 2.0' initiative, a program aimed at raising awareness about sustainability practices. Fortis Healthcare was awarded a **Certificate of Excellence under the category of 'Top 3 Green Transition Stories'.** This award was announced in April 2024.
- In March 2024, Fortis Hospital Anandpur, Kolkata was awarded the **prestigious CAHOCON Environment Sustainability Award, 2024** - a national honor recognising exemplary practices in promoting sustainability within healthcare facilities by Consortium of Accredited Healthcare Organisation (CAHO). Fortis Anandpur won this award in the **east region** award category.
- SL Raheja – a Fortis associate hospital in Mumbai, was awarded the prestigious **CAHOCON Environment Sustainability Award, 2024 in the west region** award category

SECTION A- GENERAL DISCLOSURES

I. Details of the listed entity

I-1.	Corporate Identity Number (CIN) of the listed entity	L85110PB1996PLC045933
I-2.	Name of the listed entity	Fortis Healthcare Limited
I-3.	Year of incorporation	1996
I-4.	Registered office address	Fortis Hospital, Sector 62, Phase – VIII, Mohali – 160062
I-5.	Corporate address	Fortis Healthcare Limited Tower-A, Unitech Business Park, Block-F, South City 1, Sector – 41, Gurgaon, Haryana – 122 001 (India)
I-6.	E-mail	secretarial@fortishealthcare.com
I-7.	Telephone	0124 492 1033
I-8.	Website	www.fortishealthcare.com
I-9.	Financial year for which reporting is being done	2023-24
I-10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
I-11.	Paid-up Capital	₹ 7,54,95,81,480
I-12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Ms. Richa Debgupta- Group Head- ESG, Chief of Strategy & Operations - Jaipur, Kolkata, Chennai Email- secretarial@fortishealthcare.com Telephone- +91-124 4921021
I-13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures are made on a consolidated basis for the entity Fortis Healthcare Limited.. Reporting boundary excludes Agilus diagnostics Limited.
I-14.	Name of assurance provider	Not Applicable
I-15.	Type of assurance obtained	Not Applicable

Business Responsibility & Sustainability Report (Contd.)

II. Products/services

II-16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Hospital and Medical Care	Hospital activities	100

II-17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Hospital and Medical Care	861	100

III. Operations

III-18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	0	26	26
International	0	0	0

Remarks: Total 25 hospitals and 1 corporate office. The hospital operations of Fortis Malar Hospital, Chennai and Fortis Vadapalani (Arcot Road) have been divested in FY 2023-24 and hence, not accounted for.

III-19. Markets served by the entity: a. Number of locations

Locations	Number
National (No. of States)	7
International (No. of Countries)	0

Remarks: The hospital operations of Fortis Malar Hospital, Chennai and Fortis Vadapalani (Arcot Road) have been divested in FY 2023-24 and hence, not accounted for.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company has national presence and serves around 7 states across the nation. The Company does not export & thus there is no contribution of exports to the turnover of the entity. The patients, however, include Indian citizens as well as citizens of foreign nationalities, who visit our hospitals in India for availing healthcare services.

c. A brief on types of customers

As the Company along with its subsidiaries are operating in the healthcare industry (Hospital & Diagnostics), the type of consumers are largely patients availing healthcare services.

IV. Employees

IV-20. Details as at the end of Financial Year a. Employees and workers (including differently abled):

No	Particulars	Total(A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
	Employees					
1	Permanent (D)	12,088	5,295	43.80%	6,793	56.20%
2	Other than Permanent (E)	11,255	7,400	65.75%	3,855	34.25%
3	Total employees (D + E)	23,343	12,695	54.38%	10,648	45.62%
	Workers					
1	Permanent (F)	0	0	0.0%	0	0.0%
2	Other than Permanent (G)	0	0	0.0%	0	0.0%
3	Total Workers (F + G)	0	0	0.0%	0	0.0%

IV-20. Details as at the end of Financial Year: b. Differently abled Employees and workers:

No	Particulars	Total(A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
	Differently Abled Employees					
1	Permanent (D)	6	5	83.33%	1	16.67%
2	Other than Permanent (E)	0	0	0.0%	0	0.0%
3	Total differently abled employees (D + E)	6	5	83.33%	1	16.67%
	Differently Abled Workers					
1	Permanent (F)	0	0	0.0%	0	0.0%
2	Other than Permanent (G)	0	0	0.0%	0	0.0%
3	Total Workers (F + G)	0	0	0.0%	0	0.0%

IV-21. Participation/Inclusion/Representation of women

	Total(A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	11	2	18.18%
Key Management Personnel	3	0	0.00%

Remarks: MD &CEO is counted as a Board Member and KMP both

IV-22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.49%	39.14%	30.42%	29%	45%	34.87%	28.45%	43.42%	36.59%
Permanent Workers	-	-	-	-	-	-	-	-	-

Remarks: We do not have workers. In the last year (FY 2022-23) report, turnover numbers were reported on a consolidated basis for both genders. This has now been rectified in this year's report.

Business Responsibility & Sustainability Report (Contd.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

V-23. (a) Names of holding / subsidiary / associate companies / joint ventures.

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	IHH Healthcare Berhad	Ultimate Holding	NA	No
2	Integrated Healthcare Holdings Limited	Intermediate Holding Company	NA	No
3	Parkway Pantai Limited	Intermediate Holding Company	NA	No
4	Northern TK Venture Private Limited	Holding Company	NA	No
5	Fortis Hospotel Limited	Subsidiary Company	74.35	Yes
6	Adayu Mindfulness Limited	Subsidiary Company	100	No
7	Hiranandani Healthcare Private Limited	Subsidiary Company	100	Yes
8	Agilus Diagnostics Limited	Subsidiary Company	56.95	No
9	Fortis Healthcare International Limited	Subsidiary Company	100	No
10	Fortis Hospitals Limited	Subsidiary Company	100	Yes
11	Escorts Heart Institute and Research Centre Limited	Subsidiary Company	100	Yes
12	Fortis CSR Foundation	Subsidiary Company	100	No
13	International Hospital Limited	Subsidiary Company	78.4	Yes
14	Fortis Health Management Limited	Subsidiary Company	52	Yes
15	Escorts Heart and Super Speciality Hospital Limited Escorts Heart Institute and Research Centre	Indirect Subsidiary Company	48.58	Yes
16	Artistery Propoerties Private Limited	Subsidiary Company	99.99	No
17	Fortis Cancer Care Limited	Step down subsidiary Company	No direct holding	No
18	Fortis Malar Hospitals Limited	Step down subsidiary Company	No direct holding	No
19	Fortis Health Management (East) Limited	Step down subsidiary Company	No direct holding	No
20	Fortis C-Doc Healthcare Limited	Step down subsidiary Company	No direct holding	No
21	Birdie & Birdie Realtors Private Limited	Step down subsidiary Company	No direct holding	No
22	Stellant Capital Advisory Services Private Limited	Step down subsidiary Company	No direct holding	No
23	Fortis Global Healthcare (Mauritius) Limited	Step down subsidiary Company	No direct holding	No
24	Fortis Emergency Services Limited	Step down subsidiary Company	No direct holding	No

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
25	Malar Stars Medicare Limited	Step down subsidiary Company	No direct holding	No
26	RHT Health Trust Manager Pte Ltd	Step down subsidiary Company	No direct holding	No
27	Fortis HealthStaff Limited	Step down subsidiary Company	No direct holding	No
28	Fortis Asia Healthcare Pte Limited	Step down subsidiary Company	No direct holding	No
29	Mena Healthcare Investment Company Limited	Step down subsidiary Company	No direct holding	No
30	Medical Management Company Limited	Step down subsidiary Company	No direct holding	No
31	Agilus Pathlabs Private Limited	Step down subsidiary Company	No direct holding	No
32	Agilus Diagnostics FZ- LLC	Step down subsidiary Company	No direct holding	No
33	Agilus Pathlabs Reach Limited	Step down subsidiary Company	No direct holding	No
34	Hospitalia Eastern Private Limited	Step down subsidiary Company	No direct holding	No
35	DDRC Agilus Pathlabs Private Limited	Step down subsidiary Company	No direct holding	No
36	Agilus Diagnostics (Nepal) Private Limited	Step down subsidiary Company	No direct holding	No

Remarks: The shareholding disclosed from serial no.5 to 15 are direct holding held by the Company, whereas rest of the shareholding in step down subsidiary Company is held through fellow subsidiaries.

VI. CSR Details

VI-24. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

VI-24. (ii). Turnover (in ₹) - 56,86,00,00,000

VI-24. (iii). Net worth (in ₹) - 85,56,13,77,000

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VII. Transparency and Disclosures Compliances

VII-25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0		0	0	-
Investors (other than shareholders)	Yes	0	0		0	0	-
Shareholders	Yes	0	0		0	0	-
Employees and workers	Yes - through Fortis HRMS system	0	0		0	0	-
Customers	Yes	22,725	12		21,289	1	-
Value Chain partners	Yes	0	0		0	0	-
Other (please specify)							

VII-26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Greenhouse Gas Emissions	Risk	GHG emissions are detrimental to the environment, & cause global warming	Approach to mitigate - increasing dependence on renewable energy sources	Positive
2	Energy Management	Opportunity	Opportunity to reduce energy expenditure by using energy efficient equipment	Not applicable	Positive
3	Water Management	Opportunity	Opportunity to reduce water wastage by using water efficient equipment	Not applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Waste Management (Hazardous & Non- Hazardous)	Risk	Medical waste, if not properly disposed, can pose hazard to the environment.	Approach to mitigate - as per defined protocols by pollution control boards	Negative
5	Diversity, Equity & Inclusion	Opportunity	Opportunity to promote the access of resources & health facilities according to need (equity). Also there is an opportunity to promote gender equality through financial independence & empowerment of women.	Not applicable	Positive
6	Quality of Care & Patient Satisfaction	Opportunity	Opportunity to increase goodwill and Net Promoter Score by maintaining high level of care quality and patient satisfaction	Not applicable	Positive
7	Audits & Certifications	Opportunity	Opportunity to create and maintain a highly efficient organisation operating sustainably	Not applicable	Positive

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SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

Policy and management processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1. c. Web Link of the Policies, if available	https://www.fortishealthcare.com/drupal-data/investors/Code-of-Conduct.pdf	https://www.fortishealthcare.com/drupal-data/investors/0.19530300_1468569988_Sustainability-Policy.pdf	https://www.fortishealthcare.com/drupal-data/investors/Policy forPrevention Prohibitionand Redressalof Sexual Harassment.pdf	https://www.fortishealthcare.com/drupal-data/investors/Corporate%2BSocial%2BResponsibility%2BPolicy%2B2022.pdf	https://www.fortishealthcare.com/drupal-data/investors/Code-of-Conduct.pdf	https://www.fortishealthcare.com/drupal-data/investors/0.19530300_1468569988_Sustainability-Policy.pdf	https://www.fortishealthcare.com/drupal-data/investors/Policy%2Bon%2BRelated%2BParty%2BTransactions.pdf	https://www.fortishealthcare.com/drupal-data/investors/Corporate%2BSocial%2BResponsibility%2BPolicy%2B2022.pdf	https://www.fortishealthcare.com/drupal-data/2023-12/Whistle%20Blower%20Policy.pdf
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	Yes	No	No	No	No	No	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	NABH/ JCI	-	NABH/JCI	-	NABH/JCI	-	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We are in the process of developing goals & targets with timelines & KPI's								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	A performance monitoring mechanism & review process will be implemented once goals & targets are developed.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As mentioned in the starting segment of this BRSR report
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Ashutosh Raghuvanshi - Managing Director and Chief Executive Officer
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	There is no specified committee of the Board/ director responsible for decision making on sustainability related issues. However, the Company has a separate ESG department which is headed by Chief of Strategy & Operations, & Group Head ESG.

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually

Remarks: The review of NGRBC principles was undertaken by Corporate ESG team of Fortis Healthcare.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Sr. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	As the Company has recently started implementation of ESG concepts across the business, independent assessment is planned for forthcoming years								

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12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable as the answer to question (1) above is yes								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not applicable as the answer to question (1) above is yes								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not applicable as the answer to question (1) above is yes								
It is planned to be done in the next financial year (Yes/No)	Not applicable as the answer to question (1) above is yes								
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

EI-1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of directors	The Board of Directors are informed about the regulatory changes in every board meeting	Changes in SEBI (Listing Obligations & disclosure requirements) regulations, 2015, Companies Act, 2013 & all other applicable sector specific laws. The topics are meant to apprise the BoD of the latest regulatory developments, so that they can help guide Fortis Healthcare's top management accordingly.	100%
Key Managerial personnel	3	Online Program Conducted: -POSH, OSHA, Fire Safety, IT Awareness Module. The trainings are done to support the KMPs in ensuring responsible business conduct throughout Fortis Healthcare's operations.	100%
Employees other than BoD and KMPs	29,534	810 Unique programs conducted including functional program to different category of members based on thier job profile. The choice of the trainings conducted help the employees to be aware of the latest SOPs and processes, while also facilitating skill development and career growth.	100%
Workers	0	0	0

Remarks: Additional trainings have been provided to the employees to develop the following skills:

Servicing with the Heart

Fire Safety

Mock Code Red Drill

Bio-Medical Waste Management

Telequette

Communicating Care

Spandan

Patient First

Corporate Grooming

Impacting Service behaviour on the floor

How to be an effective representative of your unit

Needle Stick Injury

Fortifying patient experience

Response during Man-made disaster

Bomb threat mock drill

Hospital Evacuation

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Prevention of Sexual harassment

Hospital safety hazards

Hospital fire safety hazards

IT Awareness Module

EI-2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Remarks: No fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year under review.

Non-Monetary

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

Remarks: No fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year under review.

EI-3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1	-	-

Remarks: Not Applicable

EI-4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.- Yes. The Company including its subsidiaries has zero-tolerance against bribery and corruption. It is committed to conduct its business with integrity; promote values of integrity, transparency, accountability and good corporate governance; strengthening internal systems that support corruption prevention and complying with laws relating to fighting corruption. The Anti-Bribery and Anti-Corruption Policy ('ABAC Policy') has been formulated to set out standards of integrity and behavior that is required of the Company, its directors, employees and third parties. ABAC Policy prescribes that no financial and/or other inducements are offered or accepted by or on behalf of the Company, its directors and employees. It is also to encourage them to be vigilant, to act with integrity and report against any individual(s) involved in bribery and corruption. The policy may be referred at https://www.fortishealthcare.com/drupal-data/2024-06/Anti-Bribery%20and%20Corruption%20Policy.pdf

EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	(Current Financial Year)	(Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

EI-6. Details of complaints with regard to conflict of interest:

Category	Number (CY)	Remarks (CY)	Number (PY)	Remarks (PY)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

EI-7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No such corrective actions taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

EI-8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	Current Financial Year	Previous Financial Year
Number of days of accounts payables	62.23	65.11

EI-9. Open-ness of business. Provide details of concentration of purchases with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format. Concentration of Purchases-

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%	0%

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Parameter	Metrics		FY 2023-24	FY 2022-23
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b.	Sales (Sales to related parties / Total Sales)	0.07%	0.08%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d.	Investments (Investments in related parties / Total Investments made)	Nil	Nil

Remarks:

1. We are not procuring from Export houses (Trading Houses)
2. The row regarding concentration of sales is not applicable. The Company is engaged in the business of providing healthcare services and deals with patients which are its primary customers.
3. Above % are calculated based on the transactions made during the years
4. 'Sales to related parties' above refers to revenue from operations.

Leadership Indicators

LI-1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

S. No.	Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1	Training on ESG, decoding BRSR process and 9 NGRBC Principles	39 %

Remarks: Top 50 vendors comprising of 39% spend were called for above training.

LI-2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.- Yes, the Company secures a Declaration of Conflict of Interest from its Senior Management Personnel (SMPs) and Board of Directors on an Annual Basis. The data so collated is then shared with Accounts department for tagging into the Accounting system to track / monitor any actual / potential Related / Interested Party Transaction.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

EI-1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100%	100%	46 New Research Projects initiated in FY 2023-24, totaling to 128 (Enrolling 65/ Follow up 29/ waiting for close out 34) Sponsored Clinical Trials & 163 investigator-initiated/DNB & Academic studies.
Capex	100%	100%	As the Company operates in healthcare sector, the entirety of R&D (clinical trials) and Capex (medical equipment purchased), improve the social impact of products & processes, reducing the disease burden of the society.

EI-2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- Yes

EI-2. b. If yes, what percentage of inputs were sourced sustainably?- Our endeavor has always been to employ the services of vendors who are equally committed to sustainability. However, due to the nature of the sector we operate in, some materials are also sourced from local vendors, MSMEs etc., who are still on the path of formalising sustainability practices. Sustainably sourced inputs percentage has not been quantified.

EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.- As per Bio-Medical Waste Management Rules 2016, read in conjunction with the amendments thereafter, all Bio- Medical Waste from the Healthcare Facility is handed over to the State Pollution Control Board Authorised Operator of the common Bio-Medical Waste Treatment Facility for collection, reception, storage, transport, treatment and disposal. We handover all waste from each of our Hospitals to the State Pollution Control Board Authorised Operator of the common Bio-Medical Waste Treatment Facility for final disposal. We have a Standard Operating Procedure based on the Bio-Medical Waste Management Rules 2016, read in conjunction with the amendments thereafter, for segregation at source, collection, handling transport within the Hospitals, Pre-treatment where needed & temporary storage in a common area before handing over to State Pollution Control Board Authorised Operator of the common Bio-Medical Waste Treatment Facility. The staff Health Check-ups, Vaccination, Training etc are done as per the requirements of the Bio-Medical Waste Handling Rules. The SOP compliance is tracked on a monthly basis.

EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.- Due to nature of healthcare business, Extended Producer Responsibility is not applicable to the entity's activities. We follow the guidelines notified by CPCB, MOEF and CC for Biomedical waste and Electronic scrap.

Leadership Indicators

LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
1	Bio medical waste generation	Risk for the environment and human beings as this a contaminated waste generated during the hospital operations.	We handover the Biomedical waste to state Govt pollution board approved vendor, as per the Bio medical waste management guidelines 2016.

LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
NA	NA	NA

Remarks: Owing to strict infection control measures and the very nature of medical and healthcare services sector, reused or recycled input material is not included in providing chargeable services to our patients. However, we ensure that recycled water is used for auxiliary services like horticulture.

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LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

S. No.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
1	Nil	Nil

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

EI-1. a. Details of measures for the well-being of employees (Permanent Employees).

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	5,295	5,295	100%	5,295	100%	0	0%	5,295	100%	0	0%
Female	6,793	6,793	100%	6,793	100%	6,793	100%	0	0%	6,793	100%
Total	**12,088**	**12,088**	**100%**	**12,088**	**100%**	**6,793**	**100%**	**5,295**	**100%**	**6,793**	**56.19%**
Other than permanent Employees											
Male	7,400	1,593	21.53%	1,593	21.53%	0	0.00%	1,593	21.53%	0	0.00%
Female	3,855	809	20.99%	809	20.99%	809	20.99%	0	0.00%	0	0.00%
Total	**11,255**	**2,402**	**21.34%**	**2,402**	**21.34%**	**809**	**20.99%**	**1,593**	**21.53%**	**0**	**0.00%**

Remarks: Daycare facilities are available at all hospital locations through 3rd party providers, except the following units, Ludhiana, Rajajinagar, and Nagarbhavi. These units have closed their agreements as there were no takers, however we are ready to reinstall any time on a demand basis.

EI-1. b. Details of measures for the well-being of workers. (Permanent Workers).

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**
Other than permanent Workers											
Male	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	**0**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**

Remarks: We do not have workers in our organisation

EI-1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	Current Financial Year	Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	0.56%	0.63%

EI-2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	No. of employees covered as a % of total employees. (CY)	No. of workers covered as a % of total workers. (CY)	Deducted and deposited with the authority (Y/N/N.A.). (CY)	No. of employees covered as a % of total employees. (PY)	No. of workers covered as a % of total workers. (PY)	Deducted and deposited with the authority (Y/N/N.A.). (PY)
PF	100%	NA	Yes	100%		Yes
Gratuity	100%	NA	Yes	100%		Yes
ESI	100%	NA	Yes	100%		Yes
Others – please specify						

Remarks: All employees eligible for ESI benefits (with monthly gross salary less than 21,000) are covered.

EI-3. Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.- Yes, the premises/offices of the entity are accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.- Yes. We have drafted our Diversity, Equality, Inclusion and Belongingness (DEIB) Strategy which covers the specially-abled people. This, however, has not been finalized and we are working on it.

EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	94%	NA	NA
Female	100%	87%	NA	NA
Total	**100%**	**91%**	**NA**	**NA**

EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable, as we do not have workers
Other than Permanent Workers	Not Applicable, as we do not have workers
Permanent Employees	Yes- we have policies and SOPs in place to receive and redress grievances for our employees such as Code of conduct, consequence management, Whistle blower policy, POSH Committee and local grievance handling process.
Other than Permanent Employees	Yes- we have policies and SOPs in place to receive and redress grievances for our employees such as Code of conduct, consequence management, Whistle blower policy, POSH Committee and local grievance handling process.

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EI-7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B / A)	Total employees / workers in respective category (C)	No.of employees / workers in respective category, who are part of association(s) or Union(D)	% (D / C)
Total Permanent Employees	12,088	19	0.16%	13,010	139	1.07%
- Male	5,295	17	0.32%	5,499	89	1.62%
- Female	6,793	2	0.03%	7,511	50	0.67%
Total Permanent Workers	0	0	0.0%	0	0	0.0%
- Male	0	0	0.0%	0	0	0.0%
- Female	0	0	0.0%	0	0	0.0%

Remarks: One of the Business units Malar Hospital, Chennai demerged from the Group during the FY.

EI-8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	7,795	5,674	73%	6,579	84%	5,499	3,630	66%	4,391	80%
Female	8,545	7,456	87%	7,456	87%	7,511	5,559	74%	6,364	85%
Total	**16,340**	**13,130**	**80.35%**	**14,035**	**85.89%**	**13,010**	**9,189**	**70%**	**10,755**	**82.67%**
Workers										
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Total	**0**	**0**	**0.0%**	**0**	**0.0%**	**0**	**0**	**0.0%**	**0**	**0.0%**

Remarks: i. We do not have workers in our organization

ii. The training details mentioned above for FY 2023-24 includes training data for permanent employees as well as those on retainer contracts.

EI-9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	5,295	5,295	100.00%	5,499	5,499	100.00%
Female	6,793	6,793	100.00%	7,511	7,511	100.00%
Total	**12,088**	**12,088**	**100.00%**	**13,010**	**13,010**	**100.00%**
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Remarks: The above data pertains to the permanent employees of Fortis Healthcare.

EI-10.a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?- Yes. OHSA trainings are provided to all employees. Reporting of serious and non-serious injuries is non-negotiable with the detailed incident reporting.

EI-10.b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?- Our hospitals are NABH accredited and follow the procedures and practices laid down by NABH on work related hazards.

EI-10.c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)- Not Applicable

EI-10.d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)- Yes

EI-11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one Milion-person hours worked)	Employees	0	0.0616
	Workers	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	0	194
	Workers	Not Applicable	Not Applicable
No. of fatalities	Employees	0	0
	Workers	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	Not Applicable	Not Applicable

EI-12. Describe the measures taken by the entity to ensure a safe and healthy work place.-

Following measures have been taken by the Company to ensure a safe & healthy work place:

a. Awareness workshop specific to key areas of fire, chemical, infections, machine handling, and public handling

b. Food and Water audits

c. High cleaning standards of public areas and toilets

d. Mental wellness workshops and helplines

e. Preventive Vaccination against key infections

f. Annual medical health check up

g. Compulsory annual leave

EI-13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

Remarks: No such complaints received

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EI-14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Remarks: Regular monitoring of our hospitals and offices are being done by the entity (Fortis Healthcare)

EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.- No such concerns reported, hence there is no corrective action being undertaken.

Leadership Indicators

LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).- Yes, All employees are covered under group personal accident and life insurance policies..

LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.- Payments to the vendors are dependent on submission of proof of statutory dues, and compliances. This is verified by a third-party auditor and compliance certificates are issued based on the documents submitted by the vendors.

LI-3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0
Workers	0	0	0	0

LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)- Yes, We provide depending upon opportunities within and outside Fortis Network

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity.- Every entity, person or organisation which features in the regular day to day running of a medical facility is a stakeholder to us. Our common stakeholders include, but are not limited to: patients, clinicians, nurses, paramedics, hospital administrator, clinical assistants, outsourced vendors, suppliers, payers as well as our shareholders, financial institutions, government agencies, regulatory bodies, nongovernment organisations and employees. We provide medical services to patients and all others associated with our hospitals help in fulfillment of the services.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Shareholders/ Investors	No	Emails, calls, investor meets etc.	Quarterly	Quarterly engagement with investors is scheduled to brief the investors on the quarterly performance of the Company after the results are declared for each quarter.
2	Patients	Yes, vulnerable due to health related issues	In-person intercations, Email, Website, calls SMS	Daily	Feedback on service improvements
3	Suppliers and Vendors	No	Email, Website, calls, SMS, industry promotion conference	Daily	Sourcing of quality supplies
4	Government Agencies/ Monitoring Agencies	No	Webinars, Seminars, Industry promotion conferences, ESG Summit	Others- as and when organised	Knowledge dissemination, skill building

Leadership Indicators

LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.- Feedback and concerns, if any, from stakeholder groups are discussed and resolved in the periodic review meeting between key management personnel, heads of hospitals and functional vertical heads. Summary and critical information from such consultations are presented in board meetings. Changes in policies are implemented after approval from Board.

LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.- Yes. Feedback received from patients (vulnerable due to health related issues) on the topics of environment and social topics were incorporated into policies and activities of the entity. In Fortis La Femme hospital, Delhi, plastic waste has been reduced significantly by framing various policies, like choosing only paper-based decorations for child birth celebrations, not using plastic PET water bottles in the hospital premises etc. Many of these inputs were received from patients.

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Additionally, stakeholders' observations are to be received in the upcoming 'Materiality assessment exercise' – to be undertaken in ongoing financial year.

LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.- Each hospital has ramps for physically handicapped patients. To address the concern of vulnerability due to health related issues, we have specific processes which include the following:

a) All wash-rooms have grab bars installed in them.

b) All wash-rooms have either anti-skid flooring or anti-skid mats.

c) Education is provided to the patient as well as the attendants regarding fall protection.

d) Bed-side railings are required to be up at all times unless required otherwise.

e) No patient is to be left unattended.

While the above processes have been designed keeping in mind all patients, all of the above become crucial in supporting the physically challenged patients.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	12,088	12,088	100.00%	13,010	13,010	100.00%
Other than permanent	11,255	0	0%	11,260	0	0%
Total Employees	**23,343**	**12,088**	**51.78%**	**24,270**	**13,010**	**53.6%**
Workers						
Permanent	0	0	0.0%	0	0	0.0%
Other than permanent	0	0	0.0%	0	0	0.0%
Total Workers	**0**	**0**	**0.0%**	**0**	**0**	**0.0%**

Remarks: Human rights in the workplace are covered in our training strategy programs. Our code of conduct and other governance policies are based on human rights. All these trainings are compulsory at the time of joining and are refreshed from time to time for the permanent employees.

EI-2. Details of minimum wages paid to employees, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C / A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	12,088	0	0.00%	12,088	100%	13,010	0	0.00%	13,010	100%
Male	5,295	0	0.00%	5,295	100%	5,499	0	0.00%	5,499	100%
Female	6,793	0	0.00%	6,793	100%	7,511	0	0.00%	7,511	100%
Other than Permanent	11,255	11,255	100%	0	0.00%	11,260	11,260	100%	0	0.00%
Male	7,400	7,400	100.00%	0	0.00%	7313	7313	100.00%	0	0.00%
Female	3,855	3,855	100.00%	0	0.00%	3947	3947	100.00%	0	0.00%
Workers										
Permanent	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Other than Permanent	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Male	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%
Female	0	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%

Remarks: All Fortis employees are paid more than the respective states' minimum wages. Salary details of the other than permanent- employees are not available with Fortis, however as per the audit conducted by the party third-party vendor all outsourced staff are paid the minimum wages of the respective states, by their respective employers.

EI-3. a. Details of remuneration/salary/wages, in the following format: Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	9	1,60,00,000	2	1,40,00,000
Key Managerial Personnel	3	3,57,22,700	0	0
Employees other than BoD and KMP	5,292	4,38,540	6,793	3,48,000
Workers	0	0	0	0

Remarks: The salary paid details, for employees other than BoD and KMP are for permanent employees only.

*includes commission paid to independent directors. Details of Sitting fee as paid to the Directors are included in the Corporate Governance Report.

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EI-3. b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	44.46%	45.04%

Remarks: This data includes only the permanent employee's salary paid for both the FY.

EI-4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)- Yes

EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues.- Code of conduct, consequence management, Whistleblower policy, POSH Committee and local grievance handling process.

EI-6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	14	0	Previous year's one pending case was also closed this year	11	1	
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	14	11
Complaints on POSH as a % of female employees / workers	0.13%	0.1%
Complaints on POSH upheld	14	11

EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.- Whistle blower policy, POSH Committee, Grievance handling committee.

EI-9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- Yes

EI-10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	0

EI-11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.- No corrective actions were required to be taken.

Leadership Indicators

LI-1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints. - None

LI-2. Details of the scope and coverage of any Human rights due-diligence conducted. - None

LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?- Yes. All hospitals are accessible to differently abled visitors/ patients.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
From renewable sources		
Total electricity consumption (A)	39,919.23	41,325.40
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**39,919.23**	**41,325.4**
From non-renewable sources		
Total electricity consumption (D)	2,58,073.38	2,49,846.92
Total fuel consumption (E)	2,82,218.95	14,092.55
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**5,40,292.33**	**2,63,939.48**
Total energy consumed (A+B+C+D+E+F)	**5,80,211.56**	**3,05,264.88**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	**102.04 GJ / Crores**	**59.77 GJ / Crores**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	**228.57 GJ/ million USD**	**132.50 GJ/ million USD**
Energy intensity in terms of physical output	**0.6 GJ/ Number of Occupied Bed Days**	**0.33 GJ/ Number of Occupied Bed Days**

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Remarks: 1. All energy data is mentioned in Gigajoules.

2. Over the course of FY 2023-24, we have taken several initiatives within our units to strengthen our data collection process. We are tracking our energy consumption on a monthly basis, as well as have developed processes to improve the accuracy of our reporting.
3. Energy intensity per rupee of turnover has jumped from 59.77 GJ/ Crore in FY 22-23 to 102.04 GJ/ Crore in FY 23-24. This substantial difference is because in FY 23-24, we have also accounted for natural gas (19,575.18 GJ) and LPG usage (2,52,095.29 GJ) - thus increasing overall energy consumption data reported.
4. In the previous year of reporting, we had reported 2022-23 data with 27 hospitals. However, as the boundary of reporting has changed this year, wherein Fortis Network Hospitals are not included. Thus we are restating our 2022-23 data with the values of energy consumption from 21 hospitals.
5. For PPP adjustment, the conversion factors have been taken from the International Monetary Fund. The link for the same can be found here: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDCF

EI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring per occupied bed energy consumption data for each hospital every month.

EI-2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.- No, not applicable.

EI-3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	6,89,717	8,18,187
(iii) Third party water	3,83,046	3,71,423
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**10,72,763**	**11,89,610**
Total volume of water consumption (in kilolitres)	**2,93,941**	**2,72,582**
Water intensity per rupee of turnover (Water consumed / turnover)	**51.6956 KL / Crores**	**53.3742 KL / Crores**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	**115.7982.KL/ million USD**	**118.3143 KL/ million USD**
Water intensity in terms of physical output	**0.3062 KL/Number of Occupied Bed Days**	**0.2910 KL/Number of Occupied Bed Days**

Remarks: In the previous year of reporting, we had reported 2022-23 data with 27 hospitals. However, as the boundary of reporting has changed this year, wherein Fortis Network Hospitals are not included.

Thus, we are restating our 2022-23 data with the values of water withdrawal and discharge from 21 hospitals.

For PPP adjustment, the conversion factors have been taken from the International Monetary Fund. The link for the same can be found here: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDCF

EI-3. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring per occupied bed water consumption data for each hospital every month.

EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres)

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
With treatment – please specify level of treatment	7,78,822 Secondary level of treatment	9,17,028 Secondary level of treatment
(v) Others		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**7,78,822**	**9,17,028**

Remarks: As per the guidelines from Central Board for Pollution Control, we have STP and ETP plants in most of our units. After the treatment, we generally used the water for flushing, cooling towers, and gardening purposes, and the rest of the treated water discharged into municipal cooperation drain lines.

EI-4. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring the output parameters of sewage treatment plants of all units, as per Central Pollution Control Board norms.

EI-5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.- We have STP and ETP plants as per the guidelines of Central Pollution Control Board and the capacity of the hospital. We are doing wastewater treatment for further utilisation in gardening, road cleaning, cooling tower system and flushing systems.

EI- 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NOx	ug/m3	33.70	20.00
SOx	ug/m3	19.29	11.40
Particulate matter (PM)	ug/m3	83.90	61.01
Persistent organic pollutants (POP)	0	0	0

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Parameter	Please specify unit	Current Financial Year	Previous Financial Year
Volatile organic compounds (VOC)	0	0	0
Hazardous air pollutants (HAP)	0	0	0
Others – please specify	0	0	0

Remarks: In the previous year of reporting, we had reported 2022-23 data along with Fortis Network Hospitals. However, as the boundary of reporting has changed this year, wherein Fortis Network Hospitals are not included. Thus, we are restating our 2022-23 data this year.

EI-6. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring the output parameters of DG Stacks for all units, as per Central Pollution Control Board norms.

EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) in MTCO2E & its intensity, in the following format:

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCO_2e	20,482.98	1,055.07
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	TCO_2e	50,897.81	56,215.56
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	**TCO_2e / rupee of turnover**	**12.5538 TCO_2e / Crores**	**11.2141 TCO_2e / Crores**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	**TCO2e/ $ Crore**	**28.1205 TCO2e/ million USD**	**24.8583 TCO2e/ million USD**
Total Scope 1 and Scope 2 emission intensity in terms of physical output	**TCO2e/ Number of Occupied Bed Days**	**0.0744 TCO_2e / Number of Occupied Bed Days**	**0.0597 TCO2e/ Number of Occupied Bed Days**

Remarks:
1. Over the course of FY 2023-24, we have taken several initiatives within our units to strengthen our data collection process. We are tracking our energy consumption on a monthly basis, as well as have developed processes to improve the accuracy of our reporting.
2. Total Scope 1 & Scope 2 emissions per rupee of turnover has increased from 11.2141 in FY 22-23 to 12.5538 in FY 23-24. This difference is because in FY 23-24, we have also accounted for natural gas (1,135.36 TCO2e) and LPG usage (16,129.32 TCO2e) - thus increasing overall emissions data reported.
3. In the previous year of reporting, we had reported 2022-23 data with 27 hospitals. However, as the boundary of reporting has changed this year, wherein Fortis Network Hospitals are not included. Thus we are restating our 2022-23 data with the values of energy consumption from 21 hospitals.
4. For PPP adjustment, the conversion factors have been taken from the International Monetary Fund. The link for the same can be found here: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDCF.

EI-7. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring the output parameters of DG Stacks for all units, as per Central Pollution Control Board norms.

EI-8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- We are purchasing renewable energy from outsourced vendors for a majority of our category A hospitals. There are two categories of renewable energy that Fortis hospitals are utilising, totaling to annual utilisation of 1,10,88,674 kWh units. This corresponds to 15.47% of total energy consumed by all Fortis units on a consolidated level.

Fortis Hospital Mulund - Wind energy

Fortis Hospital BG Road - Wind energy

Fortis Hospital Mohali - Solar energy

Fortis Hospital Ludhiana - Solar energy

Fortis Hospital Anandpur - Solar energy

Fortis Memorial Research Institute, Gurugram - Solar energy

Additionally, under energy initiatives projects, we have reduced per occupied bed kWh consumption from 89.28 kWh per occupied bed day to 87.88 kWh per occupied bed per day. This has been achieved even when the the bed capacities have been increased in almost all units. We have installed the following energy conservation equipment:

- VFDs for AHU, HVAC pumps and cooling towers
- Energy efficient pumps for HVAC and water management
- Timers for lighting systems and AHU systems - IoT-based automation for HVAC systems
- LED lights
- Cooling tower Epoxy type fan blades
- Dimmable and sensor-based lights
- Motion sensors

EI-9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	70.05	0
E-waste(B)	111.52	0
Bio-medical waste (C)	1,886.4	1,876.04
Construction and demolition waste (D)	8425	0
Battery waste (E)	59.91	369.12
Radioactive waste (F)	0.34	0
Other Hazardous waste.Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	1,681.08	2,034.11
Total (A + B + C + D + E + F + G + H)	**12,234.30**	**4,279.27**
Waste intensity per rupee of turnover (Total Waste Generated / Revenue from operations)	**2.1517 MT / Crores**	**0.8379 MT / Crores**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste Generated / Revenue from operations adjusted for PPP)	**4.8197 MT/ million USD**	**1.8574 MT/ million USD**
Waste intensity in terms of physical output	**0.0127 MT/ Number of Occupied Bed Days**	**0.0046 MT/ Number of Occupied Bed Days**

Business Responsibility & Sustainability Report (Contd.)

Remarks: 1. Over the course of FY 2023-24, we have taken several initiatives within our units to strengthen our data collection process. We are tracking waste generation data on a monthly basis, as well as have developed processes to improve the accuracy of our reporting.

2. For our plastic waste, we are estimating the generated waste on the basis of the plastic bottles that have been purchased in FY 2023-24. In addition, the construction and demolition waste has been estimated on the basis load capacities of the trolleys and trucks for whom gate passes were issued. While last year we had assumed a weight of 40 kgs for our batteries, this year we were able to determine the exact waste quantity.

3. Waste intentiy per rupee of turnover has jumped from 0.8379 MT/ Crore in FY 22-23 to 2.1517 MT/ Crore in FY 23-24. This substantial difference is because in FY 23-24, we have also accounted for Construction & Demolition waste (8,425 MT), Plastic waste (70.05 MT), e-waste (111.52 MT) & Radio-active waste (0.34 MT) - thus increasing overall waste generation data reported.

4. In the previous year of reporting, we had reported 2022-23 data with 27 hospitals. However, as the boundary of reporting has changed this year, wherein Fortis Network Hospitals are not included. Thus we are restating our 2022-23 data with the values of energy consumption from 21 hospitals.

5. For PPP adjustment, the conversion factors have been taken from the International Monetary Fund. The link for the same can be found here: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDCF

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste - Plastic		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - E-Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - Bio-medical waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - Construction and demolition waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**

Parameter	FY 2023-24	FY 2022-23
Category of waste - Battery waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - Radioactive waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - Other Hazardous waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
Category of waste - Other Non-Hazardous waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0**	**0**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste - Plastic		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	70.05	0
Total	**70.05**	**0**
Category of waste - E-Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	111.52	0
Total	**111.52**	**0**
Category of waste - Bio-medical Waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1,886.4	1876.04
Total	**1,886.4**	**1876.04**
Category of waste - Construction and demolition waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	8,425	0
Total	**8,425**	**0**

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Parameter	FY 2023-24	FY 2022-23
Category of waste - Battery		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	59.91	369.12
Total	**59.91**	**369.12**
Category of waste - Radioactive		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0.34	0
Total	**0.34**	**0**
Category of waste - Other Hazardous waste. Please specify, if any		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**0**	**0**
Category of waste - Other Non-hazardous waste generated		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1,681.08	2,034.11
Total	**1,681.08**	**2,034.11**

EI-9. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring per occupied bed waste generation data for each hospital every month.

EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. - Most of our hospitals being NABH/ JCI accredited/ certified, follow stringent quality norms while handling Bio-Medical waste. The staff is regularly trained on the same & compliance audited regularly. Annually we report the Bio Medical waste generated to the Pollution Control Board & also publish the same on our website. As per Bio-Medical Waste Management Rules 2016, read in conjunction with the amendments thereafter, all Bio-Medical waste from is handed over to State Pollution Control Board authorised operator for collection, reception, storage, transport, treatment and disposal. We have a Standard Operating Procedure based on the Bio-Medical Waste Management Rules 2016, read in conjunction with the amendments thereafter, for segregation at source, collection, handling transport within the hospitals, pre-treatment where needed & temporary storage in a common area before handing over to State Pollution Control Board authorised operator. The staff are trained to segregate the waste at the point of generation, so that there is no mixing of waste. The Bio-Medical Waste practices are audited every month in the hospitals & compliances tracked regularly. FY 2023-24 onwards, we have started to measure and monitor the waste generated in general categories, such as plastic, construction & demolition waste, e-waste etc. The same are being segregated and handed over to state pollution control board approved vendors.

EI-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	-	-	-

EI-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	-	-	-	-	-	-

EI-13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Each unit has the local pollution board's consent to operate compliance certificates.	-	Nil	-

Leadership Indicators

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Hospital name with location

1. Fortis Hospital Kalyan Kalyan
2. Fortis Hospital B G Road Bengaluru
3. Fortis Hospital C G Road Bengaluru
4. Fortis Hospital Richmond Road Bengaluru
5. Fortis Hospital Rajaji Nagar Bengaluru
6. Fortis Hospital Nagarbhavi Road Bengaluru
7. Fortis Hospital Ludhiana Punjab
8. Fortis Hospital Amritsar Punjab
9. Fortis Hospital Jaipur Rajasthan
10. Fortis Hospital Okhla Delhi
11. Fortis Hospital Noida UP
12. Fortis Hospital Faridabad Gurugram

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13. Fortis Hospital La Femme GK Delhi
14. Fortis Memorial Research Institutes Gurugram

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): (ii) Nature of operations- Usage in Hospital for regular activity.

LI-1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Water withdrawal, and consumption in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	4,32,514	4,71,464
(iii) Third party water	2,09,240	1,71,589
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	6,41,754	6,43,053
Total volume of water consumption (in kilolitres)	2,12,147	1,67,012
Water intensity per rupee of turnover (Water consumed / turnover)	37.3104 KL / Crores	32.7026 KL / Crores
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
With treatment – please specify level of treatment	4,29,607 CY: Secondary level of treatment	4,76,041 PY: Secondary level of treatment
(v) Others		
- No treatment	0	0
With treatment – please specify level of treatment	0 CY:	0 PY:
Total water discharged (in kilolitres)	**4,29,607**	**4,76,041**

LI-1. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No independent assessment has been carried our by an external agency. However, internally, corporate ESG team has been monitoring per occupied bed water consumption data for each hospital every month.

LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Optimisation of per occupied bed energy consumption	- We meticulously monitored energy consumption per occupied bed across all Fortis healthcare facilities on a monthly basis. - Based on the monitoring data, we conducted in-depth benchmarking across all units. This process resulted in the identification of 19 distinct initiatives designed to optimise energy consumption. - Unit-Specific Improvement Opportunities: Each unit was then benchmarked against the 19 identified initiatives. This analysis allowed us to pinpoint specific areas for improvement within each facility, ensuring a targeted and effective approach - The focused initiatives for energy consumption optimisation included the following: Energy consumption optimisation: 1. Installation of Variable Frequency Distributors (VFD) to Air handling units (AHU), cooling towers and Heating, Ventilation and Air Conditioning (HVAC) pumping systems 2. Replacement of old cast iron type cooling towers fans with Epoxy material 3. Replacement of energy-inefficient pumps with energy efficient ones 4. Replacement of old chillers with new energy efficient chillers with VFD system 5. Replacement of old CFL with LED lights 6. Installed IoT based technology for HVAC system 7. Installed the timers and motion sensors for lighting system	Measurable results have translated to a reduction in per occupied bed energy by 3.4% on a consolidated level. This reduction was achieved despite increase in the overall bed occupancy by 0.21% (at consolidated reporting level) in FY 23-24 Beyond financial benefits to the organisation– the energy thus saved has added back to the environmental bounty that the Indian society enjoys at large.
2	Optimisation of per occupied bed water consumption	-Per occupied bed water consumption was meticulously monitored for each unit over the year - This granular data allows us to identify the most and least water-efficient units and sharing of best practices across the organisation. - Focused initiatives to reduce water consumption included the following: Installation of water flow meters 1. Installation of foam water aerators for basin taps 2. used treated Sewage Treatment Plant (STP) water for flushing, cooling towers and gardening purposes 3. Used RO reject water for flushing and kitchen cleaning purposes 4. Replaced old water flushing system with new technology – ensuring leakage repairing of Commode flushing system in patient rooms / public toilets to control direct flow	Measurable results have translated to a reduction in per occupied bed water by 8.4% on a consolidated level.This reduction was achieved despite increase in the overall bed occupancy by 0.21% (at consolidated reporting level) in FY 23-24. Beyond financial benefits to the organisation – the water thus saved has added back to the environmental bounty that the Indian society enjoys at large.

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Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3	Setting data-driven baseline for Bio-Medical waste generation across units	Month-wise, category-wise Bio-Medical Waste Baseline was succesfully set up for not only the 5 key Fortis Units (as envisioned initially), but across all Fortis Units. The same is being tracked month on month for all Bio-Medical Waste categories. Additional results achieved: - Seasonality related variations and bed occupancy variation challenges have been successfully tackled by introducing per occupied bed factor and month markers in the baseline for each unit - Rolled out the following 2 initiatives for improvement of Bio-Medical Waste Management requirements as per the BRSR reporting mandate: 1. Plastic Waste Measurement Exercise: Unlike FY 2022-23, in FY 23-24, we have rolled out a process of calculating plastic waste generated at each unit, taking suitable assumptions. The same has been included in this BRSR Report 2. Construction Debris Measurement Exercise: Similar to Plastc waste, a process has been rolled out to measure construction debris waste generated at each unit. The same has been included in this BRSR Report	Key Outcomes: 1. Setting of month-wise, category-wise Bio-medical waste generation, factoring in seasonlity and bed occupancy variables 2. We started separate monitoring of plastic waste and construction debris generated in the hospitals. The same were reported in the current year's BRSR report, and will be monitored year on year, henceforth.

LI-5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.- Yes, A standardised security SOP 'Hospital Evacuation' (centrally prepared as a guiding document) is shared with all the Fortis hospitals. Based on this documents, all the Fortis Hospitals have prepared their own unit specifc evacuation plan mentioning the response during different man-made & natural disasters to ensure the preparedness and business continuity. Mock drills are conducted once in a quarter to check efficacy of the plan on ground. A safety training calendar is prepared & followed by all the hospitals covering scenarios for natural disasters, eg. earthquakes, floods, storm etc. and man-made disasters, eg fire, bomb threat, terrorist attack etc. Additionally, all the Fortis Hospitals have a tie up with a minimum of two hospitals in the near vicinity to ensure the assistance in shifting & treatment of the patients during a disastrous situation.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

EI-1.a. Number of affiliations with trade and industry chambers/ associations.- 4 (Four)

EI-1.b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian chambers of Commerce & Industry	National
2	NATHEALTH	National
3	Confederation of Indian Industry	National
4	Associations of Healthcare Providers	National

EI-2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

S. No.	Name of authority	Brief of the case	Corrective action taken
1	-	-	-

Remarks: No adverse orders from regulatory authorities.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	NA	NA	NA	NA	NA	NA

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
1	NA	NA	NA	NA	NA	NA

EI-3. Describe the mechanisms to receive and redress grievances of the community.-

For complaints received through social media, our corporate marketing team monitors the social media and complaints, if any, are shared with the hospital's patient experience head for early resolution and closure. There is a feedback/complaint option available on the Fortis website which can be filled and submitted. One can also write to feedback@fortishealthcare.com. This feedback is deposited in the PDMS (patient delight and management system) and specific hospital's Patient Experience team takes action on these complaints. All complaints are tracked for satisfactory closure.Otherwise for any general query, one can reach us on reachus@fortishealthcare.com

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EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/ small producers	**34%**	**27%**
Sourced directly from within India	**96.1%**	**Data not measured centrally**

EI-5. Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	Current Financial Year	Previous Financial Year
Rural	0%	0%
Semi-urban	0%	0%
Urban	20%	20%
Metropolitan	80%	80%

Remarks: Fortis has presences in Metro cities of Delhi-NCR, Kolkata, Bangalore, Mumbai, and urban cities of Jaipur and Mohali, Amritsar, and Ludhiana

Leadership Indicators

LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Haryana	Mewat (Nuh)	50,00,000
2	Uttarakhand	Udham Singh Nagar	21,00,000

LI-3.a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)- Due to nature of healthcare business we don't have a preferential procurement policy for marginalised and vulnerable suppliers. To ensure effective and efficient healthcare delivery, we need to ensure the availability of quality product and services in our hospitals. 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. 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 suppliers. Periodic suppliers meeting and reviews are conducted to drive continuous improvement in quality of goods and services.

LI-6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Nikshay Project	9,739	100%
2	Strengthening public health infrastructure	NA	100%
3	Strengthening School WASH infrastructure	9,000	100%
4	Anaemia Eradication	35	100%
5	Scholarship	51	100%
6	School Digital Infrastructure	3,300	100%
7	Apprentice Training	797	100%
8	PM Cares fund	NA	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.- Every day post discharge or a visit to the hospital, we send a feedback message with a link on WhatsApp to the patients, through which patients fill the feedback form and can give us a detailed feedback of their experience. This feedback gets submitted in our patient feedback management application which is monitored and managed by the patient experience team.

All patient complaints and suggestions are assigned to the concerned department and these are closed with RCA and CAPA by the concerned department stakeholders. There is an escalation matrix in place where complaints get escalated within the unit and corporate office, in case the complaints are not closed timely. We have a dedicated patient feedback management system to capture, monitor and manage patient feedback. Any complaint submitted by a patient in the feedback generates a review ticket to the concerned department head, for resolution and closure. Department head has to perform root cause analysis (RCA) and CAPA (Corrective and Preventive Action) for all the complaints which is further approved by the Function head.

If ticket is not closed timely by the department head, it gets escalated to further levels within the unit and corporate office as per the defined escalation matrix. Patient complaints are analyzed monthly to identify most common and repeated issues, for service and process improvement. We have also displayed complaint escalation posters in patient care areas and waiting areas at all our hospitals. We have defined 3 levels for raising a complaint and escalation in these posters. Our patients can also share their feedback and complaints on the Fortis Healthcare website and email through a dedicated feedback form and email ID. Overall patient satisfaction is measured through Net Promoter Score (NPS). NPS is captured and monitored regularly, and is discussed in the monthly unit business review meetings and also presented in the GOC.

NPS variance is used to design training interventions, thus completing the feedback loop.

EI-2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Remarks: As per Bio-Medical Waste Management Rules 2016, read in conjunction with the amendments thereafter, 100% Bio-Medical Waste from the Healthcare Facility is handed over to the State Pollution Control Board authorised operator

Business Responsibility & Sustainability Report (Contd.)

for collection, reception, storage, transport, treatment and disposal. Being a healthcare services provider, almost all of the products utilised by us for medical consumption is sourced from reputed manufacturers which screen their products for safe usage and promote safe disposal.

EI-3. Number of consumer complaints in respect of the following:

	FY 2023-2024			FY 2022-2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	
Cyber-security	0	0	-	0	0	-
Delivery of essential services	22,725	12	The 12 pending complaints are in various stages of being resolved.	21,289	1	The 1 pending complaint was resolved in FY 23-24
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

EI-4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.- We have a robust Information Security policy in place for providing overall Information security governance framework for the organisation in managing different aspects related to Information security. To support that Information security incident management policy is also place covers cyber security framework, web link is intranet and presently accessible to IT function. Link for data privacy https://www.fortishealthcare.com/privacy-policy

EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.- Not applicable

EI-7. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact- No such incidents reported to Fortis Security team.

b. Percentage of data breaches involving personally identifiable information of customers- No such incidents reported to Fortis Security team.

c. Impact, if any, of the data breaches- Not applicable.

Business Responsibility & Sustainability Report (Contd.)

Leadership Indicators

LI-1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).- Website: www.fortishealhcare.com

Facebook: https://www.facebook.com/fortishealth

Twitter: https://twitter.com/fortis_hospital

Youtube: https://www.youtube.com/channel/UCn0ShMNqXI3kQP-Eoaf7olg

Instagram: https://www.instagram.com/fortis.healthcare

LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

At the time of hospital admission, Patient and their attendants are counseled and all relavant information about the treatment is provided to them. Similarly, we inform patient about dischage medication and precautions they must follow to ensure faster and safe recovery. During handing over of medicines in Pharmacy, our pharmacists educate patient about correct process and timings of taking the medicines

LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of disruption or discontinuation, patients are informed through posters displayed in reception and patient areas within hospitals. In case of any advance booking, the call center calls the Patient on their registered phone number explaining the situation and offering alternative options, if available. Such information is also displayed on website and social media channels of Fortis.

MANAGEMENT DISCUSSION & ANALYSIS

SECTION I

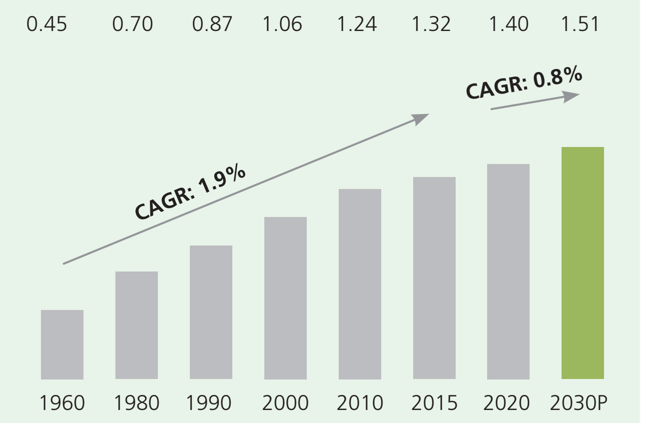
Indian Healthcare Sector

A. Overview

The overall economic development and increasing population have propelled the healthcare sector to become one of India's largest sectors, both in revenue generation and job creation.

The healthcare industry in India continues to play a crucial role in the nation's economic framework, making substantial contributions to growth and employment across diverse sectors such as hospitals, medical devices, clinical trials, telemedicine, medical tourism, health insurance and medical equipment.

India's Population, Billion



Source: Crisil

The sector has undergone significant transformations in recent years, fueled by technological advancements, policy reforms and growing investments. With a population exceeding 1.4 Billion, India faces unique challenges in providing accessible and affordable healthcare to its citizens. However, it also presents immense opportunities for innovation and growth.

In response to the COVID-19 pandemic, India's healthcare infrastructure witnessed rapid adaptations. The country ramped up its healthcare facilities, including the establishment of temporary hospitals and increased production of medical supplies. Furthermore, telemedicine emerged as a crucial tool for remote healthcare delivery, bridging the gap between patients and healthcare providers, especially in rural areas.

In recent years, the sector has witnessed remarkable expansion, driven by factors such as improved coverage, service quality enhancements and substantial investments from both public and private entities. Government initiatives aimed at increasing healthcare spending and enhancing infrastructure have further propelled the industry's growth trajectory.

Despite these advancements, challenges persist, including disparities in healthcare access between urban and rural areas, inadequate infrastructure and the need for skilled healthcare professionals. Nevertheless, with continued efforts towards innovation, collaboration and policy reforms, the Indian healthcare sector is poised for healthy growth and improvement in the coming years.

The Indian healthcare industry has sustained its robust growth momentum, propelled by several key trends.

Despite the challenges posed by the COVID pandemic and other socioeconomic factors, the industry has remained resilient, reaffirmingits status as one of the largest service sectors in the country.

Looking ahead, continuous progress in medical technology combined with a growing focus on preventive care and wellness programs is anticipated to drive the expansion and diversification of India's healthcare industry. The sector's ability to withstand challenges and adapt, positions it well for ongoing growth and innovation, presenting attractive prospects for investors, stakeholders and healthcare practitioners.

B. Current Landscape and Key Highlights

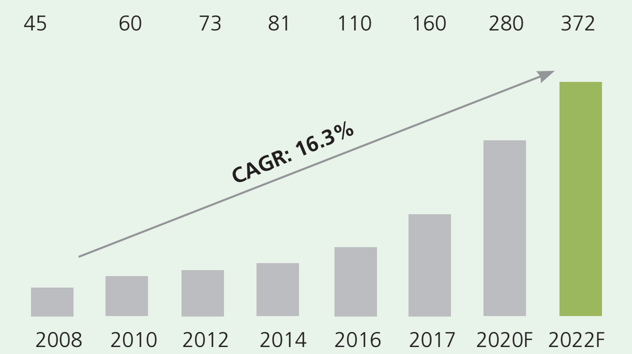
India's rapidly expanding healthcare sector has emerged as a prominent driver of the economy. The surge in healthcare demand is propelled by a blend of economic and demographic dynamics.

In recent years, the Indian healthcare sector has witnessed several trends fostering its expansion, elevating it to become one of the nation's largest service sectors. The overall size of the industry is estimated to be $372 Billion with a CAGR of 22% (2016 – 2022). (Source: Niti Aayog)

India's healthcare industry comprises hospitals, medical devices and equipment, pharmaceuticals, health insurance, clinical trials, telemedicine and medical tourism.

Management Discussion & Analysis (Contd.)

India's Healthcare Sector, USD Billion



Source: NITI Aayog

The industry's expansion can be attributed to several factors including an aging population, a growing middle class, an increasing prevalence of lifestyle diseases, increasing insurance penetration, public-private partnerships and the adoption of digital technologies like telemedicine.

- The Indian healthcare sector experienced a surge in investments with over $4 billion inflows in 2023. Private equity (PE) investments surged by 9-10%, a significant increase from the pre-COVID-19 era's 2% and last year's 5%.
- The government's plan to increase healthcare spending to 2.5% of GDP by 2025.
- There is a decrease in the percentage of healthcare spending paid out of pocket by individuals, from 62.6% in FY 2015 to 47 1% in FY2020 (Source: Ministry of Health) %
- The Indian government is expected to increase partnerships with private healthcare providers to improve access to healthcare services, particularly in rural and underserved areas
- Greater adopitin of digital health solutions such as electronie medical records (EMRs), mobile health apps and remote patient monitoring systems.
- The adoption of telemedicine, which has been accelerated by the COVID-19 pandemic is projected to grow at a CAGR of 31% between 2020 and 2025.

(Source: CNBC, Ministry of Health, Niti Aayog)

Key Highlights:

Expansion of Telemedicine Services: Telemedicine continues to witness significant growth with more healthcare providers adopting digital platforms to offer remote consultations and medical advice, especially in the wake of the COVID-19 pandemic.

Advancements in Health Tech: The healthcare technology sector sees rapid innovation with developments in artificial intelligence, wearables and health monitoring devices aimed at improving patient care and treatment outcomes.

Increased Government Spending: The Indian government allocates higher budgets for healthcare focusing on infrastructure development, disease control programs and improving access to essential medicines and treatments.

Focus on Mental Health: There is a growing recognition of mental health issues leading to increased efforts to destigmatize mental illness, expand mental health services and integrate mental health into primary healthcare initiatives. Organisations like The Live Love Laugh Foundation and The National Institute of Mental Health and Neurosciences (NIMHANS) conduct nationwide mental health awareness campaigns, reaching over 50 Million individuals through educational programs, workshops and online resources.

Rise in Health Insurance Coverage: More individuals opt for health insurance coverage driven by increasing awareness of the financial risks associated with healthcare expenses and the availability of customized insurance products.

Expansion of Healthcare Infrastructure: The construction and expansion of hospitals, clinics and diagnostic centers continue to meet the rising demand for healthcare services, particularly in tier 2 and tier 3 cities.

Healthcare Digitisation Initiatives: The National Digital Health Mission (NDHM) gains momentum, aiming to create a comprehensive digital health ecosystem, including electronic health records, telemedicine and health registries.

Innovative Healthcare Delivery Models: New healthcare delivery models emerge, such as home healthcare services, community health centers and mobile health clinics, catering to diverse healthcare needs and improving accessibility.

Management Discussion & Analysis (Contd.)

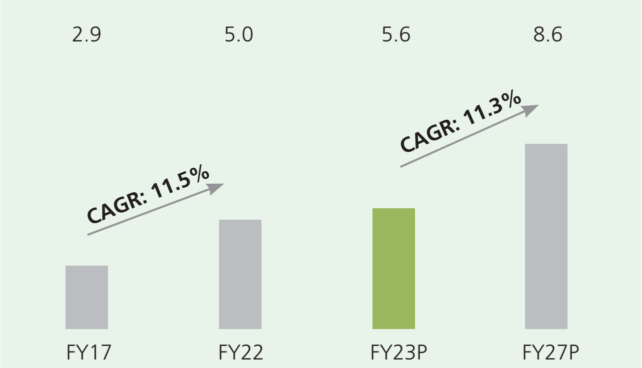
Medical Education Reforms: Reforms in medical education focus on enhancing the quality of healthcare professionals through curriculum updates, skill development programs and promoting research and innovation in medical institutions.

Public-Private Partnerships (PPPs): Collaboration between the public and private sectors strengthens, facilitating investment in healthcare infrastructure, technology adoption and implementation of healthcare programs to address key healthcare challenges effectively.

Indian healthcare delivery market poised for robust growth.

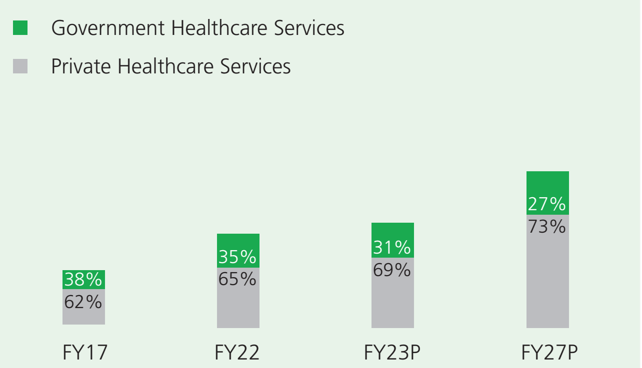
The Indian healthcare delivery industry is expected to post a healthy growth rate of ~11.3% CAGR between FY23 and FY27, driven by long term structural factors, strong fundamentals and increasing affordability.

India's Healthcare Delivery Market, INR Trillion



Source: CRISIL

India's Healthcare Delivery Market



Source: Anand Rathi Research

In the overall healthcare delivery market, the in-patient department is projected to constitute nearly 70% of the total value, with the remainder being catered by the out-patient department. (Source: Crisil)

C. Government Policies and Key Initiatives

The government continues to play a critical role in the sector with its focus on creation of facilities in rural India for primary healthcare and ensuring availability of diagnostics, funding medical insurance to the low-income population (through Ayushman Bharat), driving penetration of generic medicines (through Jan Aushadhi centers) as well as funding R&D in medical technologies and diagnostics in various labs and through ICMR.

Key Highlights:

- India's healthcare landscape is evolving with significant investments in infrastructure development.
- The Union Health Ministry has been allocated ₹ 90,659 Crores in the interim Budget for FY 2024-25, an increase of 12.6% over ₹ 80,518 Crores in the Budget (revised estimates) for FY 2023-24, highlighting the government's prioritisation of healthcare expenditure.
- Ayushman Bharat insurance scheme will now cover all ASHA (Accredited Social Health Activist) and Anganwadi workers and helpers.
- The government plans to set up more medical colleges by utilising existing hospital infrastructure and will form a committee to examine the issues and make relevant recommendations.
- Out of ₹ 90,659 Crores, ₹ 87,657 Crores has been allocated to the Department of Health and Family Welfare while ₹ 3,002 Crores to the Department of Health Research.
- AYUSH ministry's budget has increased by 23.7% to ₹ 3,713 Crores, and centrally sponsored schemes receive ₹ 87,657 Crores.

BUDGET FOCUS AREAS

- **Ecosystem for Digital Health at a National Level**
- **Focus on preventive healthcare along with the introduction of the U-WIN platform***
- **Emphasis on enhancing country's mental health**
- **Establishing additional medical colleges by utilizing existing hospital infrastructures**
- **Streamlining and enhancing the effectiveness of healthcare services for mothers and children**
- **Futuristic focus on medical research, collaborative research and R&D**

**The U-WIN portal is the programme to digitise India's Universal Immunisation Programme (UIP). The portal captures vaccination status, maintains an electronic registry of routine immunisations.*

- Efforts extend to preventive healthcare with initiatives like cervical cancer vaccination and comprehensive maternal and child health programs.
- Upgradation of Anganwadi centers under Saksham Anganwadi and Poshan 2.0 aims for better nutrition delivery and early childhood development.
- Focus on biotechnology research with an increased allocation of ₹ 1,100 Crores and a new scheme for sustainable manufacturing.
- The budget allocation for centrally sponsored schemes has been increased from ₹ 77,625 Crores to ₹ 87,657 Crores.
  - Among these centrally sponsored schemes, the budget allocation for the National Health Mission has been increased from ₹ 31,551 Crores in FY 2023-24 to ₹ 31,967 Crores in 2024-25 and the allocation for Pradhan Mantri Jan Arogya Yojna (PM-JAY) hiked from ₹ 6,800 Crores to ₹ 7,500 Crores.
- The allocation for National Digital Health Mission has been increased from Rs 200 Crores to Rs 250 Crores.
- Maternal and child health: Schemes for maternal and childcare to be brought under comprehensive program for synergy in implementation.
- U-WIN platform for managing immunisation and intensified efforts of Mission Indradhanush to be rolled out throughout the country.

(Source: Ministry of Health and Family Welfare)

D. Key Growth Drivers of the Indian Healthcare Industry

India's healthcare industry is predicted to sustain robust demand, propelled by an ageing population, a surge in lifestyle diseases, increasing affordability leading to better access to quality medical care and greater penetration of medical insurance.

Key Growth Drivers

a. **Government Policies to Improve Healthcare Coverage:** The focus has shifted from curative aspect to preventive health and well-being under the ambit of holistic healthcare. The long-term goal of the government is to raise its public healthcare spending to 2.5% of GDP by 2025 under the National Health policy 2017 from the current 2% of the GDP.

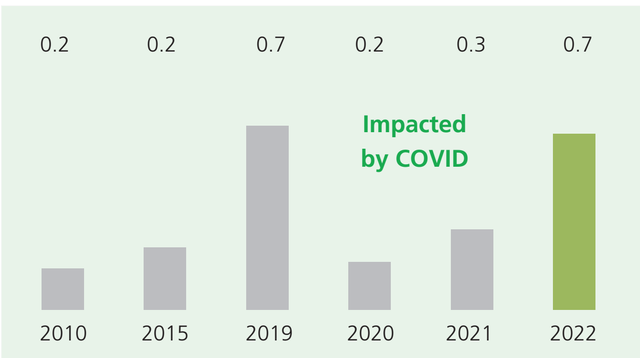
Management Discussion & Analysis (Contd.)

b. 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. (Source: PwC Research)

c. Opportunity from medical tourism: Medical tourism is expected to be one of significant growth drivers for India's Healthcare Sector. India offers a significant cost advantage globally along with best-in-class clinical outcomes.

Medical Tourists (in million)



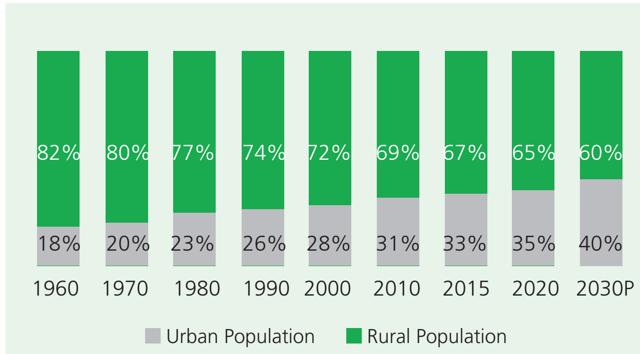
Source: Anand Rathi Research

The government has set a target of achieving $12 Billion in revenue from medical tourism by 2026 and has initiated several efforts through the 'Heal in India' program to establish India as a hub for medical tourism. (Source: Anand Rathi Research)

These efforts include forming a National Medical and Wellness Tourism Board, introducing a specialized medical visa category accessible to citizens of 165 countries, and offering financial assistance of ₹ 0.6 Million to medical tourism service providers through market development assistance (MDA).

d. Increasing Health Awareness to Boost Hospitalisation Rate: Majority of healthcare enterprises in India are more concentrated in urban areas. With increasing urbanisation (migration of population from rural to urban areas), awareness among the general populace regarding presence and availability of healthcare services for both preventive and curative care is expected to increase.

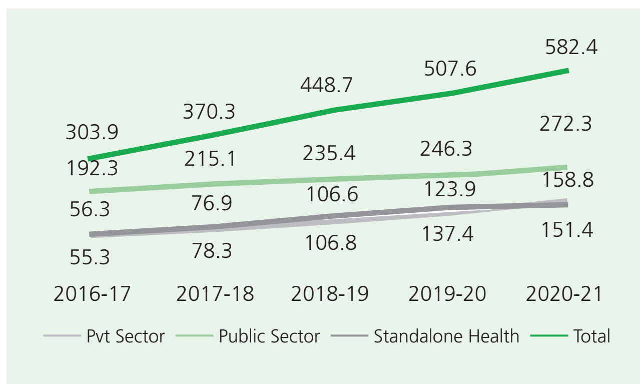
India's urban versus rural population



Source: CRISIL

e. Growing Health Insurance Penetration: Low health-insurance penetration is one of the major impediments to the growth of the healthcare delivery industry in India, as affordability of quality healthcare facilities by the lower-income groups remain an issue. Health insurance coverage has increased from 17% in Fiscal 2012 to approximately 38% in Fiscal 2022. As per the Insurance Regulatory and Development Authority, more than 520 Million people have health insurance coverage in India (as of Fiscal 2022), as against 212 Million (in Fiscal 2012), but despite this robust growth, the penetration in Fiscal 2022 stood at only 38%.

Increasing Trend in Health Insurance Premium (INR Bn)

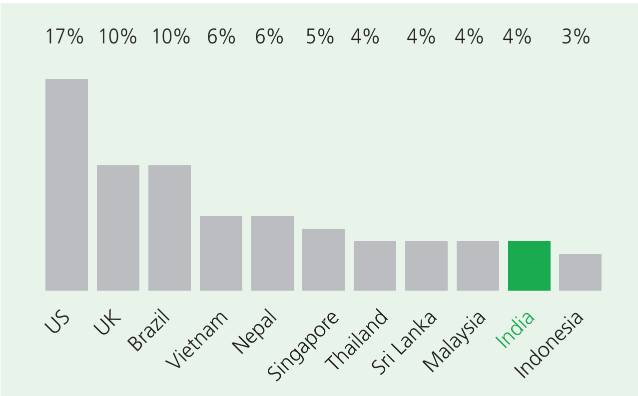


Exclude Personal Accident and Travel Insurance

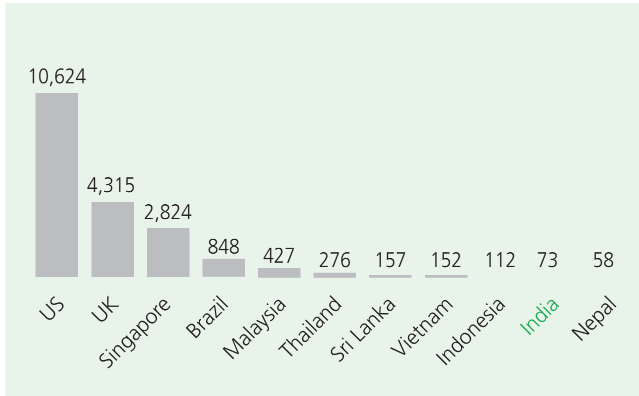
Source: IRDA 2020-21 Annual Report

f. **Lower Healthcare Spend:** India overall (public + private) 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.

India's Healthcare Expenditure as a % of GDP



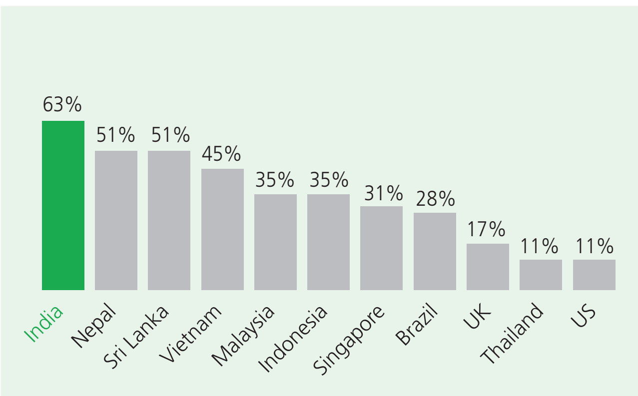
Per-capita Healthcare Expenditure (in USD)



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

g. **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 5.9 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 urbanisation, which in turn has led to an overall economic rise, but with certain associated flipsides.

E. Digital Transformation

The Indian government and private sector stakeholders have supported the development of technologically advanced medical devices in addition to digital infrastructure. Increasing smartphone and Internet penetration and initiatives like the government-run National Digital Health Mission are collectively responsible for the accelerated pace of health systems digitisation in India.

The MedTech market in India, which comprises mainly of medical equipment, life sciences and in-vitro diagnostic technology, was valued at around $10.4 Billion in 2020 and is projected to grow at a CAGR of 37% to reach $50 Billion by 2025. (Source: IBEF)

Meanwhile, the use of digital healthcare technologies, including Artificial Intelligence (AI) and telemedicine has increased significantly with investments reaching nearly $57 Billion in 2021. Examples of digital transformation in the healthcare industry include telemedicine, AI-assisted medical devices, blockchain for electronic health records and cloud-enabled data management platforms.

Additionally, India's virtual or remote healthcare industry will be crucial going forward. According to a market research report, remote healthcare global market is expected to be around $57.1 Billion by 2030. A significant factor that will help its growth will be the use of AI.

Management Discussion & Analysis (Contd.)

In the coming years, the healthcare space is likely to be affected by 5G. With the help of 5G, everything can be done in a distributed manner, including robotic surgeries, extensive healthcare management in rural areas as well as virtual health education and health research.

KEY TECHNOLOGY TRANSFORMATION TRENDS

Remote health and virtual care becoming mainstream: Telemedicine accounted for 30% of all patient visits during the pandemic, and digital health platform transactions increased by three times.

Increased Focus on Big Data & Analytics: Numerous healthcare organizations are progressivelv puttina resources and investment into clinical data analytics for analysing patient data.

Growth of AI/ML and analytics: AI and advanced analytics is enabled by digitalisation, which makes it easier to anofvze things like predictive analytics, telemedicine, precision medicine, population health analytics and so on.

Robotics in healthcare: Robots aid healthcare professionals in completing routine tasks more efficiently, freeing up their time to concentrate on other crucial duties.

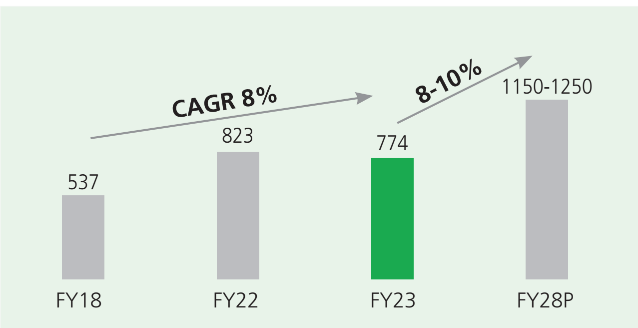
Leveraging Blockchain: Providers are developing novel solutions that make use of the emerging blockchain technology to enhance the performance, security, and transparency of healthcare data sharing.

Cloud Technology: Patients and healthcare professionals now have access to cloud technology, which has grown significantly. More cloud data stenters are needed for the training and operation of AI and machine learning tools, which are growing in number.

E-Pharmacies: E-pharmacies in India will serve 70 million households by FY 25, according to the industry body FICCI, as internet use and digital awareness rise.

F. Indian Diagnostic Sector

The diagnostics industry is pegged to grow between 8% to 10% from FY23 to FY28P.



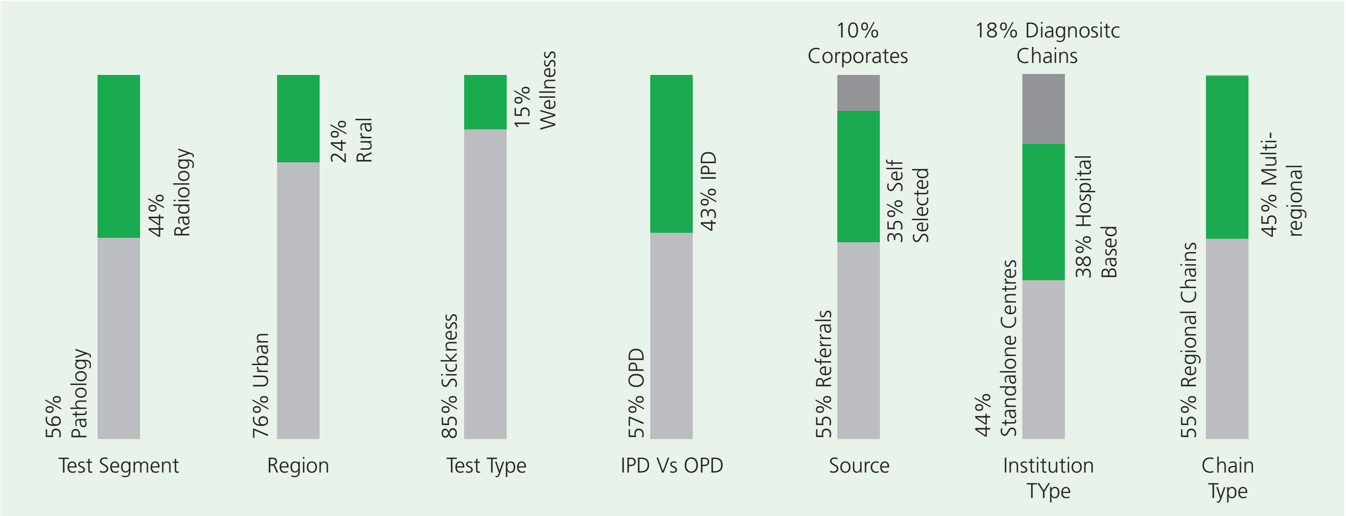
Source: CRISIL

The diagnostics sector is classified primality in to two segments: pathology and radiology. Pathology, constituting a significant 56% portion of the market, revolves around the examination of tissues, cells, and bodily fluids. This segment encompasses various tests, with clinical chemistry holding the highest market share. On the other hand, radiology constituting 44% of the market, leverages a spectrum of imaging modalities to diagnose and treat ailments, spanning from conventional X-rays and ultrasounds to advanced technologies like CT-scans and MRI.

Prescriptive diagnostic services dominate the market, comprising 85% of the sector, while preventive diagnostic solutions contribute 15%. Notably, outpatient department diagnostics command a significant share of 57%, with inpatient department diagnostics making up the remaining 43%.

The market comprises of 3 types of providers viz. standalone centres, hospital-based centres and diagnostic chains taking 44%, 38% and 18% of the market respectively. Standalone lab centres operate on a small scale and are usually owned and operated by a single entity. They are made up of unorganised players. These centres are being acquired by regional and national level diagnostic chains.

The diagnostic industry is expected to grow by CAGR of 8-10% in next five years.



Source: CRISIL & Defining the future of Diagnostics report by Praxis Global Alliance

Emerging Trends in the Diagnostics Sector

The diagnostics industry is undergoing significant transformations, paving the way for a future marked by promising advancements that will revolutionize disease diagnosis and management practices. These trends encapsulate a diverse array of developments, spanning from evolving clinical requirements and heightened competition to shifting patient behaviours and technological breakthroughs.

Evolving Clinical Needs and Diagnostic Trends:

Personalised Medicine

Advancements in genetic testing empower tailored treatments based on individual patient biology, leading to enhanced therapeutic outcomes.

Point-of-Care Testing:

Rapid diagnostic solutions administered directly at the point of care facilitate prompt treatment. decisions, potentially boistering long-term prognosis.

Early Disease Detection

Adoption of early screening methods has proven pivotal in improving treatment efficacy, particularly in identifying and managing cancer cases at nascent stages.

Holistic Healthcare Approaches

The emphasis on functional medicine underscores the importance of uncovering the underlying causes of diseases, offering more profound solutions for chronic ailments.

Specialized Diagnostics

Precision medicine and molecular diagnostics provide highly specific insights into patients' conditions, facilitating targeted and effective treatment strategies.

Management Discussion & Analysis (Contd.)

Intensifying Market Competition:

- **Entrance of New Players:** Pharmaceutical firms, hospitals, telehealth providers, and online aggregators are venturing into the diagnostics arena, driving innovation and fostering competitive pricing.
- **Government Support:** Public investments aimed at fortifying diagnostics capabilities in the public health network are enhancing accessibility and affordability of diagnostic services nationwide.

Emergent Business Models:

- **Lean Operational Models:** Employing cost-effective infrastructure and cutting-edge imaging technologies to optimize diagnostic services in tier 2/3+ cities.
- **Remote Diagnostic Services:** Conducting health evaluations and diagnostic tests beyond traditional clinical settings, including home-based or mobile clinic setups.
- **Segmented Diagnostic Service Delivery:** Diversifying diagnostic service provision across specialized components such as customer-facing interactions, sample logistics and laboratory processing.
- **Financial Facilitation:** Increasing health insurance penetration and the proliferation of corporate wellness initiatives are driving demand for diagnostic services.

Evolving Patient Dynamics:

- **Enhanced Convenience:** The rise of online booking platforms and doorstep sample collection services is making diagnostic testing more accessible and convenient for patients.
- **Preference for Reliability:** Patients gravitate towards established service providers perceiving them as more dependable and trustworthy.
- **Preventive Healthcare Focus:** Growing awareness regarding preventive care is driving an uptick in self-tests and wellness evaluations.
- **Patient-Centric Enhancements:** Healthcare providers are prioritising improvements in patient experiences by offering personalized care and attractive service packages.

Streamlining Supply Chain Operations:

- **Enhanced Transparency:** Deployment of delivery management software is amplifying visibility within the diagnostics supply chain, resulting in heightened patient satisfaction.
- **Automation and Reliability:** Automation initiatives are bolstering the reliability of diagnostic services while concurrently reducing turnaround times.

Leveraging Technological Innovations for Growth:

- **Customer-Centric Digital Solutions:** Diagnostics firms are harnessing digital tools to elevate customer experiences, facilitating online bookings and streamlined appointment scheduling.
- **Integration of AI Systems:** AI-driven image processing technologies are augmenting the accuracy and efficiency of diagnoses across radiology and pathology domains.
- **Investment in Robust IT Infrastructure:** Substantial investments in robust IT systems are fostering operational efficiency and process optimisation within diagnostics enterprises.

G. FUTURE OUTLOOK

India's healthcare sector is extremely diversified and is full of opportunities in every segment. As competition grows, businesses seek to explore current trends for a positive impact on their operations.

Healthcare continues to sustain its significant role in the economy in the upcoming years, driven by anticipated policy changes, governments resolve to increase access to its citizens to affordable good quality healthcare and innovations and investments that will shape the industry's trajectory and influence economic expansion. The rising emphasis on digital health solutions, telemedicine and other technological breakthroughs in healthcare has created fresh opportunities for progress and creativity. The government intends to raise the budget allocation for public health spending to 2.5% by 2025, a move expected to be advantageous considering the substantial demand for tertiary care and specialty hospitals.

In the years to come, healthcare delivery in India is anticipated to be driven by technological advancement and the increasing adoption of digital health by both providers and patients. This transformation will be shaped by a change in mindset, advancements in technology, the development of infrastructure, government incentives, and other factors. Noteworthy government initiatives like the Ayushman Bharat Digital Mission (ABDM) and e-Sanjeevani serve as foundational pillars for the establishment of a digitized healthcare ecosystem. Meanwhile, numerous private entities are piloting with digital technologies such as robotics, telehealth, artificial intelligence, 5G and more, aiming to offer technology-enabled care to their clientele.

The diagnostics sector is poised for further growth and transformation driven by a convergence of technological advancements, shifting market dynamics and evolving patient needs. The segment has started to witness signs of normalcy and stabilisation in the post COVID era with lessened competitive intensity relative to what was being witnessed in the past 2 years.

As we look ahead, we anticipate a future characterized by innovation, strategic expansion and a steadfast commitment to enhancing patient care.

Technological Advancements: The integration of advanced technologies such as artificial intelligence (AI), machine learning (ML), Internet of Things (IoT), and blockchain will revolutionize healthcare delivery. These technologies will streamline processes, improve diagnosis accuracy, enhance patient care, and facilitate remote monitoring.

Expansion of Health Insurance Coverage: Government initiatives like Ayushman Bharat and increasing awareness about the importance of health insurance will lead to a significant expansion of health insurance coverage across the population. This will ensure financial protection against healthcare expenses and encourage more people to seek timely medical care.

Proactive and Integrated System: The future of health will be driven by proactive and integrated system of health where transformational technologies like AI, quantum computing, cloud storage, virtual reality will play a pivotal role. Next-generation sequencing (NGS) has enabled scientists and researchers to better understand the genetic mechanisms linked to conditions in areas such as women's health or in diseases like cancer and inherited disorders. More importantly, these advances have given rise to improved diagnostics for early intervention and monitoring treatment response, ensuring patients get the best therapies possible.

Critical Role of Private Players: Private healthcare players will continue to play a critical role in the industry as they continue to provide healthcare services to more than 70% of the country's rural population and 80% of the urban population. In addition, private healthcare players will continue to invest towards addition of new bed capacity, bringing in new high end medical infrastructure, expanding their presence and uplifting the overall healthcare services in the country by adopting new technologies; all to further strengthen the overall patient experience and reach and provide good clinical outcomes.

Rise of Healthcare Startups: The Indian healthcare startup ecosystem will continue to thrive with innovative solutions emerging in areas such as telemedicine, digital diagnostics, health analytics and personalized medicine.

Infrastructure Development: Investments in healthcare infrastructure, including the development of hospitals, clinics, diagnostic centers and healthcare IT systems will accelerate to meet the growing demand for quality healthcare services.

Healthcare Policy Reforms: There will be ongoing reforms in healthcare policy and regulation to address gaps in the system, improve quality of care, and promote patient safety. Greater emphasis will be placed on healthcare data privacy, medical device regulation and standards for healthcare delivery.

The hospital sector in the country has emerged sharper in the aftermath of the COVID pandemic. The evolving industry environment and the opportunities for growth have led to an increasing interest by investors, private equity players, other corporate and healthcare players for investment in the sector. This has also led to consolidation opportunities in the industry highlighting the need to gain size and scale in order to draw higher operating leverage. At the same time, the market environment is competitive and regulatory uncertainties remain.

In the aftermath of the covid wave, there is an increase in realisation that India's tier II and tier III cities lack good quality healthcare infrastructure and present an opportunity for private healthcare players to expand in these cities. FY 24 has seen a number of large corporate chains having expanded their presence in such cities both organically and inorganically and local and regional players gaining prominence in the healthcare landscape in the country.

Overall, the healthcare industry in India is on a trajectory of growth, driven by technology, innovation and a commitment to improving healthcare access and outcomes for all segments of the population.

Management Discussion & Analysis (Contd.)

SECTION II

A. About Fortis Healthcare limited

Fortis Healthcare is one of the largest healthcare services providers in India with 28 hospitals (including JVs and O&M facilities), 4,500+ operational beds (including O&M beds) and ~420 diagnostics centres as of March 31, 2024. 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 ~23,400 people (including Agilus) 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. Hospital Business

Revenue from Hospital business stood at ₹ 5,686 Crores compared to ₹ 5,107 Crores reported during the corresponding year. Hospital business revenues contributed 82% to the total consolidated revenue in FY24 as compared to 81% in FY23. Hospital business EBITDA for FY 24 was at ₹ 1,077 Crores compared to ₹ 900 Crores reported for FY23.

The growth in hospital business was led by 10.8% growth in ARPOB at ₹ 2.22 Crores compared to ₹ 2.01 Crores. The occupancy levels stood at 64.7% in FY24 as compared to 67.1% in FY23 owing to an increase in the operational beds by ~175. The Company's focus specialties comprising oncology, gastroenterology, neurosciences, renal sciences, orthopaedics and cardiac sciences grew 13% YoY and contributed 62% to the total hospital revenues as compared to 61% in FY23.

FY24 has been a period of transformative growth and strategic advancement for Fortis Hospitals. Against the backdrop of a rapidly evolving healthcare landscape in India, we have remained steadfast in our commitment to deliver quality care with a focus on margin improvement to drive sustainable value for our stakeholders.

At Fortis, our commitment to excellence in specialised care has been unwavering. Throughout the year, our Key CoEs, including Cardiac Sciences, Oncology, Neurosciences, Gastro, Orthopedics and Renal Sciences have served as beacons of clinical excellence, delivering world-class healthcare services and pioneering groundbreaking treatments in their respective fields.

FY24 PERFORMANCE - KEY PROCEDURES

~60,600
Cardiac Procedures[1]

~28,000
Joint Replacements and Other Ortho Procedures

~ 3,600
Robotic Surgeries[3]

1,100+
Transplants[2]

7,800+
Neuro and Spine Surgeries

11,100+
Radiation Therapy Patients

Note: *[1]Cardiac Procedures include Cardiac Surgery, Angiography, Angioplasty and other Cardiology procedures.*

[2] Transplants include Kidney, Liver and Bone Marrow Transplants

[3] Robotic Surgeries include Cardiac, Urology, Oncology, Gynae, Ortho and General Surgery

Our commitment to delivering high-quality care begins with our people. Over the past year, we have ensured that we possess the necessary skill sets to meet the evolving healthcare needs of our patients. Through strategic recruitment and talent development initiatives, we intend to reinforce our position as a destination for world-class healthcare professionals.

In an era where technological innovation is reshaping the healthcare landscape, Fortis continues to remain at the forefront of clinical advancement by investing in cutting-edge technologies. The acquisition and implementation of state-of-the-art platforms such as Gamma Knife, Robot, Holmium Laser, etc. have empowered our clinical teams to offer precision-based treatments.

Our pursuit of digital transformation is ongoing, as we strive to harness the power of technology to drive innovation and efficiency across all facets of our operations. We have successfully implemented Electronic Medical Records (EMR) for OP module across three units in the first phase of EMR roll-out. Oracle fusion phase-2 roll-out covering the Key Modules of HR, SCM & Finance has been successfully delivered this year.

In response to the growing demand for our services, Fortis has expanded its capacity by adding 246 beds to our existing infrastructure. This also included the commissioning of a new 70 bed facility in Ludhiana, Punjab making it the Company's second facility in the city and the fourth in the state of Punjab. This expansion not only allows us to accommodate more patients but also reaffirms our commitment to providing accessible and high-quality healthcare services to our communities. As part of our Portfolio rationalisation strategy, we have divested the Chennai based Malar and Vadapalani unit this year for a cumulative sale consideration of approx. ₹ 280 Crs.

In line with our strategy towards building a high-performance organisation, we worked towards enhancing people capabilities and competencies. In our endeavor towards building and nurturing talent, we launched leadership development programs for different categories of employees. We launched Employee Engagement Survey that received a resounding response with 96% participation and our eNPS saw a significant positive increase of 33%.

Fortis has undertaken a comprehensive approach to ESG, focusing on optimising energy consumption, water usage, and bio-medical waste management. This multifaceted approach ensures a holistic strategy for environmental sustainability. This program has yielded impressive results, achieving a group-level reduction of 2.1% in per occupied bed energy consumption in the first year alone and an impressive annual reduction of 8.5% in total water consumption at a group level.

In conclusion, this year has been marked by significant progress and achievements, underscoring Fortis's commitment to excellence, innovation and patient-centered care. As we embark on the next phase of our journey, we remain steadfast in our dedication to delivering exceptional healthcare services and driving sustainable growth for the benefit of our patients, stakeholders and communities.

ii. Business Strategy

At Fortis, we are dedicated to delivering exceptional healthcare services while continuously evolving to meet the dynamic needs of our patients and communities. Our strategic approach centers around four pillars, each designed to drive sustainable growth and enhance patient outcomes:

Clinical Excellence and Quality Care:

At Fortis, clinical excellence and quality care stand as our highest priorities. We are committed to prioritising patient safety, outcomes and satisfaction by investing in comprehensive training and development for our clinical staff and nurturing a culture of continuous improvement. Through unwavering adherence to rigorous quality standards, we remain committed to upholding our reputation as a trusted provider of superior healthcare services. We will bolster the key Centers of Excellence (CoEs) in identified units by further enhancing clinical programs, upgrading infrastructure and recruiting clinicians.

Capacity Expansion:

To meet the growing demand for healthcare services, our focus would be on expanding our capacity

Management Discussion & Analysis (Contd.)

through strategic investments in infrastructure. This includes the addition of new facilities as well as the enhancement of existing facilities. In FY 24-25, we plan to increase our capacity by adding approximately 700 beds which will include approximately 300 beds of our new hospital at Manesar, with significant capacity addition planned at our larger facilities including Anandpur, BG Road, Faridabad, Shalimar Bagh, Nagarbhavi and FMRI. Over the next few years plans are afoot to expand the current existing bed capacity by almost 50% and potentially reach close to 6,000 beds. In addition, as part of our inorganic growth strategy, we continue to look at acquisitions opportunity in our key geographic clusters – NCR, Mumbai, Bangalore, Kolkata and Punjab.

Enhance Occupancy:

We aim to expand our patient base and increase the utilisation of our healthcare services by implementing targeted marketing campaigns to leverage up-country markets, strengthening physician referral networks, enhanced corporate engagements, patient outreach initiatives and exploring new markets both domestic and international. Through strategic partnerships and community engagement efforts, we will strive to become the provider of choice for individuals seeking high-quality healthcare services.

Cost Optimisation:

Efficient resource utilisation and cost management are critical to our long-term success. We will focus on identifying opportunities for operational efficiencies, streamlining processes, and leveraging technology to reduce administrative burdens and optimise resource allocation. By implementing cost-effective practices across all facets of our operations, we will try and ensure sustainable profitability while maintaining our commitment to affordability and accessibility. Furthermore, alongside exploring new avenues, we persist in driving enhanced CBU compliance and inventory optimisation.

In summary, we will attempt to traverse the path of a Balanced Growth Strategy where the clusters with capacity constraint must strategically balance between optimising existing resources and investing in new capacity. On the other hand for the clusters with available capacity, the focus lies on maximising growth through efficient resource utilisation, ensuring that optimal occupancy rates are maintained.

iii. Digital Initiatives

As we navigate the constantly changing landscape of healthcare, our steadfast dedication to excellence propels our Digital Transformation Journey forward. This journey underscores our commitment to leveraging technology to enhance patient care, optimise operations and cultivate sustainable growth.

We have commenced a phased deployment of Electronic Medical Records (EMR) across our facilities. This transformation fundamentally alters how patient data is captured, managed, and accessed, empowering our clinicians with real-time insights, fostering seamless care coordination, and enhancing patient safety and outcomes.

Our Virtual Tumor Board initiative brings together multidisciplinary teams of specialists to collaborate on intricate cases, overcoming geographical barriers. This pioneering platform facilitates prompt diagnosis, personalised treatment planning, and enhances patient outcomes and quality of life.

Introducing a digital Patient Discharge System has streamlined the discharge process, reducing administrative burdens and enriching the patient's experience. Our Patient Delight Management System empowers patients to provide feedback, enabling us to identify areas for improvement and promptly address concerns. By fostering a culture of continuous feedback and enhancement, we elevate patient satisfaction and loyalty.

Establishing a Centralised Call Centre for all seven units of Delhi-NCR and four units of Mumbai serves as a pivotal hub for patient inquiries, appointment scheduling and support services. This centralised system guarantees consistent and efficient communication, elevating accessibility, responsiveness and overall service quality. Integrating CRM with the call center enables comprehensive tracking of every lead, call and conversation, effectively reducing patient leakage.

We have enhanced our Mobile App (myFortis) with features like modality booking, home sample collection, provisional billing, etc., empowering patients with greater control over their healthcare journey. These enhancements reinforce our commitment to patient-centric care delivery. Notably, this fiscal year has seen a remarkable ~42% year-on-year growth in bookings through our mobile applications and a 27% year-on-year increase in revenue from digital channels.

As we embark on our Digital Transformation journey, our vision is to become a digital-first company, driving efficiency and excellence across all facets of our organisation.

iv. Medical Strategy and Operations Group (MSOG)

As one of the leading, accredited, private healthcare chains in India, Fortis continued to drive its core value of Patient Centricity in all aspects of service delivery. It has been our constant effort to pursue highest standards in patient care while aiming to achieve the best outcome for each patient. Our systems-based approach demands continuous monitoring and evaluation of healthcare services, thereby enabling greater transparency and clinical success.

Clinical Governance:

Our clinicians, through their collective wisdom and experience guide the organisation on medical matters. The Fortis Clinical Governance framework enables Senior Clinicians to come together, collaborate, share global best practices and thereby pursue Evidence Based Medicine.

As the apex medical body at Fortis, the FMC comprises of senior eminent clinicians; 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.

Under the clinical governance framework, the specialty councils form an important pillar to realise the full potential of vast clinical expertise at Fortis. Specialty Councils are forums where our highly respected clinicians come together and interact with each other. As domain experts, members of specialty council share globally recognised, evidence-based practices towards formulating Fortis protocols. A Specialty Council acts as a platform for strengthening collaborative links between clinicians of a particular specialty and harness their expertise. Together, they provide direction to respective specialty and augment medical programs.

Clinical Excellence:

In our pursuit of Clinical Excellence, we continuously strive for achieving highest standards in patient care. While Quality would "conform our services to requirements", Patient Safety practices lead to "prevention of harm".

❖ **Quality and Patient Safety**

Quality and Patient Safety Patient Safety indicators can assess the performance of healthcare services while representing opportunities for improvement in the delivery of care. 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

❖ **Antimicrobial Stewardship (AMS)**

Fortis Healthcare was among the first to institutionalise Antimicrobial Stewardship (AMS) program. It is an effort to measure and improve how antibiotics are prescribed by clinicians and used by patients. Improving antibiotic prescription and their use is critical to effectively treat infections, protect patients from antibiotic misuse and in combating antibiotic resistance.

Fortis is running a coordinated AMS program to address the increasing challenge of anti-microbial resistance.

Management Discussion & Analysis (Contd.)

Key initiatives include:

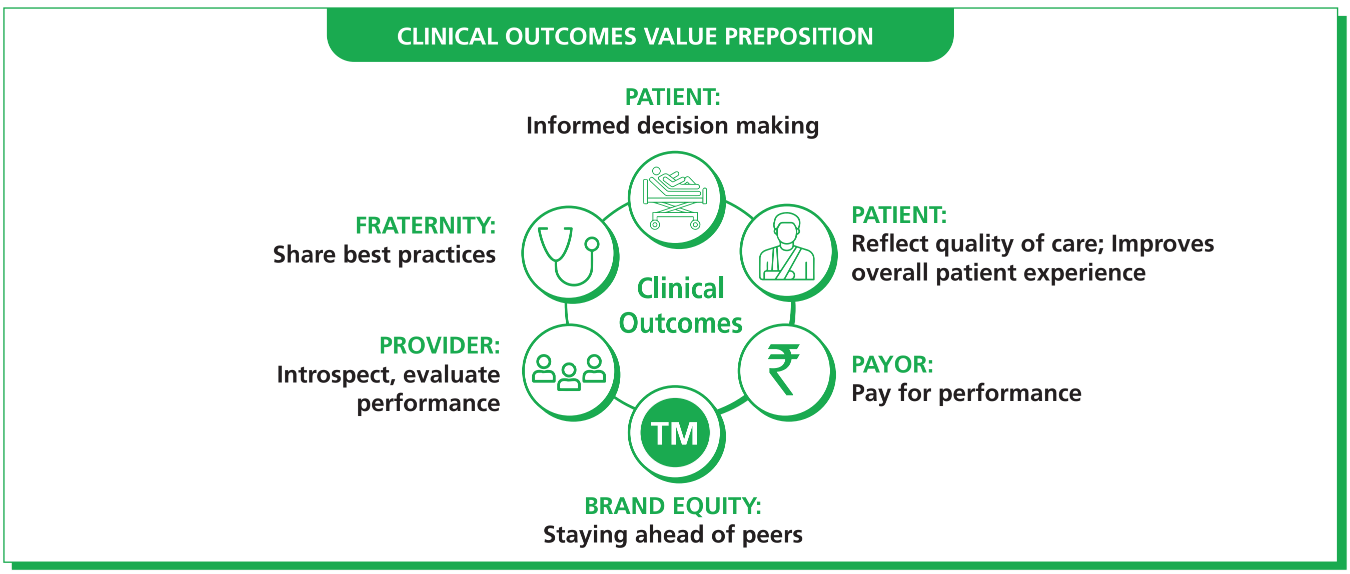
- ✓ Antibiograms (an overall profile of antimicrobial susceptibility to antibiotics) are prepared for each hospital and shared with clinicians for their reference, encouraging them towards rational use of antimicrobials. Thereby, enabling efforts to reduce anti-microbial resistance especially for multidrug-resistant organisms.
- ✓ Pan Fortis guideline for Empiric Antibiotic therapy for BSI, LRTI, UTI for both OPD and IPD patients.
- ✓ Monitor and evaluate use of restricted antibiotics. Research initiatives submitted to ICMR on CODAR, AMS research proposal.
- ✓ Compliance with surgical prophylaxis ensuring appropriate choice of antibiotics and adherence to timing/ type/ dose.
- ✓ Awareness drives for public and patients on social media.
- ✓ Drug Resistance Index (DRI)

  The DRI is a single, composite measure or index, reflecting the relationship between antimicrobial resistance and antimicrobial consumption. As a monitoring tool, the Drug Resistance Index (DRI) can assess the effectiveness of the Antimicrobial Stewardship (AMS) program. For the past 8 years, Fortis has been calculating its own Drug Resistance Index, using it as a monitoring and analysis tool for antimicrobial consumption at our hospitals.

❖ **Clinical Outcomes:**

It is widely accepted that measurement of Clinical Outcomes promotes transparency and informed decision making for patients. In India, Fortis has been a pioneer and at the fore front of this global initiative. We are among the first private healthcare service delivery chains to measure; report and publish 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 evidence-based medicine.

These are the globally agreed upon, evidence based measurable changes in health, function or quality of life that result from patient care. The standardised outcome measures enable comparison across health settings along with structured, evidence-based learning. Reporting, monitoring and evaluation of outcomes provides an opportunity to assess and improve quality of patient care.



Management Discussion & Analysis (Contd.)

At present, Fortis reports and monitors multiple clinical outcomes, namely: Coronary Artery Disease [Coronary Artery Bypass Graft (CABG), Percutaneous Coronary Interventions (PCI)], Organ Transplants (Kidney; Liver), Total Knee Replacement (TKR), Endoscopic Retrograde

Cholangio pancreatography (ERCP), Radiation Oncology, Obstetrics and Gynaecology (Hysterectomy, Caesarean section), Laparoscopic Cholecystectomy.

URL: https://www.fortishealthcare.com/clinical-outcomes-fortis-healthcare

Percutaneous Transluminal Coronary Angioplasty	**(N-89600)**	**2016 - 2024**	**Benchmark**
Emergency CABG failed procedure		0.063%	1.2%*
Vascular complication at puncture site requiring intervention (Beyond simple compression)		0.076%	1.1%*
Acute vessel occlusion requiring emergency re-intervention		0.197%	-
Post procedure Neurological Stroke		0.101%	0.284%**
Post procedure Renal failure requiring Hemodialysis		0.341%	-
Any bleeding event requiring transfusion/internation (within 72 hours)		0.353%	4.0%*
Delayed vascular complication at puncture site		0.070%	-
Readmission with Acute Myocardial Infarction within 30 days		0.172%	-
Mortality during same hospital admission		1.877%	1.7%*

References: *US National Registry Data 2013 **Cleveland Clinic Outcomes Report 2014

Coronary Artery Bypass Graft	**(N = 29041)**	**2016-2024**	**Benchmark**
Use of Let Internal Thoracic Artery graft		83.24%	74.20%*
Need for a bail out Intra-Aortic Balloon Pump (IABP)		4.42	-
Perioperative Myocardial Infarction		0.42%	0.96%**
Post procedure Neurological Stroke		0.40%	1.30%
Need of Re-exploration surgery		1.68%	3.90%
Deep Sternal Wound Infection		0.32%	0.30%
Predicted Mortality % (using EuroSCORE II)		3.10%	-
Observed Mortality %		2.34	-

References: STS Annual Report 2019 * Cleveland Clinic Outcomes Report 2014 ** Texas Heart Institute 2014

Management Discussion & Analysis (Contd.)

Nursing:

Nursing integrates the art and science of caring and focuses on protection, promotion and optimisation of health and human functioning; prevention of illness and injury; facilitation of healing; and alleviation of suffering through compassionate presence.

With a count of more than 6,400 Nursing forms the largest workforce at Fortis and their Induction plays a critical role in Job Readiness. Tailor made nursing induction modules enable them to quickly adapt to unfamiliar environment. This multidisciplinary approach is job oriented, structured & simulation based.

New Nurses Induction Plan is termed **VIROHAN** which means to start strong. It includes program SPANDAN which focuses on enhancing care related focused Communication.

Electronic Medical Records (EMR):

An Electronic Medical Record (EMR) is a digital collection of health-related information of an individual that can be created, gathered, managed and consulted by authorised clinicians and care provider staff within a health care organisation.

In association with Acibadem Technology, Türkiye, Fortis has embarked up on its digital journey to implement Cerebral Plus EMR application. This would enable interoperability across its network hospitals; automate access to information and streamline clinician's workflow. Timely access to patient data would further improve clinician decision making and delivery of patient care.

Medical Technology and Infrastructure:

Globally, the medical technology landscape is evolving rapidly with technology playing an important strategic role in health care service delivery. Innovative and effective use of medical technology proves vital in saving lives while making healthcare more accessible and affordable.

Fortis continues to optimise its investment in upgrading hospital infrastructure and medical technology. Our hospitals are equipped with state-of-the-art technology to augment medical programs and support Clinicians.

Accreditations:

Four Fortis Hospitals are accredited by Joint Commission International (JCI) while 26 hospitals have been accredited/ certified by NABH.

Fortis Accreditations	JCI	NABH HCO/ SHCO	NABH Entry Level	NABH Blood Bank	NABH Nursing Excellence	NABL	Ethics Committee	Total Accreditations
	4	23	3	9	17	17	14	87

B. About Agilus Diagnostics Limited ["Agilus"] (Fortis's diagnostics business subsidiary)

i. Key Business Highlights

For the financial year 2023-24, Agilus reported net revenues of ₹ 1,372 Crores compared to ₹ 1,347 Crores reported during the Financial Year 2022-23, a growth of 2%. The COVID revenue as a % of total revenue has declined from 4.4% in FY23 to only 0.3% in FY24. On the contrary, our non-covid business has grown from ₹ 1,284 Crores in FY23 to ₹ 1,366 Crores in FY24, a 6% growth. The Company operating EBITDA before one off expenses (primarily rebranding costs and provisioning related to certain government business) for the year stood at 268 Crore, representing a margin of 19.5% compared to a margin of 17.7% during the previous financial year.

The business served a total of over 16.4 Million patients during the year, compared to 16.6 Million during FY23. Through these patients (Accessions), it undertook 40 Million tests during the year compared to 39 Million tests performed in FY23.

In an endeavor to go closer to the customer and provide services at their doorstep, we have increased our total number of touchpoints to more than 3,900. Our B2C:B2B mix is 53:47 in FY24 compared to 54:46 in FY23. The business continued to have a well-diversified geographical mix with no over-dependence on any region, allowing it to capitalise on the pan-India network optimally. Regional FY 2023-24 revenue contributions were 33% from the North, 21% from the West, 29% from the South, 14% from East, and 3% from International. Our preventive portfolio also went up by 14% in FY24 compared to the previous financial year. From a product stand point, the revenue contributions are 36% from specialised testing, 54% from routine tests and 10% from our wellness portfolio.

ii. Business Strategy

Retail Network Expansion

Our strategic emphasis on expanding our retail network has significantly improved access to our diagnostic services. Through strategic collaborations and geographical diversification, we have successfully expanded our presence to encompass over 1000 towns and 30 states and union territories, establishing a comprehensive PAN India network with equal distribution of centres.

Over the past year, Agilus has augmented its outreach by incorporating more than 680+ customer touch points and acquiring 2,200+ pick-up points. Currently, our network includes 420 labs, 3,900+ customer touch points, and 13,500+ pick-up points. Despite facing challenges such as the brand transitions during the year, we have effectively grown our retail network, supported by below-the-line (BTL) activities and residential welfare association (RWA) activations.

International Business

APAC is expected to be one of the fastest-growing region for diagnostics owing to the increasing initiatives taken to improve healthcare infrastructure. The growing development in the field of cancer treatment, utility of advance molecular genomics and cytogenetics is likely to enhance the demand for clinical laboratory services in the region, thereby augmenting the market significantly in APAC.

The International operations of the Company includes state-of-the-art labs in Dubai (100% Subsidiary), Nepal (50:50 Joint Venture) in Kathmandu and Biratnagar, Afghanistan (Franchisee Lab), and Kazakhstan (Franchisee Lab). Agilus's international network consists of more than 50+ collection centres and 800+ pick-up points spread across the SAARC region, Sub-Saharan Africa, Southeast Asia, CIS, Gulf and the Middle East. These centres send samples in a temperature-controlled environment to Agilus Diagnostics Reference labs in India, which process the samples and provide reports in real-time using our efficient IT system and robust logistics network. Alongside laboratory services, we also assist our international clients and partners in the planning and implementation of laboratory management services, with complete IT support through our indigenously developed lab management software - 'CLIMS.'

In FY25, we plan to continue our focus on growing our organic and inorganic business in Asia Pacific, the Middle East, CIS, and Africa through network expansion. One of our endeavours will be to introduce highly specialised and advanced tests to our international clients and reinforce our relationship with doctors through well curated CMEs (continuous medical education programs) in Africa and Middle East market. We also plan to set up O&M (Operate and manage) labs in Oman and Bangladesh and acquire new clients for our outsourcing business in Nigeria, Kenya, Ghana, Oman, Kuwait, Mauritius, Indonesia, Sri Lanka and Uzbekistan. Additionally, we will introduce Digital Pathology services in Ghana, Kenya and Bangladesh.

Brand Initiatives

FY 2023-24 was an exceptional year for branding and marketing. We rebranded our 28-year-old legacy brand as Agilus Diagnostics. The name is derived from the words "agility" and "us," and literally means "We are agile." The new brand appeals to our new age customers who seek innovation, an improved customer experience, as well as accuracy and credibility. We revamped our brand's logo and colours, as well as created a new identity.

We needed to take some inventive actions to deliver the brand change messaging to our patients and doctors. Our ATL awareness campaign began with print media in May 2023 and was sustained till the end of financial year in March 2024. We began the print campaign with national dailies and

Management Discussion & Analysis (Contd.)

swiftly expanded to include regional dailies in the newspaper mix. We covered a pan-India audience as well as all of our major vernacular consumers in Bengal, Karnataka, Delhi NCR, Mumbai, Maharashtra, MP, Chhatisgarh, Jaipur, Tamil Nadu, Punjab, Haryana, Jammu and Assam.

We also collaborated with residential community management platforms like MyGate, No Broker Hood and Apna Complex for hyperlocal brand awareness. We collaborated with these platforms and conducted 1000+ health camps in their most premium societies.

2023 was also the year of Men's Cricket World Cup in India. Riding on the popularity of cricket, we used this big-ticket event in October & November to reach more than 50 Crore audience within two months in a cost-effective manner by showcasing our brand logo in every action replay of every world cup match telecasted on TV. This provided us both reach and frequency at an enormous scale.

On the digitial side of the brand, in FY24, our mobile app was installed by 4 Lakhs new customers and our current month active userbase stands at 2.2 Lakhs users per month. Additionally, our website www.Agilusdiagnostics.com was visited by over 35 lakh unique users. UI/UX of the Agilus website & mobile App was improved to enhance the user experience and customer adaptability of the digital mediums.

Brand Agilus was promoted across digital platforms (Youtube, Meta platforms, Google and other digital partners) – These digital campaigns generated a combined reach of more than 100 Cr + reach.

This year, Agilus Diagnostics won 12 Industry awards for Outstanding Pathology Services, Excellence in High-End Diagnostics, Excellence in Home Healthcare Services, and Customer Experience. These awards were curated by prestigious platforms like Economic Times, Voice of Healthcare, India Health & Wellness Council, and eHealth. Our brand PR efforts led to more than 500+ media mentions and coverages across financial, mainline, regional, online, and trade media publications.

iii. Information Technology

We maintained a steadfast focus on API-based integrations with our partners to facilitate the exchange of Pathology Test Orders and Patient Results as well as integration with our service support partners. Notably, one such integration was established with Pathpresenter for Digital Pathology Solution.

Agilus has consistently prioritised data security and privacy, implementing various measures to safeguard sensitive patient data. This effort has included the implementation of robust security protocols and the adoption of advanced technologies.

In line with our commitment to excellence, Agilus's Mumbai and Gurgaon IT Systems at Datacenters were re-audited for ISO 27001:2013, ensuring continued adherence to international standards for information security management.

Recognising the importance of business continuity, a robust contingency plan was developed for CLIMS, which includes the establishment of a highly scalable and secure disaster recovery setup on the Oracle Cloud Infrastructure. This setup enables us to effectively mitigate the impact of various scenarios.

iv. Research and Development

The Company in FY 2023-2024 maintained its focus on diagnostic advancements, process efficiency, cutting edge technologies and futuristic areas such as Genomics. This year's major focus was to develop and launch multi-pathogen panels for syndromic testing of infectious diseases, oncology and genetics. We launched 12 new molecular tests and panels targeting women health and ophthalmological infections were. Our genomics portfolio experienced continued growth for reproductive medicine, oncology and rare disorders panels. Advanced fourth generation sequencing technology i.e. Nanopore was adopted successfully for conducting comprehensive infectious disease panel targeting bacteria, fungi and antimicrobial drug resistance genes.

Our R&D team continued its focus on clinical research studies, co-marketing projects, contract validations and collaborations. Under clinical research and co-marketing studies, feasibility of 26 studies was concluded; unique study pertaining to novel biomarker i.e. nitric oxide analysis in diabetic cases was awarded to Agilus. Agilus participated in MCGM funded study pertaining to TB Whole Genome Sequencing in low socio-economic region of Mumbai.

Along with commercial services, this year R&D team also progressed on collaboration with Public institutes for contract validation of diagnostic kits/technologies. R&D Division is now part of ICMR TB Diagnostic consortium. Through this association, R&D team will be supporting ICMR group in validating newer TB diagnostic tests and technologies. Also parallel efforts for registering R&D division as Evaluation Center for Medical Devices and Diagnostics under CDSCO were undertaken. Documentation process has been concluded, final registration is awaited.

Apart from upcoming futuristic high-end segments, we continue our parallel focus on chronic and life-style diseases categories, preventive healthcare and specialised portfolio i.e. Autoimmune diseases, transplant immunology and genetics.

v. Quality & Compliance

Agilus's Quality Assurance team remains dedicated to safety, training, and regulatory compliance. We utilise a three-circle approach: internal self-audits, QA team audits and external agency audits (NABL, CAP, etc.). In FY 2023-24, we upheld accreditation across our labs, transitioning some to ISO 15189:2022. We expanded our lab network and ensured certifications for TB Drug Resistance Testing, ISO 9001:2015, and ISO 27001:2013 renewals. Brand transitions and name changes for all accredited labs were smoothly managed. Our team conducted audits for clinical trials and ensured timely completion of test validations. We've implemented ISO 15189:2022 standards and conducted comprehensive training initiatives nationally and internationally.

vi. Academic Achievements

Agilus Diagnostic Ltd is the first diagnostic laboratory to offer a one year Fellowship program to doctors in India that imparts applied knowledge of molecular pathology in cancers, genetic disorders and infectious diseases under the aegis of Maharashtra University of Health Sciences (MUHS), Nashik.

In FY 2023-24 there was 8 communique including two issues of Pulse, Agilus' medical case reports journal, and 6 issues of Udaan, Agilus' employee newsletter. Our doctors published more than 25 scientific research papers in indexed peer-reviewed journals.

C. Financial and Operational Performance of the Company – Consolidated Performance, Hospitals and Diagnostics business Performance and KPIs

For the financial year 2023-2024, the Company reported a consolidated revenue from operations of ₹ 6,893 Crores compared to ₹ 6,298 Crores reported for FY 2022-23. Revenue from Hospital business stood at ₹ 5,686 Crores compared to ₹ 5,107 Crores reported during the corresponding year. Agilus Diagnostics, the diagnostic business of the Company, reported gross revenues of ₹ 1,372 Crores compared to ₹ 1,347 Crores in the previous financial year. Considering elimination of inter-company revenue (within the group), net revenue of Agilus was at ₹ 1,207 Crores compared to ₹ 1,190 Crores in FY 2022-23.

Management Discussion & Analysis (Contd.)

Revenue (₹ Crores)	FY 2022-23	FY 2023-24	% Change
Total Consolidated Income*	6,359	6,931	9.0%
Revenues from operations	6,298	6,893	9.5%
Hospital Business**	5,107	5,686	11.3%
Diagnostic Business (Gross)	1,347	1,372	1.8%
Diagnostic Business (Net)	1,190	1,207	1.4%

*(*Total consolidated income is net of inter-co elimination and includes other income of ₹ 38.3 Crores in FY 2023-24 and ₹ 61.7 Crores in FY 2022-23)*

*(**Hospital Business includes P&L of international entities also)*

The consolidated EBITDA of the Company stood at ₹ 1,306 Crores compared to ₹ 1,163 Crores for the previous corresponding year. EBITDA margin of the Company stood at 18.9% in FY 2023-24 versus 18.5% reported in FY 2022-23. Hospital business EBITDA for FY 2023-24 was at ₹ 1,077 Crores compared to ₹ 900 Crores reported for FY 2022-23. EBITDA margin of the hospital business stood at 18.9% in FY 2023-24 versus 17.6% in FY 2022-23.

The diagnostic business of the Company reported EBITDA of ₹ 229 Crores compared to ₹ 263 Crores reported in the previous corresponding year. EBITDA margin of the diagnostic business stood at 16.7% (basis gross revenue) compared to 19.5% for the year FY 2022-23.

Consolidated Profit after tax for FY 2023-24 stood at ₹ 645 Crores compared to ₹ 633 Crores reported in the previous financial year. PAT includes an exceptional gain of ₹ 16.0 Crores in FY 2023-24 pertaining to the reversal of impairment in an associate company and profit related to the divestment of Chennai facilities and ₹ 73.6 Crores in FY2022-23 which pertains primarily to the reversal of impairment in an associate company.

With respect to the balance sheet, the Company maintained a comfortable liquidity position with net debt of ₹ 264 Crores as on March 31, 2024 versus ₹ 340 Crores as of March 31, 2023 (net debt to equity of 0.03x vs 0.04x, respectively). Gross debt of the Company stood at ₹ 859 Crores as on March 31, 2024 versus ₹ 703 Crores as of March 31, 2023. Net Debt to EBITDA stood at 0.17x for the year FY 2023-24 compared to 0.30x for FY2022-23 (basis Q4 annualised EBITDA).

EBITDA (₹ Crores)	FY 2022-23	FY 2023-24	% Change
Consolidated EBITDA	1,163	1,306	12.3%
EBITDA Margin	18.5%	18.9%	
Hospital Business**	900	1,077	19.7%
EBITDA Margin	17.6%	18.9%	
Diagnostic Business	263	229	(12.8%)
EBITDA Margin (basis gross revenue)	19.5%	16.7%	

*(**Hospital Business includes P&L of international entities also)*

Key Performance Indicators (Hospitals)	FY 2022-23	FY 2023-24	Key Performance Indicators (Diagnostics)	FY 2022-23	FY 2023-24
Occupancy	67.1%	64.7%	No of Accessions (in Million)	16.6	16.4
Average revenue per occupied bed (₹ Crores)	2.01	2.22			
Average length of stay (days)	4.38	4.28	Average real. per accession (₹)	808	836
OPD Footfalls (in Million)	2.78	2.80	Tests performed (in Million)	39.1	40.0
IPD Discharges (in Million)	0.25	0.25	Average real. per test (₹)	344	342

D. Human Resources

'Reimagine HR' was the theme for HR function in the Year 23-24 and it indeed was immensely rewarding with some best-in-class outcomes of the initiatives taken towards talent acquisition, engagement, retention, employee satisfaction, capacity & Capability building, employee health and wellbeing. Efficacy of effectiveness is evident through the facts that:

a) We improved our eNPS (employee promotor score) scores by 33% from last year. This is a true reflection of acceptance of shift in our personalised approach for key employee groups. We use ESOMAR standards compliant (Data protection & privacy), internationally acclaimed third-party platform for this survey.

b) Overall Annualised Attrition improved by 4.5% in absolute terms, majorly owing to 5.7% improvement for Nursing category. Both are best outcomes of last 4 years.

c) Reimagined Fresh talent pipelines from TISS, IHMR and ISB to boost our management talent in operational domains.

d) To meet the challenge of shortfall in skilled front-line talent, Fortis Apprentice Program, one of the biggest skill development programs in the Healthcare space, was a huge success having been adopted by 21 units with 1626 apprentices on boarded.

e) Our new vision for professional development is embodied in the Fortis Future Operational Leadership Development Program, which provides a clear pathway for nurses to acquire the skills, knowledge, and mindset necessary for operational leadership roles. 13 nurses & hospital technicians were selected for the two phased program which includes an Executive P. G. Diploma in Hospital Administration (EPGDHA) or Post Graduate Diploma in Healthcare Quality Management (PGDHQM) from Tata Institute of Social Sciences (TISS) followed by 24 months on job experience and exposure opportunities.

A shift in technology adoption through implementation of ERP - a key differentiator of our agile design thinking and a long-term value perspective, went live as per plan. A heightened consciousness towards self-service, anytime access and availability of relevant data for decision making through mobile app are the key highlights of the HCM platform.

At Fortis we believe that all our employees should FLOURISH both in their personal & work life. Our flagship employee wellness program Your Wellbeing is Important for Our Well Being supports employees to learn ways to enrich their own wellbeing and also create a culture of wellness at work. Our belief that well-being extends beyond physical health, to be our best selves, focus on all mutually interdependent dimensions of wellbeing including physical, intellectual, emotional, social, spiritual, occupational, financial, and environmental drives our approach. This year we continued strengthening our mental wellbeing initiatives by providing employees access to mental health resources & on ground support, 94 Skill building programs were attended by 1800 people leaders across Fortis & also launched a comprehensive employee financial wellbeing program on employee financial education and awareness to accelerate the employees financial wellness journey which was attended by 4500 employees across the organisation.

Sustainability and DEIB (Diversity, Equity, Inclusion, and Belonging) are closely interconnected and mutually reinforcing concepts. 2023 saw initiating our journey by formulating a DEIB strategy which focusses on building solid foundations across all diversity dimensions to create a workplace where diversity, equity, inclusion and belonging are not just values but lived experiences for all employees.

Management Discussion & Analysis (Contd.)

Understanding the key role of leaders in engaging with DEIB efforts and championing inclusivity at all levels we worked on defining & identifying inclusive leadership behaviors and principles for all Fortis leaders. Over 200 leaders attended the 'Building an Inclusive Workplace as a Leader' program which aimed to impart understanding of models for inclusive leadership.

Upskilling is a valuable investment for employees, empowering them to thrive in their current roles, catalyze professional growth, stay ahead of industry trends and remain competitive in evolving professional landscapes. In 2023 we focused on building technical & job specific skills for key functions such as Sales & Marketing, Pharmacy, Digital Marketing, Patient Experience, Contractual Nursing GDA in collaboration with government agencies, premium academic institutes and external consultants.

E. Internal Control Systems and their Adequacy

At Fortis Healthcare Limited, the internal control system has been designed to correspond to the size and complexity of the operations and the incremental changes made. The management believes that internal controls are the prerequisite for effective governance and efficient execution of business plans within a framework of checks and balances. Management is committed to ensuring an effective internal controls environment, commensurate with the size and complexity of the business, which assures compliance with internal policies, applicable laws and regulations, ensures reliability and accuracy of records, promotes operational efficiency, protects resources and assets, helps to prevent and detect fraud, errors and irregularities and overall minimises the risks.

The Company has a well-established internal controls framework comprising a set of policies, procedures and systems, instrumental in enhancing the efficiency and effectiveness of business operations, reducing risks and costs, and improving decision-making and accountability. The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review process.

An independent and empowered Internal Audit Function with support from highly skilled resources (including external audit firms) carries out risk-based internal audits of the Company's operations. Chief Internal Audit & Risk Officer directly reports functionally to the Audit Committee and administratively to the Managing Director & CEO of the Company. Key internal audit findings are presented to the Audit Committee at its quarterly meetings.

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-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, February 2023 & December 2023
- Prabhudas Lilladher Equity Research report
- IRDA Annual Report - 2020-21
- Anand Rathi Research Report, April 2024
- CRISIL Report, September 2023
- Praxis Global Alliance Report, February 2024
- Market Research, Equity Reports, Web Articles, Press & Media Reports and Others

INDEPENDENT AUDITOR'S 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 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

EMPHASIS OF MATTERS

i. We draw attention to note 22 and 23 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 year ended 31 March 2021 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 21 of the standalone financial statements relating to the order dated 22 September 2022 of the Hon'ble Supreme Court whereby it has directed the Hon'ble High Court of Delhi inter alia that it may also consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between the Company and RHT Health Trust and other related transactions. The above mentioned note also states that the Hon'ble Supreme Court has observed that prima facie, it appears to be acquisition of proprietary interest of RHT Health Trust by the Company are to subserve the business structure of the Company.

Our opinion is not modified in respect of above matters.

Independent Auditor's Report (Contd.)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

Impairment of Goodwill and Investments

The key audit matter	How the matter was addressed in our audit
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) and 5(iv) of standalone financial statements and sensitivities of key assumptions. Also refer note 2(e)(ii) and 2(f) of the standalone financial statements for the related accounting policy.

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 financial statements and 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 of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Independent Auditor's Report (Contd.)

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

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

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

c. The 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" paragraph 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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

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

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 11, 21, 22 and 23 to the standalone financial statements.

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note27(iii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 27(iv) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

   As stated in Note 30 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

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

   i. in the absence of an independent auditor's report in relation to controls at service organisation for accounting software used for maintaining the books of account relating to general ledger and related records, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions. Further, the feature of recording audit trail (edit log) facility was not enabled for the period from 1 April 2023 to 22 May 2023 for certain tables relating to the supplier module.

   ii. in respect of accounting software used for maintaining payroll records (operational for the period from 1 April 2023 to 15 August 2023), in the absence of supporting evidence on account of deactivation post 15 August 2023, we are unable to comment whether audit trail feature of the said software was enabled.

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

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

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

   In our opinion and according to the information and explanations given to us, the 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
Firm's Registration No.:101248W/W-100022

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLW4000

Place: Gurugram
Date: 23 May 2024

Independent Auditor's Report (Contd.)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF FORTIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified at least once over a period of two years. In accordance with this programme, 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 the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

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

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments and granted loans to companies, in respect of which the requisite information is as below. The Company has not granted any loans to firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to any other entity as below:

Particulars	**Loans (Rupees in lacs)**
Aggregate amount during the year – Subsidiaries	3,147.98
Balance outstanding as at balance sheet date – Subsidiaries	17,787.27

(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 and 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 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 (Rupees 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.	Rattan India 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 interest has 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 falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	**Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (Rupees in lacs)**	**Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year**
Fortis Hospitals Limited	816.71	58.43%
Escorts Heart Institute and Research Centre Limited	581.09	41.57%

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

Independent Auditor's 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 its sales of goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

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

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

Name of the statute	Nature of the dues	Amount (Rupees in lacs)	Amount paid under protest (Rupee in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest thereon	2,653.04	2,445.41	AY 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	636.19	-	AY 2016-17	Income tax Appellate Tribunal, Delhi
Income Tax Act, 1961	Income tax (TDS) and interest thereon	616.29	-	AY 2017-18	Income tax Appellate Tribunal, Delhi
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

Name of the statute	Nature of the dues	Amount (Rupees in lacs)	Amount paid under protest (Rupee in lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	50.00	-	FY 2012-13	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service Tax	294.00	-	FY 2008-09 to FY 2012-13	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service Tax	2.59	0.19	FY 2016-17 and FY 2017-18	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
The Central Goods and Services Act, 2017	Goods and Services Tax	172.00	7.72	FY 2017-18	GST Appellate Tribunal Authority

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

Independent Auditor's Report (Contd.)

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

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

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

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

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

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

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

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

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

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

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

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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
Firm's Registration No.:101248W/W-100022

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLW4000

Place: Gurugram
Date: 23 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF FORTIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

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

OPINION

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

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Independent Auditor's Report (Contd.)

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLW4000

Place: Gurugram
Date: 23 May 2024

STANDALONE BALANCE SHEET *as at March 31, 2024*

Particulars	Notes	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	5(i)(a)	18,589.41	13,595.23
(b) Capital work-in-progress	5(i)(b)	25,938.31	266.82
(c) Right-of-use assets	7(a)	24,886.04	32,178.40
(d) Goodwill	5(ii)	2,721.77	2,721.77
(e) Other intangible assets	5(iii)(a)	533.83	690.49
(f) Intangible assets under development	5(iii)(b)	82.36	-
(g) Financial assets			
(i) Investments in subsidiaries	5(iv)	8,83,403.65	8,84,760.36
(ii) Loans	5(vi)	1,605.17	14,615.57
(iii) Other financial assets	5(vii)	97.37	79.35
(h) Deferred tax assets (net)	5(viii)(a)	3,809.69	5,705.77
(i) Non-current tax assets (net)	5(ix)	12,505.71	13,000.76
(j) Other non-current assets	5(x)	368.38	240.67
Total non-current assets (A)		**9,74,541.69**	**9,67,855.19**
B. Current assets			
(a) Inventories	5(xi)	1,292.58	1,286.80
(b) Financial assets			
(i) Trade receivables	5(v)	13,122.19	9,736.44
(ii) Cash and cash equivalents	5(xii)(a)	2,055.27	97.68
(iii) Bank balances other than (ii) above	5(xii)(b)	9,939.42	5.37
(iv) Loans	5(vi)	16,099.27	-
(v) Other financial assets	5(vii)	21,043.16	31,867.67
(c) Other current assets	5(x)	597.69	448.39
(d) Assets classified as held for sale	29	-	25,569.78
Total current assets (B)		**64,149.58**	**69,012.13**
Total assets (A+B)		**10,38,691.27**	**10,36,867.32**
EQUITY AND LIABILITIES			
A. Equity			
(a) Equity share capital	5(xiii)	75,495.81	75,495.81
(b) Other equity		8,33,220.66	8,20,857.80
Total equity (A)		**9,08,716.47**	**8,96,353.61**
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xv)	25,405.46	28,158.06
(ii) Lease liabilities	7(a)	25,990.37	34,377.40
(iii) Other financial liabilities	5(xvi)	-	118.51
(b) Provisions	5(xvii)	2,565.79	2,161.57
Total non-current liabilities (B)		**53,961.62**	**64,815.54**
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5(xv)	6,155.07	8,820.33
(ii) Trade payables	5(xviii)		
-Total outstanding dues of micro enterprises and small enterprises		2,420.39	2,558.31
-Total outstanding dues other than micro enterprises and small enterprises		49,434.14	39,004.20
(iii) Lease liabilities	7(a)	8,391.16	7,157.97
(iv) Other financial liabilities	5(xvi)	4,925.40	2,646.76
(b) Provisions	5(xvii)	2,221.87	2,198.02
(c) Other current liabilities	5(xix)	2,465.15	2,080.74
(d) Liabilities directly associated with assets classified as held for sale	29	-	11,231.84
Total current liabilities (C)		**76,013.18**	**75,698.17**
Total liabilities (B+C)		**1,29,974.80**	**1,40,513.71**
Total equity and liabilities (A+B+C)		**10,38,691.27**	**10,36,867.32**
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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS *for the year ended March 31, 2024*

Particulars		Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
I	Revenue from operations	5(xx)	1,18,142.30	1,05,292.60
II	Other income	5(xxi)	14,300.42	14,957.69
III	**Total income (I+II)**		**1,32,442.72**	**1,20,250.29**
IV	**Expenses**			
	i) Purchase of medical consumable and drugs		30,907.00	26,639.90
	ii) Changes in inventories of medical consumable and drugs	5(xxii)	199.37	(111.67)
	iii) Employee benefits expense	5(xxiii)	18,797.55	17,545.13
	iv) Finance costs	5(xxiv)	8,191.56	10,624.19
	v) Depreciation and amortisation expense	5(xxv)	10,098.27	11,588.25
	vi) Other expenses	5(xxvi)	48,957.67	47,904.66
	Total expenses (IV)		**1,17,151.42**	**1,14,190.46**
V	**Profit before exceptional and tax item (III-IV)**		**15,291.30**	**6,059.83**
VI	Exceptional gain	5(xxvii)	9,364.73	4,828.57
VII	**Profit before tax (V-VI)**		**24,656.03**	**10,888.40**
VIII	**Tax expense**	5(viii)(b)		
	i) Current tax		2,796.71	878.50
	ii) Deferred tax		1,913.83	385.89
	Total tax expense (VIII)		**4,710.54**	**1,264.39**
IX	**Profit for the year (VII-VIII)**		**19,945.49**	**9,624.01**
	Other comprehensive income			
	i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities		(50.80)	(194.90)
	(b) Income tax related to items that will not be reclassified to profit or loss		17.75	68.11
X	**Total other comprehensive loss for the year (net of tax)**		**(33.05)**	**(126.79)**
XI	**Total comprehensive income for the year (IX+X)**		**19,912.44**	**9,497.22**
	Earnings per equity share of ₹ 10 each :			
	i) Basic (in ₹)	5(xxviii)	2.64	1.27
	ii) Diluted (in ₹)	5(xxviii)	2.64	1.27
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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

STANDALONE STATEMENT OF CASH FLOW *for the year ended March 31, 2024*

	Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**24,656.03**	**10,888.40**
Adjustments for:			
Exceptional Gain		(9,364.73)	(4,828.57)
Finance costs		8,191.56	10,624.19
Loss on sale of property, plant and equipment (net)		40.91	63.72
Allowance for doubtful trade receivables		561.64	568.95
Allowance for doubtful advances		98.05	218.22
Advance income tax (TDS) written off		-	25.03
Depreciation and amortisation expense		10,098.27	11,588.25
Provision / liabilities no longer required written back		(261.76)	(570.66)
Interest income		(12,557.51)	(12,557.74)
Financial guarantee income		(140.81)	(222.53)
Dividend from equity investments		(1,348.06)	(2,148.75)
		19,973.59	**13,648.51**
Working capital adjustments			
Increase in trade receivables		(3,858.90)	(3,486.65)
Increase in inventories		(33.46)	(111.67)
Increase in loans, other financial assets and other assets		(23.03)	(336.70)
Increase in other financial liabilities, provisions, other liabilities and trade payables		8,092.72	13,488.50
Cash generated from operating activities		**24,150.92**	**23,201.99**
Income taxes paid (net)		(2,306.06)	(3,364.24)
Net cash generated by operating activities		**21,844.86**	**19,837.75**
CASH FLOWS FROM INVESTING ACTIVITIES			
Amount received against investments		13,597.15	4,596.71
Investment in subsidiaries		(4,769.17)	-
Purchase of property, plant and equipment and intangible asset		(32,462.61)	(5,364.52)
Proceeds from sale of property, plant and equipment		63.63	14.97
Investment in bank deposits (net)		(9,905.50)	(0.24)
Interest received		21,744.18	9,118.85
Loans repayment by subsidiaries		35.00	9,950.00
Loans granted to subsidiaries		(180.99)	-
Consideration received on sale of Arcot Road hospital (refer note 29)		14,975.76	-
Dividend from equity investments		1,348.06	2,148.75
Net cash generated by investing activities		**4,445.51**	**20,464.52**

Standalone Statement of Cash Flow (Contd.)

	Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
CASH FLOWS FROM FINANCING ACTIVITIES (REFER NOTE 5(XIV))			
Proceeds from non-current borrowings		24,079.41	1,535.38
(Repayment)/Proceeds of current borrowings (net)		(6,825.00)	3,905.73
Dividend paid on equity investments		(7,521.03)	-
Repayment of non-current borrowings		(22,874.22)	(31,929.57)
Finance cost paid**		(8,159.49)	(10,608.61)
Principal payment of lease liabilities		(3,234.40)	(2,446.17)
Net cash used in financing activities		**(24,534.73)**	**(39,543.24)**
Net increase in cash and cash equivalents		**1,755.64**	**759.03**
Cash and cash equivalents at the beginning of the year		(1,218.47)	(1,975.30)
Less: Cash and cash equivalent classified as asset held for sale (refer note 29)		-	(2.20)
Cash and cash equivalents at the end of the year	5(xii)(a)	**537.17**	**(1,218.47)**

**Including interest on lease liability ₹ 4,565.39 Lakhs and ₹ 5,926.19 Lakhs for the year ended March 31, 2024 and March 31, 2023 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 ₹ 68.49 Lakhs for the year ended 31 March 2024 and ₹ 466.33 Lakhs for the year ended 31 March 2023 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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY *for the year ended March 31, 2024*

A. EQUITY SHARE CAPITAL

Particular	No. in Lakhs	₹ in Lakhs
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at April 01, 2022	7,549.58	75,495.81
Issue of share capital	-	-
As at March 31, 2023	**7,549.58**	**75,495.81**
Issue of share capital	-	-
As at March 31, 2024	**7,549.58**	**75,495.81**

B. OTHER EQUITY

Particular	Reserves and Surplus				
	Securities premium*	**Retained earnings**	**Amalgamation reserve ****	**General Reserve *****	**Total other equity**
Balance as at April 01, 2022	7,25,092.08	77,321.86	156.00	8,790.64	8,11,360.58
Profit for the year	-	9,624.01	-	-	9,624.01
Other comprehensive loss for the year (net of income tax)	-	(126.79)	-	-	(126.79)
Total comprehensive income for the year	**-**	**9,497.22**	**-**	**-**	**9,497.22**
Balance as at March 31, 2023	**7,25,092.08**	**86,819.08**	**156.00**	**8,790.64**	**8,20,857.80**
Profit for the year	-	19,945.49	-	-	19,945.49
Other comprehensive loss for the year (net of income tax)	-	(33.05)	-	-	(33.05)
Total comprehensive income for the year	**-**	**19,912.44**	**-**	**-**	**19,912.44**
Less: Dividend paid to shareholders	-	(7,549.58)	-	-	(7,549.58)
Balance at March 31, 2024	**7,25,092.08**	**99,181.94**	**156.00**	**8,790.64**	**8,33,220.66**

* *The unutilised 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 unutilised 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.*

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

NOTES Forming Part of the Standalone Financial Statements

1. CORPORATE INFORMATION

Fortis Healthcare Limited (the 'Company' or 'FHL') (CIN : L85110PB1996PLC045933), 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 centers.

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. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material 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 from time to time, 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 Lakhs of Indian Rupees and are rounded off to two decimals, except per share data.

The financial statements have been authorised for issue by the Company's Board of Directors on May 23, 2024.

(ii) Functional and presentation currency

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

(iii) Basis of Measurement

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

Item basis	Measurement
Net defined benefit (asset)/ liability	Fair value of plan assets less the present value of the defined benefit obligation

(b) Current versus non-current classification

Based on the time involved 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 determining current and non-current classification of assets and liabilities in the balance sheet.

(c) Measurement of fair values

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

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 Statements of Profit or Loss. 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 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.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company 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 recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the financial statements of the Company 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 (if credit) or revenue reserves (if debit) and if there are no reserves or inadequate reserves, to an amalgamation deficit reserve (if debit), with disclosure of its nature and purpose in the notes to the consolidated financial statements.

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

(i) Property, plant and equipment

Recognition & Measurement

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

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised 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 recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

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

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

(ii) Goodwill and other intangible assets

a) *Recognition and measurement*

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

b) *Subsequent expenditure*

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

c) *Amortisation*

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

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

(iii) Depreciation and amortisation 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 August 29, 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 amortised 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 other intangible assets are as follows:

Category of assets	Management estimate of Useful Life
Computer software	3-6 years

Depreciation and amortisation 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 amortisation 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 recognised 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 other intangible assets that have an indefinite useful life are not subject to recognised and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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

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

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

(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

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

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

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.

Initial recognition and measurement

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

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

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

Credit-impaired financial assets

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

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

Presentation of allowance for ECL in the balance sheet

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (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.

  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 recognised an associated

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

liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Write off of financial assets

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

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or 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 recognised 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 Standalone 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 recognised value except scrap, which is valued at net estimated recognised value.

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

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

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

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 recognised as a finance cost.

The amount recognised 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 recognised 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 recognised 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 products comprising medical and non-medical items and Management fees from hospitals. 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

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

identifies distinct performance obligation in the contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered and goods sold ifs net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract 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 in patient hospital services and Management fees from hospitals is recognised over the period of time, as and when services are performed. Revenue from outpatient hospital services is recognised at a point in time when patient has actually received the service. Revenue from sale of products is recognised at the point in time upon transfer of control of products to customers at the time of delivery of goods to the customers.

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 sponsorship arrangements and academic services which is recognised over the period of time, in accordance with the terms of the relevant agreements, as and when services are performed.

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

(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. Short term employee benefits are measured on an undiscounted basis.

Post-employment benefits

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

a) Gratuity

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

b) 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.

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 recognised 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 recognised immediately in the Statement of Changes in Equity with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

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

(n) Share-based payments

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an employee benefits 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 recognised in connection with share-based payment transaction is presented as a separate component in equity under "share option outstanding account". The amount recognised 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.

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

(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. Interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Current taxes

Current tax comprises the best estimate of expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to 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 also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that
  - is not a business combination; and
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- temporary differences related 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

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains , a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

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

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

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non- lease components and account for the lease and non-lease components as a single lease component.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

(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 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 recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognised 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.

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

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 April 01, 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) Borrowing costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense on lease liability. 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 capitalised 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 capitalisation. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(s) 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.

(t) Operating Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

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

(u) 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.

(v) Exceptional items

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

3. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of consolidated 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 recognised 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

Assumptions and estimation uncertainties

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

- Leasing arrangement (accounting) – Note 7
- Financial instruments - Note 13
- Fair value measurement – Note 14
- Estimated impairment of financial assets and non-financial assets – Note 5(iv), 5(v), 5(vi), 5(vii) and 5(xxvii)
- Measurement of ECL allowance for trade receivables and other assets – Note 2(g)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 11, 21, 22 and 23
- Recognition and estimation of tax expense including deferred tax– Note 5(viii)(a) and 5(viii)(b)
- 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 12

4(A) CHANGES IN MATERIAL ACCOUNTING POLICIES

Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 01, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

4(B) RECENT PRONOUNCEMENTS

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

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

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, 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**
Additions	-	242.98	-	280.04	4,164.13	140.67	449.23	213.70	116.39	5,607.14
Disposals	-	-	-	(72.93)	(910.54)	(37.03)	(52.16)	(16.15)	(60.62)	(1,149.43)
Classified as held for sale (refer note 29)	**-**	**(11,445.50)**	**-**	**(1,442.81)**	**(6,936.29)**	**(255.30)**	**(155.44)**	**(184.78)**		**(20,420.12)**
As at March 31, 2023	10.09	-	91.64	890.50	23,839.21	671.81	1,052.99	508.33	485.18	27,549.75
Additions	-	-	-	78.74	6,443.19	121.40	830.49	100.61	115.11	7,689.54
Disposals	-	-	-	(27.63)	(833.04)	(44.24)	(144.84)	(30.06)	(187.59)	(1,267.40)
As at March 31, 2024	**10.09**	**-**	**91.64**	**941.61**	**29,449.36**	**748.97**	**1,738.64**	**578.88**	**412.70**	**33,971.89**
ACCUMULATED DEPRECIATION										
As at April 01, 2022	**-**	**1,162.88**	**91.64**	**801.77**	**11,663.39**	**489.26**	**621.08**	**318.99**	**234.77**	**15,383.78**
Charge for the year	-	555.05	-	196.07	2,465.92	95.88	201.96	89.39	84.08	3,688.35
Disposals	-	-	-	(48.05)	(864.63)	(29.41)	(52.16)	(15.87)	(60.62)	(1,070.74)
Classified as held for sale (refer note 29)	**-**	**(1,717.93)**	**-**	**(419.74)**	**(1,566.87)**	**(127.24)**	**(96.76)**	**(118.33)**	**-**	**(4,046.87)**
As at March 31, 2023	-	-	91.64	530.05	11,697.81	428.49	674.12	274.18	258.23	13,954.52
Charge for the year	-	-	(0.00)	51.26	1,987.31	50.77	318.91	72.48	110.09	2,590.82
Disposals	-	-	-	(19.90)	(773.50)	(43.30)	(143.59)	(27.75)	(154.82)	(1,162.86)
As at March 31, 2024	**-**	**-**	**91.64**	**561.41**	**12,911.62**	**435.96**	**849.44**	**318.91**	**213.50**	**15,382.48**
Carrying value (As at March 31, 2023)	**10.09**	**-**	**-**	**360.45**	**12,141.40**	**243.32**	**378.87**	**234.15**	**226.95**	**13,595.23**
Carrying value (As at March 31, 2024)	**10.09**	**-**	**-**	**380.20**	**16,537.74**	**313.01**	**889.20**	**259.97**	**199.20**	**18,589.41**

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, 2024 and previous year ended March 31, 2023.

(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 (Contd.)

5(I)(B) CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening balance	266.82	632.79
Additions during the year*	33,361.03	5,300.74
Less : Amount capitalised during the year*	7,689.54	5,607.14
Less : Classified as held for sale (refer note 29)	-	59.57
Closing Balance (net of provision for impairment of ₹ 2,569.90 Lakhs [refer note 20])*	**25,938.31**	**266.82**

**The Company accounts for all capitalisation 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.*

Note : During the current year, the Company has acquired a multi-speciality hospital situated in Manesar, Gurugram, Haryana (Medeor Hospital) for an overall purchase consideration of ₹ 22,500 Lakhs (excluding stamp duty and other charges). The development of the hospital is under progress.

Ageing schedule excluding assets classified as held for sale

As at March 31, 2024

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	25,938.31	-	-	-	25,938.31
Total	**25,938.31**	**-**	**-**	**-**	**25,938.31**

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024.

As at March 31, 2023

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	266.82	-	-	-	266.82
Total	**266.82**	**-**	**-**	**-**	**266.82**

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023.

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

5(II) GOODWILL

(₹ in Lakhs)

Particulars	Goodwill
Gross carrying amount	
As at April 01, 2022	**3,292.57**
Additions	-
As at March 31, 2023	**3,292.57**
Additions	-
As at March 31, 2024	**3,292.57**
Impairment	
As at April 01, 2022	**(570.80)**
Impairment during the year	-
As at March 31, 2023	**(570.80)**
Impairment during the year	-
As at March 31, 2024	**(570.80)**
Net Carrying Value	
As at March 31, 2023	**2,721.77**
As at March 31, 2024	**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. The fair value measurements were categorised as a Level 3 fair value based on the inputs in the valuation technique used. Cash flow projections were developed covering a seven-year period as at March 31, 2024 and March 31, 2023 which reflects a more appropriate indication/trend of future track of business of the Company. Cash flows beyond the seven-year period were extrapolated using estimate rates stated below.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to 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:

	As at March 31, 2024 (p.a.)	As at March 31, 2023 (p.a.)
Revenue growth rate for seven-year period	4% - 5%	5% - 6%
Growth rate used for extrapolation of cash flow projections beyond seven-year period (refer note below)	4.00%	4.00%
Discount rate (Post tax Rate)	14.12%	14.12%
Discount rate (Pre tax Rate)	21.70%	21.70%

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 (Contd.)

5(III)(A) OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software
Gross carrying amount	
As at April 01,2022	**3,548.81**
Additions	30.41
Disposals	-
Classified as held for sale (refer note 29)	(352.72)
As at March 31,2023	**3,226.50**
Additions	58.43
Disposals	-
As at March 31,2024	**3,284.93**
Accumulated amortisation	
As at April 01,2022	**2,512.55**
Charge for the year	369.11
Disposals	(345.65)
As at March 31,2023	**2,536.01**
Charge for the year	215.09
Disposals	-
As at March 31,2024	**2,751.10**
Carrying value	
As at March 31,2023	**690.49**
As at March 31,2024	**533.83**

5(III)(B) INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening balance	**-**	**-**
Additions during the year*	140.79	30.41
Less : Amount capitalised during the year*	58.43	30.41
Closing Balance*	**82.36**	**-**

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

Ageing schedule

As at March 31, 2024

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	82.36	-	-	-	82.36
Projects temporarily suspended	-	-	-	-	-
Total	**82.36**	**-**	**-**	**-**	**82.36**

There was no balance in intangible assets under development for previous year, hence ageing schedule is not applicable

There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023.

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

5(IV) INVESTMENTS IN SUBSIDIARIES

Particulars		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
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, 2023) Equity Shares of ₹ 10 each)		
	[Of the above, 50 (50 as at March 31, 2023) equity shares are held by nominee share holders)]		
ii)	Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	5.00	5.00
	[(50,000 (50,000 as at March 31, 2023) Equity Shares of ₹ 10 each)]		
	[(Of the above, 6 shares (6 shares as at March 31, 2023) are held 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, 2023) 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, 2023) Equity Shares of ₹ 10 each)]		
	[Of the above, 6 shares (6 as at March 31, 2023) 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, 2023) Equity Shares of ₹ 10 each)]		
	[(Of the above, 6 shares (6 as at March 31, 2023) are held jointly with share holders)]		
vi)	Agilus Diagnostics Limited (formerly known as SRL Limited)	90,905.48	90,905.48
	[(45,236,779 (45,236,779 as at March 31, 2023) 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, 2023) Equity Shares of ₹ 10 each)		
	[of the above, 6 shares (6 as at March 31, 2023) are held by nominee shareholders)]		
viii)	Fortis CSR Foundation	5.00	5.00
	[(50,000 (50,000 as at March 31, 2023) Equity Shares of ₹ 10 each)]		
	[(Of the above, 6 shares (6 as at March 31, 2023) 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, 2023) 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, 2023) 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, 2023) Equity Shares of ₹ 10 each)		

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

Particulars		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
x)	Artistery Properties Private Limited	3,199.99	-
	[(319,99,990 (Nil as at March 31, 2023) Equity Shares of ₹ 10 each)]		
	[(excluding, 10 shares held by an individual (Nil as at March 31, 2023) over which company has ownership/control through the share purchase agreement)]		
	Less: Impairment of investment :		
	- Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	(5.00)	(5.00)
	- Escorts Heart Institute and Research Centre Limited (refer note 15(a))	-	(10,348.67)
	- Fortis Healthcare International Limited, Mauritius (refer note 15(b))	(1,333.23)	-
		8,00,975.18	**7,88,759.75**
(b)	**Investments in debt instrument - at amortised cost**		
i)	Escorts Heart and Super Speciality Hospital Limited (Refer note 6)	31,304.01	44,876.15
	3,130,400 (3,130,400 as at March 31, 2023) 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, 2023) 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, 2023) 13.15 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
iv)	International Hospital Limited	12,050.00	12,050.00
	1,205,000 (1,205,000 as at March 31, 2023) 14.30 % Non-Convertible Bonds of face value of ₹ 1,000 each		
v)	International Hospital Limited	12,960.00	12,960.00
	1,296,000 (1,296,000 as at March 31, 2023) 14.20 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
vi)	International Hospital Limited	17,750.00	17,750.00
	1,775,000 (1,775,000 as at March 31, 2023) 13.15 % Non-Convertible Bonds of face value of ₹ 1,000 each.		
vii)	Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	2.00	2.00
	[20,000 (20,000 as at March 31, 2023) 10.00% redeemable preference shares of ₹ 10 each]		
	Less: Impairment of investment in Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	(2.00)	(2.00)
		82,428.47	**96,000.61**
	Aggregate carrying value of unquoted non-current investments in subsidiaries	**8,83,403.65**	**8,84,760.36**
	Aggregate gross value of unquoted investments in subsidiaries	**8,84,743.88**	**8,95,116.03**
	Aggregate amount of impairment in value of investments in subsidiaries	**1,340.23**	**10,355.67**

*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:

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

		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
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(V) TRADE RECEIVABLES

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Current		
Considered good		
- From Others		
Billed	13,145.77	11,097.12
Unbilled	1,478.13	1,121.36
- From Related Parties (refer note 6)	52.17	110.30
Less: Loss allowance	(1,553.88)	(1,842.46)
Less: Classified as held for sale (refer note 29)	-	(749.88)
	13,122.19	**9,736.44**
Break-up of security details		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	14,676.07	12,328.78
Less: Loss allowance	(1,553.88)	(1,842.46)
Less: Classified as held for sale (refer note 29)	-	(749.88)
Total trade receivables	**13,122.19**	**9,736.44**

Trade Receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on outstanding balance, regardless of the age of the balances. 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 defaults 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 consumer default in making the payments. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The provision matrix at the end of the reporting period is as follows:

Fortis

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

	Expected credit allowance %	
	As at March 31, 2024	As at March 31, 2023
Ageing		
0 - 1 year	0% - 25%	0% - 28%
1 - 2 year	1% - 48%	1% - 58%
2 - 3 year	6% - 74%	7% - 92%
More than 3 years	100%	100%

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

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Balance at the beginning of the year	1,842.46	2,112.91
Creation of the allowance for expected credit losses	561.64	568.95
Utilisation of the allowance for expected credit loss	(850.22)	(839.40)
Balance at the end of the year	**1,553.88**	**1,842.46**

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

Ageing schedule of trade receivables - billed

As at March 31, 2024

Particulars		Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	9,337.84	1,323.91	780.66	647.39	367.20	740.94	13,197.94
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
		9,337.84	**1,323.91**	**780.66**	**647.39**	**367.20**	**740.94**	**13,197.94**

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

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Less: Loss allowance for doubtful trade receivables - billed							**(1,553.88)**
							11,644.06
Trade receivables - unbilled							**1,478.13**
							13,122.19

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	340.40	7,586.28	1,380.11	863.02	392.65	644.96	**11,207.42**
(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	-	-	-	-	-	-	-
	340.40	**7,586.28**	**1,380.11**	**863.02**	**392.65**	**644.96**	**11,207.42**
Less: Loss allowance for doubtful trade receivables - billed							**(1,842.46)**
							9,364.96
Trade receivables - unbilled							**1,121.36**
							10,486.32
Less: Classified as held for sale (refer note 29)							**(749.88)**
							9,736.44

Note : Current assets are pledged against loans taken by the Company [refer note 8(i)].

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

5(VI) LOANS (UNSECURED)

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Non-current - at amortised cost		
Considered good		
(a) Loans to subsidiaries (refer note 18)	1,605.17	14,615.57
Total	**1,605.17**	**14,615.57**
Current - at amortised cost		
Considered good		
(a) Loans to subsidiaries (refer note 18)	16,099.27	-
	16,099.27	**-**
Credit impaired		
(a) Loans to others	362.34	362.34
(b) Loans to subsidiaries [refer note 18]	88.73	63.73
	451.07	**426.07**
Less: Loss allowance	(451.07)	(426.07)
	(451.07)	**(426.07)**
	16,099.27	**-**

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

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	17,704.44	14,615.57
Loans considered doubtful - Unsecured	-	-
Credit impaired - Unsecured	451.07	426.07
Less: Loss allowance	(451.07)	(426.07)
Total loans	**17,704.44**	**14,615.57**

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

5(VII) OTHER FINANCIAL ASSETS (UNSECURED)

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Non current		
Considered good		
(a) Deposit accounts with bank	11.07	11.07
(b) Interest accrued on fixed deposits	1.38	0.95
(c) Security deposits	84.92	246.24
Less: Classified as held for sale (refer note 29)	-	(178.91)
	97.37	**79.35**
Credit impaired		
(a) Security deposits [refer note 20]	378.00	378.00
Less: Loss allowance	(378.00)	(378.00)
	-	-
	97.37	**79.35**
Current		
Considered good		
(a) Security deposits	39.23	24.23
(b) Interest accrued and due on loans and non convertible bonds [refer note 6]	20,784.69	31,369.59
(c) Accrued Operating Income SEIS	-	13.23
(d) Government grant receivables	31.61	-
(e) Others	187.63	462.80
	21,043.16	**31,869.85**
Less: Classified as held for sale (refer note 29)	-	(2.18)
	21,043.16	**31,867.67**
Credit impaired		
(a) Advances recoverable in cash [refer note 20]	1,795.57	1,795.57
(b) Amount recoverable for salary and reimbursement of expenses [refer note 22(C)(vi)]	2,002.39	2,002.39
(c) Others	48.21	100.00
	3,846.17	**3,897.96**
Less: Loss allowance	(3,846.17)	(3,897.96)
	-	-
	21,043.16	**31,867.67**

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

5(VIII)(a) DEFERRED TAX BALANCES

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Deferred tax assets	13,943.62	18,525.76
Deferred tax liabilities	(10,133.93)	(12,389.74)
Less: classified as held for sale (refer note 29)	-	(430.25)
	3,809.69	**5,705.77**

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

FY 2023-24 (₹ in Lakhs)

	As at April 01, 2023	Derecognition due to disposal	(Charge)/ Credit to Profit or loss	(Charge)/ Credit to Other Comprehensive Income	As at March 31, 2024
Deferred tax liabilities					
(a) Property, plant and equipment	(767.97)	-	213.40	-	(554.57)
(b) Intangible assets	(806.89)	-	(73.36)	-	(880.25)
(c) Right-of-use assets	(10,814.88)	2,778.10	(662.33)	-	(8,699.11)
	(12,389.74)	**2,778.10**	**(522.29)**	**-**	**(10,133.93)**
Deferred tax assets					
(a) Provision for contingency	116.29	-	3.62	-	119.91
(b) Allowance for doubtful advances (including provision for impairment on capital work-in progress)	3.78	-	(20.35)	-	(16.57)
(c) Allowance for expected credit loss	643.83	-	(100.84)	-	542.99
(d) Defined benefit obligation	935.44	-	91.65	17.75	1,044.84
(e) MAT credit entitlement	2,312.30	-	(2,312.30)	-	-
(f) Lease liability	14,514.12	(3,208.35)	708.51	-	12,014.28
(g) Disallowance under section 43B(h)	-	-	238.17	-	238.17
	18,525.76	**(3,208.35)**	**(1,391.54)**	**17.75**	**13,943.62**
Less: Classified as held for sale (refer note 29)	(430.25)	430.25	-	-	-
Deferred tax asset (net)	**5,705.77**	**-**	**(1,913.83)**	**17.75**	**3,809.69**

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

FY 2022-23

(₹ in Lakhs)

	As at April 01, 2022	(Charge)/ credit to profit or loss	Charge/ (credit) to other comprehensive income	As at March 31, 2023
Deferred tax liabilities				
(a) Property, plant and equipment	(787.18)	19.21	-	(767.97)
(b) Intangible assets	(827.80)	20.91	-	(806.89)
(c) Right-of-use assets	(16,050.08)	5,235.20	-	(10,814.88)
	(17,665.06)	**5,275.32**	**-**	**(12,389.74)**
Deferred tax assets				
(a) Provision for contingency	140.11	(23.82)	-	116.29
(b) Allowance for doubtful advances	133.71	(129.93)	-	3.78
(c) Allowance for expected credit loss	738.34	(94.51)	-	643.83
(d) Defined benefit obligation	778.39	88.94	68.11	935.44
(e) MAT credit entitlement	3,099.27	(786.97)	-	2,312.30
(f) Lease liability	19,229.04	(4,714.92)	-	14,514.12
	24,118.86	**(5,661.21)**	**68.11**	**18,525.76**
Less: Classified as held for sale (refer note 29)	-	-	-	(430.25)
Deferred tax asset (net)	**6,453.80**	**(385.89)**	**68.11**	**5,705.77**

In addition to above, no deferred tax asset has been recognised on

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Advances and other financial assets provided for	4,743.47	4,743.47
Capital losses	2,293.68	954.31
	7,037.15	**5,697.78**

Details of MAT Credit on which deferred tax asset is recognised:
Expiry in assessment year

	As on March 31, 2024		As on March 31, 2023	
	Gross Amount	Tax effect	Gross Amount	Tax effect
MAT credit				
2027-28	-	-	133.77	133.77
2033-34	-	-	671.72	671.72
2034-35	-	-	1,506.81	1,506.81
	-	**-**	**2,312.30**	**2,312.30**

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

Expiry in assessment year

	As on March 31, 2024		As on March 31, 2023	
	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
2026-27	2.99	0.70	2.99	0.70
2032-33	2,290.69	533.64	-	-
Total	**2,293.68**	**534.34**	**954.31**	**222.28**

5(VIII)(b) INCOME-TAX

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Recognised in statement of profit and loss		
Current tax		
(a) Current income tax charge for the year	2,796.71	878.50
	2,796.71	**878.50**
Deferred tax		
(a) Deferred tax charge / (credit) on profits for the year	1,913.83	385.89
	1,913.83	**385.89**
Tax expense recognised through statement of profit and loss	**4,710.54**	**1,264.39**
Recognised in Other Comprehensive Income		
Deferred tax charge / (credit)		
Tax related to items that will not be reclassified to profit or loss	(17.75)	68.11
Tax recognised through other comprehensive income	**(17.75)**	**68.11**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit / (loss) before tax from continuing operations	24,656.03	10,888.40
Enacted income tax rate in India	34.944%	34.944%
Income tax debit / (credit) calculated	8,615.80	3,804.84
Effect of expenses disallowed in determining taxable profits	8.69	(53.09)
Effect of provision for (increase)/ dimunition in value of Investment	(3,150.35)	(1,687.30)
Effect of tax in relation to previous years	(175.19)	(56.15)
Dividend income exempt under section 80M of Income Tax Act, 1961	(471.06)	(750.86)
Effect of gain on disposal of Arcot road unit	(122.06)	-
Others	4.71	6.95
Income tax expense (including deferred tax) recognised in profit or loss	**4,710.54**	**1,264.39**

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

5(IX) NON-CURRENT TAX ASSETS (NET)

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Advance income tax (net of provision for taxation)*	12,505.71	13,000.76
	12,505.71	**13,000.76**
Provision for taxation	27,482.95	24,686.24

*including refund of ₹ 2,487.41 Lakhs (As at March 31, 2023 ₹ 3,357.03 Lakhs) adjusted by tax authorities against demand orders of earlier years which are being contested by the Company under various forums.

5(X) OTHER ASSETS (UNSECURED)

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Non-current		
Considered good		
(a) Capital advances	176.03	59.01
(b) Balances with government authorities - Goods and service tax recoverable	168.00	147.36
(c) Prepaid expenses	24.35	54.31
	368.38	**260.68**
Less: Classified as held for sale (refer note 29)	-	(20.01)
	368.38	**240.67**
Current		
Considered good		
(a) Advance to vendors	133.76	602.04
(b) Prepaid expenses	463.93	398.98
	597.69	**1,001.02**
Less: Classified as held for sale (refer note 29)	-	(552.63)
	597.69	**448.39**
Considered doubtful		
(a) Advance to vendors	18.29	2.79
Less: Loss allowance	(18.29)	(2.79)
	-	**-**
	597.69	**448.39**

5(XI) INVENTORIES

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Valued at lower of cost or net realisable value		
Medical consumables, drugs and others	1,292.58	1,491.95
Less: Classified as held for sale (refer note 29)	-	(205.15)
	1,292.58	**1,286.80**

5(XII)(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:

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
(a) Balances with banks		
-on current accounts	49.00	68.41
-deposits with original maturity of less than three months	1,950.00	-
(b) Cash on hand	56.27	31.47
Less: Classified as held for sale (refer note 29)	-	(2.20)
Cash and cash equivalents as per balance sheet	**2,055.27**	**97.68**
Bank overdrafts (refer note 5(xv))	(1,518.10)	(1,316.15)
Cash and cash equivalents as per statement of cash flows	**537.17**	**(1,218.47)**

5(XII)(b) BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
(a) Unpaid dividend account	28.55	-
(b) Balances with banks		
-Deposits with original maturity of more than 3 months but less than 12 months	9,910.87	5.37
	9,939.42	**5.37**

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

5(XIII) SHARE CAPITAL

Particulars	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Authorised share capital:		
850,000,000 (850,000,000 as at March 31, 2023) Equity shares of ₹ 10 each	85,000.00	85,000.00
200 Class 'A' (200 as at March 31, 2023) 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, 2023) 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, 2023) 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, 2023) 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, 2024		March 31, 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
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. 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. Each holder of equity share is entitled to one vote per share.

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

Equity Shares

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares held	₹ in Lakhs	No. of Shares held	₹ in Lakhs
Northern TK Venture Pte Ltd (refer note 21) (Holding Company)	235,294,117	23,529.41	235,294,117	23,529.41

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

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

Equity Shares

Name of Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Northern TK Venture Pte Ltd (refer note 21) (Holding Company)	235,294,117	31.17%	235,294,117	31.17%

(e) Details of shares held by promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	235,294,117	-	23,52,94,117	31.17%	-

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Northern TK Venture Pte Ltd	235,294,117	-	23,52,94,117	31.17%	-

(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.

5(XIV) CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings (net)	Interest accrued	Lease liability
As at April 01, 2022	58,552.25	5,680.94	176.81	55,028.16
Lease liability paid	-	-	-	(2,446.17)
Proceeds from borrowings	1,535.38	3,905.73	-	-
Repayment of borrowings	(31,929.57)	-	-	-
Reclassification of bank overdraft*	-	(766.34)	-	-
Addition of lease contracts	-	-	-	1,555.82
Finance cost	-	-	4,698.00	5,926.19
Finance cost paid	-	-	(4,682.42)	(5,926.19)
Reclassified to trade payables	-	-	-	(3,433.62)
Less: Classified as held for sale (refer note 29)	-	-	-	(9,168.82)

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

(₹ in Lakhs)

Particulars	Non-current borrowings	Current borrowings (net)	Interest accrued	Lease liability
As at March 31, 2023	**28,158.06**	**8,820.33**	**192.39**	**41,535.37**
Lease liability paid	-	-	-	(3,234.40)
Proceeds from borrowings	24,079.41	-	-	-
Repayment of borrowings	(22,874.22)	(6,825.00)	-	-
Reclassification of bank overdraft*	-	201.95	-	-
Reclassification of non current borrowing to current borrwings	(3,957.79)	3,957.79	-	-
Finance cost **	-	-	3,444.04	4,565.39
Finance cost paid	-	-	(3,594.10)	(4,565.39)
Reclassified to trade payables	-	-	-	(3,919.44)
As at March 31, 2024	**25,405.46**	**6,155.07**	**42.33**	**34,381.53**

* Bank overdraft have been reclassified from current borrowing to cash and cash equivalent for the purpose of preparation of statement of cash flow.

** It excludes the interest expenses on defined benefit plan and other long term obligations.

5(XV) NON-CURRENT BORROWINGS

Particulars	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Carried at amortised cost		
(i) Secured		
(a) Term loans		
- from banks [refer note 8(i)(b),(c) and (d)]	25,312.00	24,651.99
(b) Vehicle loans [refer note 8(i) (f)]	93.46	128.04
	25,405.46	**24,780.03**
(ii) Unsecured		
(a) Loans from subsidiary company [refer note 8(ii)]	-	3,378.03
	-	**3,378.03**
	25,405.46	**28,158.06**
Current borrowings		
Carried at amortised cost		
(i) Secured - repayable on demand		
(a) Bank overdraft [refer note 8 (i)(a)]	1,518.10	1,316.15
(b) Current maturities of non-current borrowings [refer note 8(i)(b),(c), (e) and (f)]	1,283.94	704.18
	2,802.04	**2,020.33**
(ii) Unsecured		
(a) Loans from subsidiary companies [refer note 8(ii)]	3,353.03	6,800.00
	3,353.03	**6,800.00**
	6,155.07	**8,820.33**

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

5(XVI) OTHER FINANCIAL LIABILITIES

Particulars		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Non Current			
Unsecured			
(a)	Financial guarantee liability	-	118.51
		-	**118.51**
Current			
Unsecured			
(a)	Security deposits	2.10	8.26
(b)	Interest accrued and due on borrowings	42.33	192.39
(c)	Capital creditors*	1,826.08	604.64
(d)	Technology renewal fund payable to related party [refer note 6]	115.20	87.20
(e)	Employee payable	2,523.22	1,576.56
(f)	Financial guarantee liability	-	22.30
(g)	Unpaid equity dividend	28.55	-
(h)	Other liabilities	387.92	356.06
		4,925.40	**2,847.41**
	Less: Classified as held for sale (refer note 29)	-	(200.65)
		4,925.40	**2,646.76**

*This includes amount payable to micro and small enterprises amounting to ₹ 171.32 Lakhs as at March 31, 2024 (₹ 236.04 Lakhs as at March 31, 2023)

5(XVII) PROVISIONS

Particulars		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
Non current			
Provision for employee benefits			
(a)	Provision for gratuity (refer note 12)	2,002.60	1,735.28
(b)	Provision for compensated absences	563.19	507.38
		2,565.79	**2,242.66**
	Less: Classified as held for sale (refer note 29)	-	(81.09)
		2,565.79	**2,161.57**
Current			
Provision for employee benefits			
(a)	Provision for gratuity (refer note 12)	287.46	298.58
(b)	Provision for compensated absences	131.27	136.19
Others			
(a)	Provision for contingencies *	1,803.14	1,792.77
		2,221.87	**2,227.54**
	Less: Classified as held for sale (refer note 29)	-	(29.52)
		2,221.87	**2,198.02**

* Provision for contingencies

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

Particulars			As at March 31, 2024	As at March 31, 2023
(i)	Provision for indemnification (refer note 9(b))	A	205.03	205.03
(ii)	Others	B		
	Opening balance [refer note (a) below]		1,587.74	1,661.45
	Add: Provision during the year [refer note (b) below]		31.11	91.18
	Less: Reversed during the year		(20.74)	(164.89)
			1,598.11	**1,587.74**
Provision for contingencies - Total (A+B)			**1,803.14**	**1,792.77**

(a) Includes ₹ 1,460.00 Lakhs (₹ 1,460.00 Lakhs as at March 31, 2023) in respect of any contingencies emanating from regulatory matters, which will be settled when the outcome is known (refer note 22).

(b) Provision for contingency is made against clinical research studies and amount due as refund to the patients.

5(XVIII) TRADE PAYABLES

Particulars		As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
(a)	Total outstanding dues of micro enterprises and small enterprises (refer note 17)	2,420.39	2,558.31
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	49,434.14	40,603.30
		51,854.53	**43,161.61**
	Less: Classified as held for sale (refer note 29)	-	(1,599.10)
		51,854.53	**41,562.51**
Of the above trade payables amounts due to related parties are as below:			
Trade Payables due to related parties (refer note 6)		**36,244.43**	**27,867.85**

Ageing schedule

As at March 31, 2024

Particulars		Unbilled	Not due	Outstanding for following periods from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	2,340.29	62.25	1.83	3.51	12.51	2,420.39
(ii)	Others	8,199.68	5,767.54	16,906.91	12,257.85	6,222.75	79.41	49,434.14
(iii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
Total								**51,854.53**

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

As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	2,506.86	148.29	18.50	1.38	13.77	2,688.80
(ii) Others	7,934.23	3,885.02	14,858.88	9,465.35	3,867.68	461.65	40,472.81
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total							**43,161.61**
Less: Classified as held for sale - Others (refer note 29)							(1,599.10)
Total							**41,562.51**

5(XIX) OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
(a) Contract liability - advance from patients	944.73	870.04
(b) Statutory dues payable	1,520.42	1,363.36
	2,465.15	**2,233.40**
Less: Classified as held for sale (refer note 29)	-	(152.66)
	2,465.15	**2,080.74**

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

5(XX) REVENUE FROM OPERATIONS

Particulars		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
I.	**Revenue from contracts with customers**		
A.	**Sale of services**		
	Healthcare services		
	- Operating income - in patient department	1,05,305.04	92,530.99
	- Operating income - out patient department	15,606.78	14,517.84
	- Income from medical services	120.56	84.06
	- Management fees from hospitals	445.85	402.11
	- Income from clinical research	-	8.92
	Less: Trade discounts	(4,485.89)	(3,735.08)
	Total (A)	**1,16,992.34**	**1,03,808.84**
B.	**Sale of products - Trading**		
	i) Pharmacy	25.65	97.32
	Less: Trade discounts	(0.06)	(3.44)
	Total (B)	**25.59**	**93.88**
I.	**Total Revenue from contracts with customers (A+B)**	**1,17,017.93**	**1,03,902.72**
	Timing of revenue recognition		
	Goods transferred at a point in time	25.59	93.88
	Services transferred at a point in time	14,852.51	13,712.08
	Services transferred over time	1,02,139.83	90,096.76
		1,17,017.93	**1,03,902.72**
	Contract balances		
	Contract assets (unbilled revenue)	1,478.13	1,121.36
	Contract liabilities (advance from patient)	944.73	870.04
	The revenue recognised during the current year is the balancing number for transactions with customers after opening and closing balances of receivables and liabilities.		
II.	**Other operating revenues**		
	i) Income from academic services	94.41	12.59
	ii) Income from rent [refer note 7(b)]	4.07	28.90
	iii) Equipment lease rental [refer note 7(b)]	581.06	615.22
	iv) Provision / liabilites no longer required written back	261.76	570.66
	v) Miscellaneous income	183.07	162.51
II.	**Total other operating revenues**	**1,124.37**	**1,389.88**
	Total revenue from operations (I+II)	**1,18,142.30**	**1,05,292.60**

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

5(XXI) OTHER INCOME

Particulars		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	**Interest income**		
i)	Interest on bank deposits	69.59	1.37
ii)	Interest on loans and investments	12,299.60	12,343.74
iii)	Interest on income tax refunds	186.43	205.27
iv)	Interest on other financial assets carried at amortised cost	1.89	7.36
		12,557.51	**12,557.74**
(b)	**Dividend Income**		
i)	Dividend from equity investments	1,348.06	2,148.75
		1,348.06	**2,148.75**
(c)	**Other non-operating income**		
i)	Financial guarantee income	140.81	222.53
ii)	Miscellaneous income	254.04	28.67
		394.85	**251.20**
	Total other income (a+b+c)	**14,300.42**	**14,957.69**

5(XXII) CHANGES IN INVENTORIES OF MEDICAL CONSUMABLE AND DRUGS

Particulars		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	Inventory at the beginning of the year	1,491.95	1,380.28
(b)	Inventory at the end of the year (including inventory classified as held for sale)	1,292.58	1,491.95
	Changes in inventories [(a)-(b)]	**199.37**	**(111.67)**

5(XXIII) EMPLOYEE BENEFITS EXPENSE

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	Salaries, wages and bonus	17,151.45	15,988.59
(b)	Gratuity expense [refer note 12]	249.09	210.76
(c)	Compensated absences	104.64	154.89
(d)	Contribution to provident and other funds [refer note 12]	846.75	838.53
(e)	Staff welfare expenses	445.62	352.36
		18,797.55	**17,545.13**

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

5(XXIV) FINANCE COSTS

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	Interest expense		
	- on term loans	2,092.81	3,159.97
	- on cash credit	225.17	108.88
	- on defined benefit plan and other long term obligations	182.13	146.83
	- on loan from subsidiaries	619.58	823.09
	- on lease liabilities [refer note 7(a)]	4,565.39	5,926.19
	- on others	144.49	142.34
(b)	Other borrowing cost (including prepayment charges)	361.99	316.89
		8,191.56	**10,624.19**

5(XXV) DEPRECIATION AND AMORTISATION EXPENSE

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	Depreciation of property, plant and equipment [refer note 5(i)(a)]	2,590.82	3,688.35
(b)	Depreciation of right-of-use assets [refer note 7(a)]	7,292.36	7,530.79
(c)	Amortisation of intangible assets [refer note 5(iii)(a)]	215.09	369.11
		10,098.27	**11,588.25**

5(XXVI) OTHER EXPENSES

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(a)	Contractual manpower	1,825.03	1,976.87
(b)	Power and fuel	1,529.37	1,716.05
(c)	Housekeeping expenses including consumables	304.67	350.71
(d)	Patient food and beverages	847.19	840.34
(e)	Pathology laboratory expenses	1,759.34	1,768.49
(f)	Cost of medical services	506.02	487.23
(g)	Professional and consultation fees to doctors	20,999.10	19,881.49
(h)	Hospital service fee expense	8,625.70	7,361.78
(i)	Repairs and maintenance		
	- Building	110.68	187.85
	- Plant and machinery	1,966.59	1,935.21
	- Others	176.15	237.96
(j)	Rent	549.64	983.30
(k)	Independent Director remuneration	354.00	354.00
(l)	Legal and professional fee*	3,511.40	3,264.18
(m)	Travel and conveyance	700.17	668.45
(n)	Rates and taxes	102.71	180.65
(o)	Recruitment and trainings	189.08	195.76

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

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
(p)	Printing and stationary	379.67	453.35
(q)	Communication expenses	124.53	121.52
(r)	Directors' sitting fees	177.00	125.08
(s)	Insurance	330.58	491.07
(t)	Marketing and business promotion	3,113.49	2,964.68
(u)	Loss on sale of property, plant & equipment (net)	40.91	63.72
(v)	Foreign exchange fluctuation loss (net)	0.30	0.62
(w)	Allowance for doubtful receivables	561.64	568.95
(x)	Allowance for doubtful advances	98.05	218.22
(y)	Advance income tax (TDS) written off	-	25.03
(z)	Corporate social responsibility expenses (refer note 19)	68.49	466.33
(aa)	Miscellaneous expenses	6.17	15.77
		48,957.67	**47,904.66**

*Note:

(i)	**Auditors' remuneration comprises (inclusive of indirect tax)**		
(a)	Fees as auditors	300.88	300.88
(b)	Tax audit fee	3.28	3.28
(c)	Certification and other services	4.13	7.38
(d)	Out of pocket expenses	30.83	29.31
		339.12	**340.85**

5(XXVII) EXCEPTIONAL ITEMS

		Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
Expenses/(income):			
(a)	Reversal of impairment of investment in subsidiary companies [refer note 15(a) and (b)]	(9,015.44)	(4,828.57)
(b)	Gain on sale of Arcot Road Hospital (refer note 29)	(349.29)	-
		(9,364.73)	**(4,828.57)**

5(XXVIII) EARNINGS PER SHARE (EPS)

	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
Profit as per statement of profit and loss (₹ in Lakhs)	19,945.49	9,624.01
Weighted average number of equity shares outstanding	75,49,58,148	75,49,58,148
Basic EPS (in ₹)	2.64	1.27
Diluted EPS (in ₹)*	2.64	1.27

*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 potential equity shares outstanding at year end, there are no dilutive equity shares.

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

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, Malaysia
Intermediate Holding Company	Integrated Healthcare Holdings Limited, Malaysia
	Parkway Pantai Limited, Singapore
Holding Company	Northern TK Venture Pte Ltd, Singapore
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, Singapore ("FAHPL") (wholly owned subsidiary of EHIRCL)
	11) Fortis Health staff Limited (wholly owned subsidiary of EHIRCL)
	12) Fortis Healthcare International Pte. Limited, Singapore ("FHIPL") (wholly owned subsidiary of FAHPL), merged with FAHPL w.e.f. June 12, 2023
	13) Agilus Diagnostics Limited ("Agilus") (Formerly known as SRL Limited) (subsidiary of the Company)
	14) Agilus Pathlabs Private Limited (Formerly known as SRL Diagnostics Private Limited (wholly owned subsidiary of Agilus)
	15) Hiranandani Healthcare Private Limited (wholly owned subsidiary of the Company)
	16) Fortis Healthcare International Limited, Mauritius ("FHIL) (wholly owned subsidiary of the Company)
	17) Adayu Mindfulness Limited (Formerly known as 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)
	22) Malar Stars Medicare Limited (wholly owned subsidiary of Fortis Malar Hospitals Limited).
	23) RHT Health Trust Manager PTE Limited, Singapore (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
	26) Artistery Properties Private Limited

6. RELATED PARTY DISCLOSURES (Contd.)

Nature of relationship	Name of related parties
Associates- direct or indirect through investment in subsidiaries (parties with whom transactions have been taken place)	Lanka Hospitals Corporation PLC, Sri Lanka
Joint ventures- direct or indirect through investment in subsidiaries (parties with whom transactions have been taken place)	Fortis C-Doc Healthcare Limited ('C-Doc') (joint venture of FHsL)
Enterprises owned or significantly controlled / influenced by subsidiary of holding/ultimate holding company/ enterprise having significant influence over ultimate holding company (with whom transactions have been taken place)	Acibadem Teknoloji A.S.
Entity having significant influence (Enterprise having significant influence over ultimate holding company through its subsidiary)	(a) Mitsui & Co Ltd, Japan (b) Khazanah Nasional Berhad, Malaysia
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
	(g) Dr. Kelvin Loh Chi-Keon - Non-Executive Non-Independent Director (up to February 22, 2023)
	(h) Mr Dilip Kadambi – Non-Executive Non-Independent Director
	(i) Mr Joerg Ayrle – Non-Executive Non-Independent Director (upto October 02, 2023)
	(j) Mr Takeshi Saito- Non-Executive Non-Independent Director (up to March 28, 2023)
	(k) Mr Sim Heng Joo Joe - Non-Executive Non-Independent Director (upto August 31, 2023)
	(l) Dr. Farid Bin Mohamed Sani - Non-Executive Non-Independent Director (up to March 28, 2023)
	(m) Mr Sumit Goel - Company Secretary (up to April 04, 2022)
	(n) Mr Murlee Manohar Jain - Company Secretary (up to February 29, 2024)
	(o) Mr Satyendra Chauhan - Company Secretary (w.e.f. March 01, 2024)
	(p) Mr Mehmat Ali Aydinlar - Additional Director (w.e.f. March 28, 2023)
	(q) Mr Tomo Nagahiro - Additional Director (w.e.f. March 28, 2023)
	(r) Dr. Prem Kumar Nair – Non-Executive Non-Independent Director (w.e.f. November 10, 2023)
	(s) Mr Ashok Pandit- Non-Executive Non-Independent Director (w.e.f September 13, 2023)
	(t) Mr Lim Tsin Lin – Non-Executive Non-Independent Director (w.e.f May 04, 2023)

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

6. RELATED PARTY DISCLOSURES (Contd.)

Transactions taken place during the year are as follows:

(₹ in Lakhs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Income (including income from medical services, management fees from hospitals, rental, pharmacy income, reimbursements)		
Fortis Hospitals Limited	2.35	-
Agilus Diagnostics Limited (Formerly known as SRL Limited)	10.57	6.16
Fortis Malar Hospitals Limited	-	0.96
Interest income on loans and investments		
Fortis Hospitals Limited	653.39	907.46
Escorts Heart Institute and Research Centre Limited	796.30	645.66
Escorts Heart and Super Speciality Hospital Limited	4,632.99	4,632.99
International Hospital Limited	5,897.61	5,897.60
Hospitalia Eastern Private Limited	94.28	93.36
Fortis Health Management Limited	165.89	165.88
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	1.33	0.75
Fortis Healthstaff Limited	-	0.04
Artistery Properties Private Limited	57.81	-
Financial guarantee income		
Fortis Hospitals Limited	140.81	222.53
Dividend from equity investments		
Agilus Diagnostics Limited (formerly known as SRL Limited)	1,348.06	2,148.75
Transfer of medical consumables and pharmacy to		
Fortis Hospitals Limited	21.03	6.79
Escorts Heart Institute and Research Centre Limited	0.45	3.37
Transfer of medical consumables and pharmacy from		
Fortis Hospitals Limited	1.14	-
Escorts Heart Institute and Research Centre Limited	0.82	-
Professional charges to doctors		
Fortis Hospotel Limited	0.80	-
Contribution for Corporate Social Responsibility expenses		
Fortis CSR foundation	50.00	-

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense		
Fortis Malar Hospitals Limited	312.39	554.00
Stellant Capital Advisory Services Private Limited	307.19	269.09
Pathology laboratory expenses		
Agilus Diagnostics Limited (Formerly known as SRL Limited)	1,710.30	1,662.91
Fortis Malar Hospitals Limited	-	0.36
Hospital service fee expenses*		
Fortis Hospotel Limited	12,821.65	12,057.61
Escorts Heart and Super Speciality Hospital Limited	6,889.28	6,066.55
*includes lease payment of Rupees 7,799.79 Lakhs (Previous year Rupees 7,416.49 Lakhs)		
Managerial remuneration (refer note 1 below)		
Dr. Ashutosh Raghuvanshi		
Short-term employee benefits	907.14	823.18
Post employment benefits and Other long term employee benefits	20.11	45.49
Mr Vivek Kumar Goyal		
Short-term employee benefits	463.48	315.31
Post employment benefits and Other long term employee benefits	14.88	7.82
Mr Murlee Manohar Jain		
Short-term employee benefits	101.86	77.35
Post employment benefits and Other long term employee benefits	1.92	2.17
Mr Sumit Goel		
Short-term employee benefits	-	13.63
Post employment benefits and Other long term employee benefits	-	9.61
Mr Satyendra Chauhan		
Short-term employee benefits	19.44	-
Post employment benefits and Other long term employee benefits	0.01	-
Independent Director Remuneration		
Mr Ravi Rajagopal	106.20	106.20
Mr Indrajit Banerjee	82.60	82.60
Ms Suvalaxmi Chakraborty	82.60	82.60
Ms Shailaja Chandra	82.60	82.60

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Director sitting fee		
Mr Indrajit Banerjee	35.40	25.96
Mr Ravi Rajagopal	15.34	15.34
Ms Suvalaxmi Chakraborty	22.42	15.34
Northern TK Venture Pte. Limited (Dr. Kelvin Loh Chi-Keon)	-	5.90
Northern TK Venture Pte. Limited (Mr Sim Heng Joo Joe)	7.08	7.08
Ms Shailaja Chandra	35.40	24.78
Mitsui and Co. Ltd. (MrTakeshi Saito)	-	3.54
Northern TK Venture Pte Ltd (Mr Dilip Kadambi)	11.80	10.62
Northern TK Venture Pte. Limited (Mr Joerg Ayrle)	8.26	14.16
Mr Mehmet Ali Aydinlar	9.44	1.18
Mitsui and Co. Ltd. (MrTomo Nagahiro)	11.80	1.18
Dr.Prem Kumar Nair	9.44	-
Mr Ashok Pandit	10.62	-
Director sitting fee received from		
RHT Health Trust Manager PTE Ltd.	24.32	26.24
Expense incurred by the Company on behalf of		
Fortis Hospitals Limited	0.51	4.35
Agilus Diagnostics Limited (Formerly known as SRL Limited)	19.88	38.47
Fortis Hospotel Limited	-	2.85
Escorts Heart and Super Speciality Hospital Limited	-	0.34
Hospital services taken for employees from		
Fortis Hospitals Limited	21.09	-
Escorts Heart Institute & Research Centre Limited	4.98	-
Hospital services given to employees of		
Fortis Hospitals Limited	12.64	-
International Hospital Limited	1.62	-
Fortis Hospotel Limited	8.48	-
Escorts Heart Institute & Research Centre Limited	6.81	-
Expense incurred on behalf of the Company by		
Fortis Hospitals Limited	-	32.09
Agilus Diagnostics Limited (Formerly known as SRL Limited)	9.44	52.83
Fortis Hospotel Limited	676.65	602.23
Escorts Heart and Super Speciality Hospital Limited	460.17	435.01

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Reimbursement of expenses to directors		
Mr Ravi Rajagopal	9.57	13.60
Mr Tomo Nagahiro	13.58	-
MrMehmet Ali	51.36	-
Dr. Ashutosh Raghuvanshi	5.25	-
Intangibles assets acquired		
Acibadem Teknoloji A.S.	33.68	-
Transfer of employee benefit liability and other long-term benefits by Company to		
Fortis Hospitals Limited	2.05	32.64
Fortis Hospotel Limited	-	0.01
Escorts Heart and Super Speciality Hospital Limited	-	0.02
Hospitalia Eastern Private Limited	0.14	-
Transfer of employee benefit liability and other long-term benefits to Company from		
Fortis Hospitals Limited	19.88	31.05
Fortis Malar Hospitals Limited	-	4.54
Fortis Hospotel Limited	0.67	-
Investments in Equity Shares		
Artistery Properties Private Limited	3,199.99	-
Provision for impairment of investment		
Fortis Healthcare International Limited	1,333.23	-
Provision for doubtful loan & advances		
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	25.00	-
Reversal of provision for impairment of investment		
Fortis Healthcare International Limited	-	4,828.57
Escorts Heart Institute and Research Centre Limited	10,348.67	-
Interest converted to loan		
Fortis Hospitals Limited	816.71	1,529.86
Escorts Heart Institute and Research Centre Limited	581.09	542.29

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Transactions details	Year ended March 31, 2024	Year ended March 31, 2023
Loan given to subsidiaries		
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	60.00	-
Artistery Properties Private Limited	1605.17	-
Hospitalia Eastern Private Limited	85.00	-
Loans and advance received back		
Fortis Hospitals Limited	-	9,950.00
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	35.00	-
Loans repaid		
Stellant Capital Advisory Services Private Limited	25.00	43.00
Fortis Malar Hospitals Limited	6,800.00	-
Financial guarantees given to banks/related party by company for loans availed by		
Hospitalia Eastern Private Limited	4,200.00	-
Financial guarantees given to banks/related party by company withdrawn during the year for loans availed by		
Fortis Hospitals Limited	98,475.00	971.56
Escorts Heart Institute and Research Centre Limited	11,113.00	42.00
Fortis Hospotel Limited	12,828.00	89.00
International Hospital Limited	14,025.00	-
Hiranandani Healthcare Private Limited	2,450.00	-
Hospitalia Eastern Private Limited	7,500.00	-
Financial guarantees on behalf of company to avail loan given by		
International Hospital Limited	-	20,000.00
Financial guarantees on behalf of company to avail loan given by related parties withdrawn during the year		
Fortis Hospitals Limited	-	48,679.82
Escorts Heart Institute and Research Centre Limited	-	48,679.82
International Hospital Limited	20,000.00	48,679.82
Escorts Heart and Super Speciality Hospital Limited	-	48,679.82
Hospitalia Eastern Private Limited	-	37,604.00
Fortis Hospotel Limited	-	48,679.82
Collection on behalf of Company by		
Fortis Hospitals Limited	14.81	8.28
Collection by Company on behalf of		
Fortis Hospitals Limited	6.30	17.26
Escorts Heart Institute and Research Centre Limited	11.80	-
Fortis Hospotel Limited	4.83	-
Escorts Heart and Super Speciality Hospital Limited	3.87	72.46

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Balance outstanding at the year end	As at March 31, 2024	As at March 31, 2023
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
Agilus Diagnostics Limited (Formerly known as 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
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited) (Equity Instrument)	5.00	5.00
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited) (Redeemable Preference share)	2.00	2.00
Fortis Hospotel Limited (Equity Instrument)	243,016.88	243,016.88
Fortis CSR Foundation (Equity Instrument)	5.00	5.00
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)	42,760.00	42,760.00
Escorts Heart and Super Speciality Hospital Limited (Equity Instrument)	40,625.51	40,625.51
Escorts Heart and Super Speciality Hospital Limited (Debt Instrument)	31,304.01	44,876.15
Hospitalia Eastern Private Limited (Debt Instrument)	7,172.50	7,172.50
Artistery Properties Private Limmited	3,200.00	-
Impairment of investments		
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	7.00	7.00
Fortis Healthcare International Limited	1,333.23	-
Escorts Heart Institute and Research Centre Limited	-	10,348.67
Loans receivable from subsidiary companies		
Fortis Hospitals Limited	7,141.66	6,324.06
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	88.73	63.73
Escorts Heart Institute and Research Centre Limited	8,702.61	8,121.51
Hospitalia Eastern Private Limited	250.00	165.00
Artistery Properties Private Limited	1,605.17	-
Fortis Healthstaff Limited	5.00	5.00
Loans payable to subsidiary companies		
Stellant Capital Advisory Services Private Limited	3,353.03	3,378.03
Fortis Malar Hospitals Limited	-	6,800.00

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Balance outstanding at the year end	As at March 31, 2024	As at March 31, 2023
Provision for doubtful loans and advances		
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	88.73	63.73
Interest accrued on loans and investments		
Fortis Hospitals Limited	588.04	816.71
Escorts Heart Institute and Research Centre Limited	716.68	581.09
Escorts Heart and Super Speciality Hospital Limited	14,486.39	18,440.66
Artistery Properties Private Limited	52.02	-
International Hospital Limited	4,254.19	10,746.71
Fortis Health Management Limited	29.37	128.32
Hospitalia Eastern Private Limited	658.00	656.09
Interest accrued on borrowings		
Fortis Malar Hospitals Limited	-	136.60
Stellant Capital Advisory Services Private Limited	23.39	28.47
Other balances recoverable		
Fortis Hospitals Limited	-	0.26
Escorts Heart Institute and Research Centre Limited	279.21	280.61
Fortis C-Doc Healthcare Limited	34.06	28.39
Agilus Diagnostics Limited (Formerly known as SRL Limited)	12.58	12.58
Trade receivables		
Agilus Diagnostics Limited (Formerly known as SRL Limited)	9.31	-
Fortis Hospitals Limited	31.65	50.78
Fortis Hospotel Limited	11.21	55.03
Fortis Malar Hospitals Limited	-	4.49
Provision for doubtful receivables / other financials assets		
Fortis Health Management (East) Limited	45.80	45.80
Trade payables		
Escorts Heart Institute and Research Centre Limited	-	5.85
Agilus Diagnostics Limited (Formerly known as SRL Limited)	357.60	307.55
Fortis Hospotel Limited (refer note 2 below)	30,997.01	24,479.39
Fortis Emergency Services Limited	1.69	5.46
Escorts Heart and Super Speciality Hospital Limited (refer note 2 below)	4,887.99	3,069.60
Hospitalia Eastern Private Limited	0.14	-

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

6. RELATED PARTY DISCLOSURES (Contd.)

(₹ in Lakhs)

Balance outstanding at the year end	As at March 31, 2024	As at March 31, 2023
Technology renewal fund		
Fortis Hospotel Limited	72.00	66.00
Escorts Heart and Super Speciality Hospital Limited	43.20	21.20
Financial guarantee liability		
Fortis Hospitals Limited	-	140.81
Outstanding Financial guarantees given to banks/related party for loans availed by		
Fortis Hospitals Limited	-	98,475.00
Hiranandani Healthcare Private Limited	-	2,450.00
Escorts Heart Institute and Research Centre Limited	-	11,113.00
International Hospital Limited	-	14,025.00
Fortis Hospotel Limited	-	12,828.00
Hospitalia Eastern Private Limited	-	3,300.00
Outstanding Financial guarantees on behalf of company to avail loan given by		
International Hospital Limited	-	20,000.00

Notes:

1) Amount shown is inclusive of perquisites, employer's contribution to provident fund and excluding reimbursement of expenses.

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

3) Also refer note 9(a), 9(b) and 22.

4) All transactions with these related parties are priced on an arm's length basis and all financial assets and liabilities are to be settled in cash with in credit period from the reporting date. None of the balances are secured.

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

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 01, 2022	**67,053.01**	**-**	**67,053.01**
Additions	-	1,555.82	1,555.82
Classified as held for sale (refer note 29)	(7,938.05)	-	(7,938.05)
As at March 31,2023	**59,114.96**	**1,555.82**	**60,670.78**
Additions	-	-	-
As at March 31,2024	**59,114.96**	**1,555.82**	**60,670.78**
Accumulated amortisation			
As at April 01, 2022	**21,910.96**	**-**	**21,910.96**
Charge for the year	7,422.75	108.04	7,530.79
Classified as held for sale (refer note 29)	(949.37)	-	(949.37)
As at March 31, 2023	**28,384.34**	**108.04**	**28,492.38**
Charge for the year	7,033.06	259.30	7,292.36
As at March 31, 2024	**35,417.40**	**367.34**	**35,784.74**
Carrying value			
As at March 31, 2023	**30,730.62**	**1,447.78**	**32,178.40**
As at March 31, 2024	**23,697.56**	**1,188.48**	**24,886.04**

(₹ in Lakhs)

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Maturity analysis - contractual undiscounted cash flows		
Less than one year	11,854.93	12,422.85
One to five years	30,118.51	43,320.58
More than five years	387.04	21,188.72
Total undiscounted lease liabilities	**42,360.48**	**76,932.15**

(₹ in Lakhs)

Lease liabilities included in the Balance Sheet (discounted)*	As at March 31, 2024	As at March 31, 2023
Current	8,391.16	7,157.97
Non-current	25,990.37	34,377.40

* Excluding amount classified as held for sale ₹ Nil (₹ 9,168.82 Lakhs as at March 31, 2023)

(₹ in Lakhs)

Amounts recognised in Statement of Profit and Loss	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	4,565.39	5,926.19
Variable lease payments not included in the measurement of lease liabilities	8,625.70	7,361.78
Expenses relating to short-term leases	549.64	983.30

7. LEASES (Contd.)

(₹ in Lakhs)

Amounts recognised in Statement of Cash Flow	As at March 31, 2024	As at March 31, 2023
Cash outflow for leases	3,234.40	2,446.17
Interest on lease liabilities (included in finance cost paid)	4,565.39	5,926.19
Total cash outflow for leases	**7,799.79**	**8,372.36**

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:

(₹ in Lakhs)

Particulars	Variable payments		Estimated annual impact on rent of a 1% increase in sales	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease with lease payment based on sales	8,625.70	7,361.78	86.26	73.62

(b) As a lessor

Assets given on operating lease:

The Company had sub-leased some portion of hospital premises, carrying value of which is included in buildings (refer note 7(a) and 5(i)(a)). In all the cases, either of the parties had option to terminate the agreements at any time during the lease term. The total lease income in respect of the above leases recognised in the Statement of Profit and Loss for the year are ₹ 4.07 Lakhs (March 31, 2023 ₹ 28.90 Lakhs).

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 ₹ 581.06 Lakhs (March 31, 2023 ₹ 615.22 Lakhs).

The details of the capital assets given on operating lease are as under:

(₹ in Lakhs)

	Plant & Machinery	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total
As at March 31, 2024							
Cost or deemed cost	91.59	3,472.10	121.42	7.31	2.05	0.00	3,694.48
Accumulated Depreciation	91.59	2,761.36	121.42	7.31	2.05	0.00	2,983.73
Carrying Value	-	**710.74**	-	-	-	-	**710.75**

(₹ in Lakhs)

	Plant & Machinery	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total
As at March 31, 2023							
Cost or deemed cost	91.59	3,992.83	126.22	7.31	2.05	3.70	4,223.70
Accumulated Depreciation	91.59	3,067.77	126.22	7.31	2.05	3.70	3,298.64
Carrying Value	-	**925.06**	-	-	-	-	**925.06**

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

8. BORROWINGS

(i) Secured Loans

(₹ in Lakhs)

Particulars	Note	March 31, 2024			March 31, 2023		
		Non-Current	Current	Total	Non-Current	Current	Total
Bank overdraft	(a)	-	1,518.10	1,518.10	-	1,316.15	1,316.15
Term Loan from Bank – HSBC	(b)	25,096.75	608.52	25,705.27	15,651.66	-	15,651.66
Term Loan from Bank – DBS Bank India Limited	(c)	215.25	608.28	823.53	1,170.84	637.57	1,808.41
Term Loan from Bank – Axis Bank Limited*	(d)	-	-	-	7,829.49	-	7,829.49
Vehicle Loan from Kotak Mahindra Prime Limited	(e)	-	-	-	-	8.73	8.73
Vehicle Loan from ICICI Bank Limited	(f)	93.46	67.14	160.60	128.04	57.88	185.92
Total		**25,405.46**	**2,802.04**	**28,207.50**	**24,780.03**	**2,020.33**	**26,800.36**

**Net of financial guarantee liability from borrowings.*

(a) The overdraft facility from The Hongkong and Shanghai Banking Corporation Limited ("HSBC") is secured against first pari passu charge over moveable fixed assets of the Company both present and future except the machinery, vehicles specifically financed by other banks / financial institutions and first pari-passu charge on the current assets of the Company both present and future with rate of interest being HSBC overnight MCLR/1 month MCLR or any other rate as may be agreed. As on March 31, 2024, the outstanding balance of overdraft is ₹ 1,518.10 Lakhs. (Balance outstanding as at March 31, 2023 was ₹ 1,316.15 Lakhs).

(b) Term loan facilities from HSBC are secured by exclusive charge on certain fixed assets (immovable) with minimum assets cover of 1.25X (previous year 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) and Fortis Hospotel Limited (immovable property situated in Gurugram) and also first pari passu charge over current assets and movable fixed assets of the Company except the machinery and vehicles specifically financed by other banks or financial institutions with rate of interest being 3/12 months HSBC MCLR or any other rate as may be mutually agreed.

Further, during the current year, the Company has prepaid facilities amounting to ₹ 7,500 Lakhs (was repayable in 3 equal instalments starting from June 2023 till June 2025) and ₹ 4,778.77 Lakhs (was repayable in structured quarterly instalments starting from April 2020 till October 2030).

Additionally, in facility of ₹ 4,778.77 Lakhs, there was a call and put option due on September 05, 2026.

During the current year, the Company has also prepaid ₹ 1,601.60 Lakhs out of term loan facility of ₹ 2,972.89 Lakhs.

Out of total term loan facilities, ₹ 23,933.98 Lakhs (previous year NIL) is repayable in equal quarterly instalment starting from November 2025 till August 2029, ₹ 400 Lakhs (previous year ₹ 400 Lakhs) is repayable in equal quarterly instalment starting from September 2024 till

8. BORROWINGS (Contd.)

June 2029 and ₹ 1,371.29 Lakhs (previous year ₹ 2,972.89 Lakhs) is repayable in equal quarterly instalment starting from November 2020 till August 2026.

As on March 31, 2024, the outstanding balance of term loans are ₹ 25,705.27 Lakhs (Balance outstanding as on March 31, 2023 was ₹ 15,651.66 Lakhs).

In April 2024, the charge on immovable fixed assets of Escorts Heart and Super Speciality Hospital Limited (immovable property situated in Mohali) has been released by HSBC.

(c) Term loan facility from DBS Bank India Limited with interest rate of DBS 3 / 12 months MCLR plus 1% margin or any other rate as may be mutually agreed upon basis is secured by:

(i) First ranking pari passu charge over current assets and moveable fixed assets of the Company, and

(ii) First and exclusive charge over certain immovable fixed assets of Escorts Heart and Super Speciality Hospital Limited located at Jaipur, Rajasthan with a security cover of minimum 1.33x. In May 2024, the security cover has been reduced to 1.25x.

Out of the total term loan facilities, ₹ 183.45 Lakhs (previous year ₹ 178.85 Lakhs) is repayable in structured monthly instalments starting from December 2020 till September 2025 and ₹ 640.08 Lakhs (previous year ₹ 1,629.56 Lakhs) is repayable in equal quarterly instalments starting from December 2021 till September 2025.

As on March 31, 2024, the outstanding balance of term loan is ₹ 823.53 Lakhs. (Balance outstanding as at March 31, 2023 was ₹ 1,808.41 Lakhs.).

(d) Term loan facility from Axis Bank Limited with interest rate of repo rate + 2.80%was secured by:

(i) First pari passu charge on entire current assets (present and future) of the Company

(ii) First pari passu 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 Hospitals Limited located at BG Road, Bangalore with minimum security cover of 1.33x.

(iv) Corporate guarantee of property owning company International Hospitals Limited.

The loan was repayable in structured quarterly instalments starting from March 2024 till March 2029.

The loan has been fully prepaid during the current year (previous year: ₹ 12,000 Lakhs were prepaid).

(e) During Financial year 2019-20, the Company had taken vehicle loan for ₹ 68.26 Lakhs from Kotak Mahindra Prime Limited with current average rate of interest of 9.27% p.a. The loan was repayable in 48 structured monthly instalments and secured against hypothecation of the specific vehicle purchased. The loan has been fully repaid during the current year (Balance outstanding as at March 31, 2023 was ₹ 8.73 Lakhs).

(f) During earlier years, the Company had availed vehicle loan from ICICI Bank Limited with rate of interest in the range of 7.25% p.a. to 8.95 % p.a. The loans are repayable in 48 structured monthly instalments and secured against hypothecation of the specific vehicle purchased. During the current year, the Company has availed additional vehicle loan of ₹ 79.41 Lakhs from ICICI Bank Limited with rate of interest in the range of 8.95% p.a. to 9.15% p.a. As on March 31, 2024, the outstanding balance of vehicle loan is ₹ 160.60 Lakhs. (Balance outstanding as at March 31, 2023 was ₹ 185.92 Lakhs).

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

8. BORROWINGS (Contd.)

(ii) Unsecured Loans

(₹ in Lakhs)

Particulars	Note	March 31, 2024		March 31, 2023	
		Non-Current	Current	Non-Current	Current
Loans from subsidiary companies	5(xv)	-	3,353.03	3,378.03	6,800.00
Total		**-**	**3,353.03**	**3,378.03**	**6,800.00**

During earlier years, the Company had availed unsecured loan from its subsidiary company, Stellant Capital Advisory Services Private Limited, of ₹ 4,265 Lakhs with rate of interest of 9.15% p.a. (previous year 8.85% p.a.) which is repayable on or before March 31, 2025.

During the current year, the Company has repaid unsecured loan of ₹ 25.00 Lakhs(previous year ₹ 43.00 Lakhs) . The outstanding balance of unsecured loan is ₹ 3,353.03 Lakhs. (Balance outstanding as at March 31, 2023 ₹ 3,378.03 Lakhs).

During earlier years, the Company had availed unsecured loan from its subsidiary company, Fortis Malar Hospitals Limited, of ₹ 2,800 Lakhs with rate of interest of 10.50% p.a. which was repayable on or before July 08, 2023, along with right to recall the loan any time after six months from the date of disbursement. During the current year, the loan has been fully repaid. (Balance outstanding as at March 31, 2023: ₹ 2,800.00 Lakhs)

Furthermore, during the earlier years, the Company had also availed unsecured loan from its subsidiary company, Fortis Malar Hospitals Limited, of ₹ 4,000 Lakhs with interest rate of 6.50 % p.a. During the current year, the Company has been fully repaid the loan (Balance outstanding as at March 31, 2023 ₹ 4,000.00 Lakhs).

(iii) The Company has 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.

(iv) 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, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account		
- Property Pland and equipment	9,457.60	3,446.37
- Intangible Assets	52.83	-
[net of capital advances of ₹ 176.03 Lakhs (as at March 31, 2023 ₹ 59.01Lakhs)]		

a. Going concern support in form of funding and operational support letters issued by the Company in favour of Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited), FCCL, Fortis C-Doc Healthcare Limited, FHMEL, FESL, FGHML, FAHPL, Birdie & Birdie Realtors Private Limited, FHsL, EHSSHL, FHML, HEPL, IHL and 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

9. COMMITMENTS: (Contd.)

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 Lakhs (as at March 31, 2023 ₹ 205.03 Lakhs) 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. There 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 / subsidiaries on behalf of the subsidiary companies are ₹ Nil (Previous year ₹ 142,191.00 Lakhs). The Company has recorded in books the fair value of guarantees given to subsidiary companies. (Refer note 5(iv)).

Claims against the Company, disputed by the Company, not acknowledged as debt (In addition, refer claims assessed as contingent liability described in Note 21, 22 and 23 below):

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax	6218.73	6,618.89
Medical related	6,281.69	5,930.61
VAT	3,621.17	3,621.17
Service Tax and GST	4,457.78	344.00
Grand Total	**20,579.37**	**16,514.67**

On February 28, 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.

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

11. CONTINGENT LIABILITIES TO THE EXTENT NOT PROVIDED FOR: (Contd.)

B. Claims assessed as contingent liability and not provided for, unless otherwise stated:

A Civil Suit filed by a Party ("Plaintiff") before the District Court, Delhi in February 2018 against various entities including the Company (together "the defendants") has been dismissed due to non-prosecution on November 24, 2023. It was filed against the Company/ its diagnostic subsidiary & other entities seeking declaration that it has implied ownership of brands "Fortis", "SRL" and "La-Femme" and for restraining the defendants from alienating, encumbering, taking adverse action w.r.t. the same. Further, in the year 2018, the Company had received four notices from the abovenamed Plaintiff claiming (i) ₹ 180,000 thousands as per notices dated May 30, 2018 and June 01, 2018 (ii) ₹ 2,158,200 thousands as per notice dated June 4, 2018; and (iii) ₹ 196,200 thousands as per notice dated June 04, 2018. All these notices were responded to by the Company denying any liability whatsoever. The Learned District Court had passed an ex-parte order that any transaction done in favour of a third- party affecting interest of the Plaintiff shall be subject to orders passed in the civil suit. With the dismissal of the suit, the ex-parte order stands vacated.

A Third Party who had applied for being substituted in place of the Plaintiff, had approached the Hon'ble Delhi High Court for seeking certain interim reliefs against the Company under the provisions of The Arbitration and Conciliation Act, 1996 and had also filed a claim for damages and injunctive reliefs against the Company before International Chamber of Commerce (ICC). The Company had 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 were withdrawn by Third Party on February 24, 2020. Further, arbitration before ICC had also been withdrawn by Third Party on February 23, 2020 and the same was closed by ICC on February 28, 2020. The Company 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 dated December 06, 2017 ('Term Sheet') had 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 an assignee of the above named Third Party 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 was never 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 learnt that the case had been filed for alleged violation of, inter-alia, the U.S. Racketeer, Influenced and Corrupt Organisations Act, copyright infringement, tortious interference with contracts, etc. and Party had claimed damages in excess of US$ 6.5 Billion against all the defendants. Company also made disclosure about this case to stock exchange. Vide order dated September 07, 2022, case has been dismissed by United States District Court, New Jersey on grounds of forum non convenience. During the year ended March 31, 2023 another Party, claiming to be an assignee of the Third Party initiated arbitration proceedings wherein an ex-parte Interim Award was passed which was subsequently terminated by the Learned Arbitrator. Neither any notice nor any statement of claim has been received by the Company of the arbitration proceedings. Company will seek legal advice and pray for dismissal of this arbitration proceedings, as and when served. Company has filed a Civil Suit against the said third party and others inter alia challenging their locus and seeking permanent injunction against their actions, which is sub-judice before the Hon'ble High Court of Delhi.

Separately, the Third Party had also alleged rights to invest in the Company. It had also alleged failure on part of the Company to abide by the aforementioned Term Sheet and has claimed ownership over the brands as well.

11. CONTINGENT LIABILITIES TO THE EXTENT NOT PROVIDED FOR: (Contd.)

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 the reporting package with respect to these claims.

12. 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 ₹ 566.19 Lakhs (Previous year ₹ 189.65 Lakhs) 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 summarises the components of net benefit expenses recognised in the Statement of Profit and Loss and the amounts recognised in the Balance Sheet.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
i. Movement in Net Liability		
Present value of obligation at the beginning of the year	2,033.86	1,689.34
Current service cost	249.09	210.76
Interest cost	138.95	112.35
Amount recognised to OCI	50.80	194.90
Obligation transferred (to) / from (net)	(34.31)	(4.44)
Benefits paid	(148.33)	(169.05)
Present value of obligations at the end of the year	**2,290.06**	**2,033.86**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligation		
Amounts in the Balance Sheet		
(a) Liabilities	2,290.06	2,033.86
(b) Assets	-	-
(c) Net liability recognised in the Balance Sheet	2,290.06	2,033.86
Current Liability	287.46	298.58
Non-Current Liability	2,002.60	1,735.28

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

12. EMPLOYEE BENEFITS PLAN: (Contd.)

(₹ in Lakhs)

ii.	Expense recognised in Statement of Profit and Loss is as follows:	Year ended March 31, 2024	Year ended March 31, 2023
	Amount recognised in employee benefit expense		
	Service cost	249.09	210.76
	Past Service Cost	-	-
	Total	**249.09**	**210.76**
	Amount recognised in finance cost		
	Interest cost	138.95	112.35
	Total	**138.95**	**112.35**
	Total Amount charged to Statement to Profit and Loss	**388.01**	**323.11**
iii.	**Expense recognised in Statement of Other comprehensive income is as follows:**		
	Net actuarial loss/(gain) due to experience adjustment recognised during the year	(4.58)	237.12
	Net actuarial gain due to assumptions changes recognised during the year	(46.22)	(42.22)
	Total	**(50.80)**	**194.90**

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

Principal Actuarial assumptions for gratuity and compensated absences	As at March 31, 2024	As at March 31, 2023
Discounting rate (p.a.)	7.00%	7.25%
Expected salary increase rate (p.a.)	7.50%	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	48.97	194.90

Notes:

a) Weighted average duration of defined benefit obligation is 9 years.

b) 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.

c) 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.

12. EMPLOYEE BENEFITS PLAN: (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.50%	(87.27)	93.86	(79.96)	86.06
Change in salary escalation rate by 1%	192.20	(169.37)	176.76	(155.43)
Change in withdrawal rate by 5%	(43.72)	44.16	(37.57)	35.98

Expected benefit payments for the future years:

(₹ in Lakhs)

Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2027	Year ended March 31, 2028	Year ended March 31, 2029	Year ended March 31, 2030 to year ended March 31, 2034
290.65	321.66	139.19	145.35	277.41	1558.43

(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, 2024 are ₹ 280.56 Lakhs (Previous year ₹ 648.88 Lakhs). 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.

During the current year, the Company has surrendered the recognition granted to the PF Trust in the name of Fortis Healthcare Limited Provident Fund Trust (FHL PF Trust) with effect from August 01, 2023. Accordingly, the entire corpus in respect of all the active and inactive employees has been transferred to the office of Regional Provident Fund Commissioner (RPFC), Delhi (South).

Assumptions:	March 31, 2024	March 31, 2023
Discount rate (p.a.)	-	7.25% p.a.
Expected return on exempt fund	-	8.15% p.a.
Expected EPFO return	-	8.10% p.a.
Mortality rate	-	Indian Assured Lives Mortality (2006-08) Ultimate

Withdrawal rate for primary categories of employees

Particulars	March 31, 2024	March 31, 2023
Withdrawal rate	-	Ages From 20 - 30 - 18.00%;
	-	Ages From 31 - 44 - 6.00%;
	-	Ages From 45 and above - 2.00%

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

12. EMPLOYEE BENEFITS PLAN: (Contd.)

The assessed actuarial liability in respect of future anticipated shortfall is as follows:

(₹ in Lakhs)

Assets / Liabilities	March 31, 2024	March 31, 2023
Defined Benefit Obligation (DBO)	-	16,322.08
Fair Value of Plan Assets (FVA)	-	16,989.99
Funded status {Surplus/(Deficit)}	-	667.91

The Defined Benefit Obligation as at March 31,2023 includes obligation in respect of Interest Guarantee Shortfall in future. The obligation for Interest Guarantee Shortfall as at 31 March 2023 is ₹ 484.37 Lakhs.

Asset allocation

Asset Category	March 31, 2024	March 31, 2023
Government of India Securities (Central and State)	-	53.14%
High quality corporate bonds (including Public Sector Bonds)	-	36.60%
Mutual Funds	-	10.00%
Cash (including Special Deposits)	-	0.26%
Total	-	**100.00%**

13. FINANCIAL INSTRUMENTS

i) Capital Management

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

The capital structure of the Company consists of net debt (borrowings as detailed in notes 5(xv), 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. Amongst other things, the Company's objective for capital management is to ensure that it maintains stable capital management by monitoring the financial covenants attached to the interest-bearing loans and borrowings.

Gearing ratio

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

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt*	65,984.39	78,706.15
Less: Cash and cash equivalents [Refer note 5(xii)]	(2,055.27)	(97.68)
Net debt	63,929.12	78,608.47
Total equity	9,08,716.47	896,353.61
Net debt to equity ratio	**7.04%**	**8.77%**

**Debt is defined as non-current and current borrowings (including lease liabilities, interest accrued and due on borrowings and excluding derivative and financial guarantee contracts).*

13. FINANCIAL INSTRUMENTS (Contd.)

(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 up to 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 risks

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.

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, 2024		As at March 31, 2023	
		Foreign Currency in Lakhs	Equivalent ₹ in Lakhs	Foreign Currency in Lakhs	Equivalent ₹ in Lakhs
Trade payables	US$	0.13	10.36	0.16	13.14
Other payables	US$	0.09	7.69	-	-
Trade receivables	US$	0.16	13.17	0.55	45.16

Foreign currency sensitivity analysis

The Company is mainly exposed to US$ currency.

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against US$. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. This analysis assumes that all other variables in particular interest rates, remain constant. A positive number below indicates an increase in profit / decrease in loss or equity where the ₹ strengthens 5% against US$. For a 5% weakening of the ₹ against US$, there would be a comparable impact on the profit or equity, and the balances below would be negative.

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

13. FINANCIAL INSTRUMENTS (Contd.)

(₹ in Lakhs)

If increase by 5%	Currency Impact US$	
Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Impact on profit or loss for the year	0.24	(1.60)
Impact on total equity	0.16	(1.04)
If decrease by 5%	**Currency Impact US$**	
Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Impact on profit or loss for the year	(0.24)	1.60
Impact on total equity	(0.16)	1.04

Foreign exchange derivative and Non derivative financial instruments

The Company 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.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting periods:

					Maturity			
Outstanding Contracts	**No. of Deals**		**Contract value of foreign Currency (In Lakhs)**		**Up to 12 months Nominal Amount (₹ In Lakhs)**		**More than 12 months Nominal Amount (₹ In Lakhs)**	
	As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**
US$/ ₹ Buy forward	-	2	-	1,702.96	-	1,714.62	-	-

b) Interest rate risk management

The Company is exposed to interest rate risk because the Company borrows 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.

13. FINANCIAL INSTRUMENTS (Contd.)

(₹ in Lakhs)

If increase by 50 basis point	Interest impact	
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Impact on profit or loss for the year	(141.04)	(134.00)
Impact on total equity	(91.75)	(87.18)

(₹ in Lakhs)

If decrease by 50 basis point	Interest impact	
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Impact on profit or loss for the year	141.04	134.00
Impact on total equity	91.75	87.18

c) Other price risks

The Company's investment is 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(v) 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. Other the credit impaired financial assets as mentioned below, based on historical experience, the Company does not expect any significant risk of default.

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	4,704.82	5,141.60
(Gain)/ Loss allowance recognised	(11.29)	(436.78)
Balance at the end of the year	4,693.53	4,704.82

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

13. FINANCIAL INSTRUMENTS (Contd.)

Cash and cash equivalents and other bank balances

The Company held cash and cash equivalents and other bank balances as disclosed in note 5(xii)(a). The cash and cash equivalents and other bank balances are held with banks, which have high credit ratings assigned by credit-rating agencies.

The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Company uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

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.

Note given below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

As at March 31, 2024:

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (term loan)	33,374.00	6,000.00
HSBC Bank (overdraft facility)	4,600.00	2,981.90
DBS Bank (term loan)	3,266.53	-
DBS Bank (overdraft facility)	200.00	200.00
Axis Bank Limited (Working Capital / overdraft facility)	2,000.00	2,000.00
Other financial institutions (Vehicle loan)	160.42	-

As at March 31, 2023:

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (term loan)	15,691.50	-
HSBC Bank (overdraft facility)	6,800.00	5,481.36
DBS Bank (term loan)	3,266.53	1,451.43
DBS Bank (overdraft facility)	2,300.00	2,300.00
Axis Bank Limited (term loan)	8,000.00	-
Axis Bank Limited (Working Capital / overdraft facility)	2,000.00	2,000.00
Other financial institutions (Vehicle loan)	194.40	-

Note: The Company has provided LCs amounting to ₹ 1,416 Lakhs against the Term Loan limits.

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.

13. FINANCIAL INSTRUMENTS (Contd.)

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.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Lakhs)

Particulars	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount
As at March 31, 2024					
Lease liabilities	11,854.93	12,201.84	18,304.00	42,360.77	34,381.53
Term loan	3,597.87	6,088.20	25,327.89	35,013.96	26,689.40
Bank Overdraft	1,518.10	-	-	1,518.10	1,518.10
Trade payables	51,854.53	-	-	51,854.53	51,854.53
Security Deposit	2.10	-	-	2.10	2.10
Interest accrued and due on borrowings	42.33	-	-	42.33	42.33
Capital creditors	1,826.08	-	-	1,826.08	1,826.08
Technology renewal fund	115.20	-	-	115.20	115.20
Loans from subsidiary companies	3,656.48	-	-	3,656.48	3,353.03
Employee payable	2,523.22	-	-	2,523.22	2,523.22
Unpaid Equity dividend	28.55	-	-	28.55	28.55
Other liabilities	387.92	-	-	387.92	387.92
Total	**77,407.31**	**18,290.04**	**43,631.89**	**139,329.24**	**122,721.99**

(₹ in Lakhs)

Particulars	Within 1 year	1-2 year	More than 2 years	Total	Carrying amount
As at March 31, 2023					
Lease liabilities	12,422.85	12,468.95	52,040.35	76,932.15	41,535.37
Term loan	2,795.49	11,664.08	18,362.69	32,822.26	25,484.21
Bank Overdraft	1,316.15	-	-	1,316.15	1,316.15
Trade payables	41,562.72	-	-	41,562.72	41,562.51
Security Deposit	2.76	-	-	2.76	2.76
Interest accrued and due on borrowings	192.39	-	-	192.39	192.39
Capital creditors	477.04	-	-	477.04	477.04
Technology renewal fund	87.20	-	-	87.20	87.20
Loans from subsidiary companies	6,800.00	3,378.03	-	10,178.03	10,178.03
Employee payable	1,509.01	-	-	1,509.01	1,509.01
Other Liabilities	356.06	-	-	356.06	356.06
Financial guarantee Liability	140.81	-	-	140.81	140.81
Total	**67,662.27**	**27,511.06**	**70,403.04**	**165,576.37**	**122,841.54**

The Company has secured bank loans that contain loan covenant. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Borrowings from HSBC and DBS will become repayable on demand if the Company's EBIDTA to loan ratio exceeds 4. Under the agreements, the covenant is monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreements.

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

14. FAIR VALUE MEASUREMENT

Financial assets measured at amortised cost

March 31, 2024

(₹ in Lakhs)

Particulars	Note	Carrying value*		
		Fair value through profit and loss (FVTPL)	Amortised cost	Total
Financial assets				
Investment in non-convertible bonds / preference shares of subsidiaries	(b)	-	82,428.46	82,428.46
Loans (Non-current)	(b)	-	1,605.17	1,605.17
Loan (Current)	(b)	-	16,099.27	16,099.27
Other financial assets (Non-current)	(b)	-	97.37	97.37
Trade receivables	(a)	-	13,122.19	13,122.19
Cash and cash equivalents	(a)	-	2,055.27	2,055.27
Bank balances other than cash and cash equivalents	(a)	-	9,939.42	9,939.42
Other financial assets (current)	(a)	-	21,043.16	21,043.16
Total		**-**	**146,390.31**	**146,390.31**

(₹ in Lakhs)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortised cost	Total
Financial Liabilities				
Borrowings	(c)	-	25,405.46	25,405.46
Borrowings (current)	(a)	-	6,155.07	6,155.07
Lease liabilities	(d)	-	25,990.37	25,990.37
Lease liabilities (current)	(d)	-	8,391.16	8,391.16
Trade payables (current)	(a)	-	51,854.53	51,854.53
Other financial liabilities (current)	(a)	-	4,925.40	4,925.40
Total		**-**	**122,721.99**	**122,721.99**

31 March 2023

(₹ in Lakhs)

Particulars	Note	Carrying value*		
		Fair value through profit and loss (FVTPL)	Amortised cost	Total
Financial assets				
Investment in non-convertible bonds / preference shares of subsidiaries	(b)	-	96,000.61	96,000.61
Loans (Non-current)	(b)	-	14,615.57	14,615.57
Other financial assets (Non-current)	(b)	-	79.35	79.35
Trade receivables	(a)	-	9,736.44	9,736.44
Cash and cash equivalents	(a)	-	97.68	97.68
Bank balances other than cash and cash equivalents	(a)	-	5.37	5.37
Other financial assets (current)	(a)	-	31,867.67	31,867.67
Total		**-**	**152,402.69**	**152,402.69**

14. FAIR VALUE MEASUREMENT (Contd.)

(₹ in Lakhs)

Particulars	Note	Carrying value		
		Fair value through profit and loss (FVTPL)	Amortised cost	Total
Financial Liabilities				
Borrowings	(c)	-	28,158.06	28,158.06
Borrowings (current)	(a)	-	8,820.33	8,820.33
Lease liabilities	(d)	-	34,377.40	34,377.40
Lease liabilities (current)	(d)	-	7,157.97	7,157.97
Trade payables (current)	(a)	-	41,562.72	41,562.72
Other financial liabilities (non-current)	(b)	-	118.51	118.51
Other financial liabilities (current)	(a)	-	2,635.10	2,635.10
Forward exchange contracts	(e)	11.66	-	11.66
Total		**11.66**	**122,830.09**	**122,841.75**

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.

(e) The fair value is determined basis valuation as provided by the issuing bank at the reporting date.

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, 2024 and March 31, 2023.

**excludes investment in subsidiaries of ₹ 800,975.18 Lakhs (Previous year ₹ 788,759.75 Lakhs) which are shown at carrying value (net of impairment) in balance sheet as per Ind AS 27 "Separate Financial Statements".*

Financial instruments measured at amortised 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.

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

15. EXCEPTIONAL ITEMS

(a) The Company had an investment aggregating to ₹ 76,919.72 Lakhs in Escorts Heart Institute and Research Centre Limited ('EHIRCL') on which impairment loss of ₹ 10,348.67 Lakhs had been recognised in the earlier years. During the current year, there has been increase in the recoverable value of the investment, on account of amendment in terms of redeemable preference shares issued by Fortis Asia Healthcare Pte Limited (FAHPL) to EHIRCL. Post this amendment, EHIRCL has now been given a first preference right of settlement over other instrument holders. The fair value of FAHPL has been determined based the quoted market value (Level 1 fair value) of its on its further investment in Lanka Hospitals Corporation PLC and its own working capital. Basis this, the management has recorded a write back of impairment loss recognised in earlier years of ₹ 10,348.67 Lakhs for the year ended March 31, 2024 towards the amount invested.

(b) The Company has an investment aggregating to ₹ 15,105.47 Lakhs in Fortis Healthcare International Limited. The enterprise value of Fortis Healthcare International Limited has been primarily determined based on the value recoverable from FAHPL and its own working capital. Due to change in the terms as mentioned in (a) above, during the year ended March 31, 2024, the management has recorded the impairment loss of ₹ 1,333.23 Lakhs for the year ended March 31, 2024 (write back of Impairment loss of ₹ 4,828.57 Lakhs as at March 31, 2023) towards the amount invested in Fortis Healthcare International Limited.

16. 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, 2024	Year ended March 31, 2023
India	118,142.30	105,292.60
Outside India	-	-
Total	**118,142.30**	**105,292.60**

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, 2024	As at March 31, 2023
India	85,625.82	62,694.35
Outside India	-	-
Total	**85,625.82**	**62,694.35**

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.

17. 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)

	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises*	2,591.71	2,794.35
- Interest due on above	1.89	-
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	1.89	-
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 ₹ 171.32 Lakhs for the year ended March 31, 2024 (As at March 31, 2023 ₹ 236.04 Lakhs) to micro enterprises and small enterprises included in other financial liabilities [refer note 5(xvi)]*

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

(₹ in Lakhs)

	Fortis Hospitals Limited	Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	Escorts Heart Institute and Research Center Limited	Hospitalia Eastern Private Limited	Artistery Properties Private Limited	Fortis Health Staff Limited	Total
March 31, 2024							
Amount (gross)	7,141.66	88.73	8,702.61	250.00	1,605.17	5.00	**17,793.17**
Provision for loan	-	(88.73)	-	-	-	-	**(88.73)**
Amount (net)	7,141.66	-	8,702.61	250.00	1,605.17	5.00	**17,704.44**
Maximum Amount Outstanding	7,141.66	123.73	8,702.61	250.00	1,605.17	5.00	**17,828.17**
March 31, 2023							
Amount (gross)	6,324.06	63.73	8,121.51	165.00	-	5.00	**14,679.30**
Provision for loan	-	(63.73)	-	-	-	-	**(63.73)**
Amount (net)	6,324.06	-	8,121.51	165.00	-	5.00	**14,615.57**
Maximum Amount Outstanding	16,274.06	63.73	8,121.51	165.00	-	5.00	**24,629.30**

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

18. 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 (p.a.)		Due date	Secured / unsecured	As at March 31, 2024	As at March 31, 2023
	As at March 31, 2024	As at March 31, 2023				
Fortis Hospitals Limited	9.15%	7.95%	March 31, 2025	Unsecured	7,141.66	6,324.06
Escorts Heart Institute & Research center Limited	9.15%	7.95%	March 31, 2025	Unsecured	8,702.61	8,121.51
Hospitalia Eastern Private Limited	9.15%	7.95%	March 31, 2025	Unsecured	250.00	165.00
Fortis Health staff Limited	9.15%	7.95%	March 31, 2025	Unsecured	5.00	5.00
Artistery Properties Private Limited	9.15%	-	November 07, 2028	Unsecured	1,605.17	-
TOTAL					**17,704.44**	**14,615.57**

Note: The above does not include loans given to body corporates which have been fully provided for in earlier years. Also refer note 5(vi)

19. CORPORATE SOCIAL RESPONSIBILITY

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent by the Company during the year and approved by the board of director	68.49	466.33
(ii) Amount of expenditure incurred, (Includes administrative expenses of ₹ 3.42 Lakhs (previous year – ₹ 3.5 Lakhs)),	68.49	466.33
(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 Prime Minister cares of ₹ 6.05 Lakhs, stipend to National Apprenticeship Promotion Scheme (NAPS) trainees of ₹ 9.02 Lakhs and donation to Fortis CSR Foundation (for Mamta Health Institute) of ₹ 50.00 Lakhs.	Donation to Yuva Unstoppable (for education related activities) of ₹ 249.91 Lakhs and Indian Council of Medical Research of ₹ 212.92 Lakhs.
(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,	Donation to Fortis CSR Foundation (for Mamta Health Institute) of ₹ 50.00 Lakhs.	-

20. RECOVERABILITY OF CERTAIN ADVANCES / CAPITAL WORK-IN-PROGRESS

(Also refer to Note 22 of the Standalone Financial Statements)

The Company had paid security deposits and advances aggregating to ₹ 2,173.57 Lakhs 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 Lakhs. Additionally, expenditure aggregating to ₹ 2,569.90 Lakhs 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 Lakhs in the Standalone Financial Statements for the year ended March 31, 2018.

21. The Board of Directors, after seeking inputs from reputed investment bankers, had approved an equity infusion of ₹ 400,000 Lakhs 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. The Company had accordingly filed an application seeking for modification of the said order which has been disposed of pursuant to the judgement of the Hon'ble Supreme Court dated September 22, 2022. Vide its judgement dated November 15, 2019, the Hon'ble Supreme Court had 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 had 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 had 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 ("Status Quo Order") 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 had impleaded SEBI as a party in the petition pending before it. SEBI had prayed for allowing the Mandatory Open Offer. Further, the Hon'ble Supreme Court of India had issued notice on application filed by a public shareholder of the Company seeking impleadment. NTK had also filed an application for impleadment, modification of the status quo order and for proceeding with Mandatory Open Offer.

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

21. (Contd.)

Vide judgment dated September 22, 2022 ("Judgement"), the Hon'ble Supreme Court of India disposed of Special Leave Petition (Civil) No. 20417 of 2017, Contempt Petition No. 2120 of 2018 in SLP (C) No. 20417 of 2019 and Suo Motu Contempt Petition (C) No. 4 of 2019, which includes the Petition in which the Status Quo Order dated December 14, 2018 had been issued. It had directed the Hon'ble High Court of Delhi inter alia that it may also consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between FHL and RHT and other related transactions. In so far as the acquisition of proprietary interests of RHT Health Trust by the Company is concerned, the Hon'ble Supreme Court observed that prima facie, it appears to be acquisition of proprietary interest to subserve the business structure of the Company, as suggested by IHH/NTK while observing that it is a matter to be enquired into and facts to be assessed in light of any forensic analysis, if the court so deems appropriate.

Pursuant to the Judgement, Hon'ble High Court of Delhi vide its order dated 18th October 2022 has directed Decree Holder to file an application defining contours of the forensic audit sought, which could thereafter be considered by the Delhi High Court. Decree holder filed application(s) before Delhi High Court seeking appropriate directions in connection with forensic audit. Company has filed objections to the said request of the Decree Holder. Matter is pending adjudication.

In view of the legal positions/claim(s) and defence(s) available to the Company and basis external legal advice, the management believes that it has a strong case on merits. It is of the view that these transactions were 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 the requisite manner. Therefore, no adjustment is required in the standalone Financial Statements.

Further, during the year ended March 31, 2021, 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 grant of 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 expired. As mentioned above, the Judgment has disposed of the Petitions and all applications thereunder, and the Company is evaluating the path ahead in consultation with its legal advisors with regard to the aforesaid brand transition.

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE:

A. Background

(i) 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 Lakhs (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.

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

The investigation noted certain significant findings in relation to past transactions concerning FHL and its subsidiaries with companies whose 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 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 specialised 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 FHL or its subsidiaries. There are no other improper transactions identified by the Additional Procedures/Enquiries or the

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

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

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 Lakhs 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 05, 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 Lakhs including interest accrued thereon of ₹ 4,260 Lakhs 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 authorisation by the Board of FHsL. (Also refer note 23 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 Lakhs before Hon'ble Delhi High Court against the Borrowers and few other entities which is pending adjudication. 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 w.r.t. the above complaint. The investigation is underway.

(ii) The Company had paid security deposits and advances aggregating to ₹ 2,173 Lakhs 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 Lakhs. Additionally, expenditure aggregating to ₹ 2,570 Lakhs 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. NCLT has approved the Resolution Plan. The Resolution Professional admitted the claim of the Company as other creditors and in accordance with the terms of

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

Resolution Plan decided that the payment made to the Company shall stand as ₹ Nil.

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 Lakhs 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. The investigation is underway.

(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 materialise. Of the total advance of ₹ 10,000 Lakhs, balance of ₹ 2,375 Lakhs was outstanding to be received back. Post-dated cheques received from the entity were dishonored, and FHsL initiated legal proceedings in this regard. FHsL had accrued for the interest amounting to ₹ 174 Lakhs 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 realisation 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 Lakhs 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 Lakhs 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 Lakhs 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 Lakhs 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.

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

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

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. The investigation is underway.

(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 Lakhs from erstwhile promoter group company. Subsequently, FHsL advanced a loan to FESL, which was used to repay the outstanding unsecured loan amount of ₹ 215 Lakhs 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. The investigation is underway.

(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 Lakhs) 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 characterised 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 Lakhs 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 Lakhs 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.

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

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 Lakhs was recognised 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 ₹ 2,002.39 Lakhs 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 Lakhs and managerial remuneration was paid for the period January 2016 to May 2016, amounting to equivalent ₹ 349 Lakhs. Further, remuneration paid in excess of Central Govt. approval by the Company for FY 2014-15 & FY 2015-16 amounting to ₹ 528 Lakhs 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 Lakhs 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 Lakhs 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, 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 Lakhs were paid towards ICDs at a rate of interest of 14% per annum and ₹ 7,725 Lakhs were paid for the shares acquired. The total enterprise value of Birdie was projected at ₹ 20,000 Lakhs based on the valuation report of land and building by an independent valuer. However, the equity valuation of ₹ 7,725 Lakhs was arrived based on a land and building valuation report by another valuer of ₹ 23,700 Lakhs 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 Lakhs were utilised 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. Investigation is underway. Enforcement Directorate is also investigating into the allegations made in the said FIR.

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

22. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE: (Contd.)

(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 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 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.

23. 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 said 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 ₹ 47,300 Lakhs 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.

23. MATTERS IN RELATION TO REGULATORY AUTHORITIES: (Contd.)

In furtherance of the above, subsequently on October 17, 2018 SEBI passed an ex-parte Interim Order ("Interim 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 the erstwhile promoters (and certain entities controlled by them) and misrepresentation in financial statements of the Company. Further, it inter alia directed the Company to take all necessary steps to recover ₹ 40,300 Lakhs along with due interest from erstwhile promoters and various other entities, as mentioned in the Interim Order. More importantly, the said entities had also been directed to jointly and severally repay ₹ 40,300 Lakhs along with due interest to Company within three months of the Interim Order. Incidentally, the Interim 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.

The Company and its wholly owned subsidiary i.e. Fortis Hospitals Limited (FHsL) had then filed applications for modification of the Interim 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 Interim Order dated October 17, 2018 deleting FHsL from the list of entities against whom the Interim 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, ("Confirmatory 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 Lakhs along with due interest from erstwhile-promoters and various other entities, as mentioned in the Interim 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 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 Lakhs 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

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

23. MATTERS IN RELATION TO REGULATORY AUTHORITIES: (Contd.)

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. The new promoter of the Company (i.e. NTK Venture Pte. Ltd.) assumed control of the Company pursuant to a preferential allotment which was approved by both the Competition Commission of India and SEBI which approved the open offer triggered pursuant to 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. SEBI passed an order dated April 19, 2022 w.r.t SCN -1 directing the Company & FHsL to pursue the measures taken to recover the amount of ₹ 39,712 Lakhs (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 ₹ 100 Lakhs and ₹ 50 Lakhs on Company and FHsL respectively. The Company and FHsL filed an appeal against the order dated April 19, 2022 before Hon'ble Securities Appellate Tribunal, Mumbai. On August 25, 2022, SEBI filed its affidavit in reply in the matter. Thereafter, the Company and FHsL filed a rejoinder to SEBI's reply. Appeal is pending adjudication. The Company & FHsL have deposited ₹ 50 Lakhs and ₹ 25 Lakhs respectively under protest with Hon'ble Securities Appellate Tribunal, Mumbai.

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 was alleged that ₹ 56,700 Lakhs 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 was 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 had been clubbed along with the other noticees, and had 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 ₹ 39,712 Lakhs 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 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 had also imposed a penalty of Rs

23. MATTERS IN RELATION TO REGULATORY AUTHORITIES: (Contd.)

100 Lakhs on EHIRCL. EHIRCL filed an appeal against the order dated May 18, 2022 before Hon'ble Securities Appellate Tribunal, Mumbai. SEBI filed its response to which EHIRCL filed a rejoinder. Appeal is pending adjudication. EHIRCL has deposited ₹ 50 Lakhs under protest with Hon'ble Securities Appellate Tribunal, Mumbai.

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 was 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 is seeking information in relation to the Company, its subsidiaries, joint ventures and associates. The Company is submitting 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 quarter 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.

24. In connection with the brand transition in respect of Agilus, it is relevant to highlight that non-exclusive Brand License Agreement of the diagnostics business had expired on May 09, 2021. In May 2023, an application on behalf of a Judgment Debtor was filed in pending proceedings before Hon'ble High Court of Delhi, for restraining Agilus & the Company from abruptly dumping/discontinuing the brand 'SRL' and allied trademarks, appointment of an entity for valuation and sale of the 'SRL' and allied trademarks ("Former Brand") and directing Agilus to deposit an appropriate amount with the Hon'ble High Court till the sale of the Former Brand. On May 26, 2023, submissions on behalf of Agilus were recorded that the process of brand transition had already been initiated by the diagnostic business since year 2020 and it had been moving towards brand Agilus. Vide Order dated May 26, 2023 (26 May Order) High Court directed Agilus, the Company and brand owner to not to act in any manner to diminish the value of the brand SRL. Certificate of incorporation was issued by Office of the Registrar of Companies, Ministry of Corporate Affairs certifying the change of name from "SRL Limited" to "Agilus Diagnostics Limited" w.e.f. May 31, 2023. On June 02, 2023, an affidavit in compliance of order dated May 26, 2023 was filed on behalf of Agilus.

On June 02, 2023, Hon'ble High Court of Delhi appointed M/s Konverj - Zeus as valuer for valuation of brand 'SRL'. In the last week of June 2023, Decree Holder filed a Contempt Petition against Agilus, the Company and directors/KMPs of Agilus alleging that they have knowingly and willfully disobeyed the order dated May 26, 2023 passed by Hon'ble High Court of Delhi. No notice on this petition has been issued by Hon'ble Court. Affidavits have been filed by Agilus to support and substantiate that it is in compliance of the 26 May Order.

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

24. (Contd.)

In September 2023, an ex-director of Headway Brands Private Limited (company which was the owner and licensor of the Former Brand) has filed an application dated September 14, 2023 before the Delhi High Court inter alia seeking payment of ₹ 36,200 Lakhs (approx.) as license fee and interest for use of the Former Brand, and that an inquiry be conducted into the impact of brand transition by Agilus on valuation of the Former Brand. The High Court by its order dated September 25, 2023, while issuing notice on the said application recorded the preliminary objections of Agilus that the application (i) is not maintainable and (ii) Agilus and Agilus Pathlabs are not necessary parties to the said application. Notice of the said application has been issued by the Court to all parties named therein for submission of their respective responses/ objections. Objections have been filed by Agilus.

Court appointed valuer M/s Konverj – Zeus has filed its report which has been objected to by Agilus and an affidavit, highlighting the deficiencies and illegality therein has been filed by Agilus on October 17, 2023 supported by reports of subject matter experts i.e. Ernst & Young and Osborne Partners who in their respective reports have pointed out that in preparation of report, M/s Konverj – Zeus has applied entirely incorrect and inappropriate valuation methodologies and has made reference to incorrect dates in arriving at conclusions set out in its report. Post the order of the Hon'ble Delhi High Court for public auction of SRL Brand, Court Commissioner has informed the Court that no prospective bidder turned-up and the public auction of the SRL Brand could therefore not be completed.

Further, as per the management and in consultation with external legal counsel it is believed that the Company has a strong case on merits and the likelihood of any impact on the financial results is not expected to be material. The matter is pending adjudication.

25. 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 utilise the money so received strictly in various CSR programs.

However, there are unutilised 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 unutilised amount of ₹ 61 Lakhs.

26. RATIO ANALYSIS AND ITS ELEMENTS

S No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Remarks
1	Current Ratio (in times)	Total current assets	Total current liabilities	0.84	0.91	(7.69%)	
2	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.07	0.09	(22.22%)	
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	0.71	0.66	(7.58%)	
4	Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	1.17%	0.54%	116.67%	Improvement in operations and profit earned during the year.
5	Inventory turnover Ratio (in times)	Cost of goods sold	Average Inventory	24.12	19.89	21.27%	

26. RATIO ANALYSIS AND ITS ELEMENTS (Contd.)

6	Trade Receivables Turnover Ratio (in times)	Revenue from operations (excluding liabilities no longer required written back)	Average trade receivable	10.31	12.10	(14.79%)	
7	Trade Payables Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	0.66	0.77	(14.29%)	
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)	(9.94)	(15.66)	(36.53%)	Due to improvement in operations
9	Net Profit Ratio (in %)	Net Profit	Revenue from operations (excluding liabilities no longer required written back)	8.98%	4.58%	96.07%	Due to improvement in operations
10	Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth + Lease liabilities + Deferred tax liabilities	3.38%	2.21%	52.49%	Due to improvement in operations
11	Return on investment (%)	Income generated from Invested funds	Average Invested funds	13.79%	10.98%	25.56%	Due to improvement in operations

27. 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 willful defaulter by any bank or financial institution or other lender.

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

27. OTHER STATUTORY INFORMATION (Contd.)

(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:

Name of the Company	Reason for continuous transactions	Nature of transactions	Balance outstanding as at March 31, 2024 [Payable/ (advance)]	Balance outstanding as at March 31, 2023 [Payable/ (advance)]	Transactions in FY 2023-24	Transactions in FY 2022-23
Ayuh-Meditech Solutions Private Limited	NA	Purchase of material / services	-	0.46	-	-
Bingo Technologies Private Limited	NA	Purchase of material / services	-	0.02	-	-
El Shaddai Integrated Solutions India Private Limited	Business requirement	Purchase of material / services	2.15	2.15	-	11.60
Green Park Hotels and Resorts Ltd	Business requirement	Purchase of material / services	-	(0.05)	-	6.06
Enmax Global Technologies Pvt Ltd	NA	Purchase of material / services	1.25	1.51	-	-
J.M. Weightronix Pvt. Ltd.	Business requirement	Purchase of material / services	(0.04)	(0.04)	0.39	0.39
Safe Vacations Pvt Ltd.	NA	Purchase of material / services	-	0.02	-	-
Ganga Tour And Travels Pvt Ltd	Business requirement	Purchase of material/services	(0.02)	-	11.14	-
Wizzcare Home Health Solutions Private Limited	NA	Services provided	(0.18)	-	-	-

(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.

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

28. During the year ended March 31, 2024, the Company has received dividend of ₹ 1,348.06 Lakhs (Previous year ₹ 2,148.75 Lakhs) from its subsidiary Agilus Diagnostics Limited (formerly known as SRL Limited) at the rate of ₹ 2.97 per equity share (Previous year ₹ 4.75 per equity share).

29. On March 31, 2023, the Board of directors of the Company gave their consent to sell/transfer/dispose-off Arcot Road Hospital, Chennai as a going concern on "as is where is" basis on such terms and conditions as per the draft business transfer agreement and with closure of points under discussion. During the Financial Year ended March 31, 2024, based on the final business transfer agreement with Sri Kauvery Medical Care (India) Limited, the Company consummated transaction on July 11, 2023 for a sale consideration of ₹ 15,200 Lakhs (excluding other charges) and recorded an exceptional gain of ₹ 349.29 Lakhs.

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

29. (Contd.)

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

(₹ in Lakhs)

Particulars	As at July 11, 2023	As at March 31, 2023
	Amount as on disposal date	**Classified as held for sale**
Assets:		
Non-current assets:		
Property, plant and equipment	16,431.83	16,373.25
Capital work in progress	73.28	59.57
Right-of-use assets	6,988.68	6,988.68
Other intangible assets	-	7.07
Other financial assets	200.32	178.91
Deferred tax assets (net)	434.65	430.25
Other non-current assets	**0.95**	**20.01**
Total (A)	**24,129.71**	**24,057.74**
Current assets:		
Inventory	232.83	205.15
Trade receivables	661.39	749.88
Cash and cash equivalents	1.00	2.20
Other financial assets	1.39	2.18
Other current assets	539.28	552.63
Total (B)	**1,435.89**	**1,512.04**
Total assets (C = A + B)	**25,565.60**	**25,569.78**
Liabilities:		
Non-current liabilities:		
Lease liabilities	9,075.60	9,060.86
Provisions	82.79	81.09
Total (D)	**9,158.39**	**9,141.95**
Current liabilities		
Trade payables	1,463.12	1,599.10
Lease liabilities	112.27	107.96
Other financial liabilities	136.77	200.65
Provisions	6.52	29.52
Other current liabilities	62.06	152.66
Total (E)	**1,780.74**	**2,089.89**
Total liabilities (F = D + E)	**10,939.13**	**11,231.84**
Net assets transferred (G = C - F)	**14,626.47**	**14,337.94**
Consideration received (H)	15,200.00	
Gross gain on slump sale transaction (I = H -G)	**573.53**	
Less: Expenses in nature of 'Legal and professional fee' in relation to transaction (J)	(224.24)	
Net gain on transaction (K = I - J)	**349.29**	

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

30. Post approval from shareholders of the Company, the Company has paid a final dividend of Rupee 1.00 per equity share for the year ended March 31, 2023.

The Board of Directors of the Company in its meeting on May 23, 2024 recommended a dividend of Rupee 1.00 per equity share (at the rate of 10% on face value of ₹ 10 per share) for the year ended March 31, 2024 which will be paid subject to the approval of the shareholders in the Annual General Meeting (AGM) of the Company, to those shareholders whose names appear on the register of members as on the date of Book Closure in proportion to the paid up value of the equity shares and if approved, would result in a net cash outflow of approximately ₹ 7,549.58 Lakhs.

31. During the previous year, a Composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Fortis Emergency Services Limited, Birdie & Birdie Realtors Private Limited, Fortis Health Management (East) Limited and Fortis Cancer Care Limited with Fortis Hospitals Limited (FHsL) ("Scheme") (one of the wholly owned subsidiaries of the Company), was approved by the Board of Directors and shareholders of the Holding Company, subject to requisite approval(s). The respective applications are subject to the approval of National Company Law Tribunal (NCLT), Delhi and Chandigarh and proceedings in connection thereto are ongoing.

Further the Board and the shareholders of the Company approved the merger of two wholly owned international subsidiaries i.e., Fortis Healthcare International Pte. Limited and Fortis Asia Healthcare Pte. Limited, of the Company. During the current year, approval of this merger was received from the concerned regulatory authority.

32. 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, 2024 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 egislations will not have impact on the financial statement, particularly on the amount of tax expense and provision for taxation.

33. The healthcare business operates inter alia within two categories of entities within the Fortis Group i.e. operations entities and establishment entities. In order to consolidate the operations entities and establishment entities such that both operations and establishment of a hospital are housed in same entity, the Board of Directors of the Company consented to the demerger of certain healthcare operations from the operations entities into the establishment entities, which was also subsequently approved by the shareholders of the Company.

During the current year, the Board of Directors of the respective Companies have also approved this intra group restructuring by way of a Composite Scheme of Arrangement. The scheme is subject to the approval of National Company Law Tribunal (NCLT), Delhi and Chandigarh and proceedings in connection thereto are ongoing.

34. The Board of Directors of the Company at its meeting held on September 25, 2023 approved the acquisition of 99.9% shareholding of Artistery Properties Private Limited (Artistery) at an enterprise value of ₹ 3,200 Lakhs, and payment of charges to Kolkata Metropolitan Development Authority ("KMDA") for change of land use and other levies. Artistery is in possession of a land parcel situated adjacent to Fortis Hospital, Anandpur, Kolkata under license from KMDA.

During the current year, the transaction was consummated on November 08, 2023 and the same has been accounted as asset acquisition as per Ind AS 103.

The following table summarises the assets acquired:

(₹ in Lakhs)

Particulars	Amount
Property, Plant and Equipment	6.68
Right of use	4,802.52
Other financial assets	14.14
Other assets	14.00
Other liabilities	(60.17)
Net assets acquired	**4,769.17**

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

35. During the current year 2023-24, Trustee Manager of RHT Health Trust ("RHT"), an associate of the Company, filed an application before Hon'ble High Court of Singapore for winding-up of RHT. The Hon'ble Court appointed liquidators for winding up of RHT. Further, RHT was delisted from the Official List of the SGX-ST (Singapore) w.e.f. January 31 2024.

36. During the current year the shareholders of the Company approved "to sell, transfer, and dispose of the entire business operations" of Fortis Mohali Hospital situated at Mohali, Punjab **("Fortis Mohali Hospital")** as housed in the Company's subsidiary Escorts Heart and Super Speciality Hospitals Limited (EHSSHL), together with all the related assets and liabilities (including for clarity, the land on which the Fortis Mohali Hospital is situated along with the hospital building constructed thereupon as a going concern on a slump sale basis, to the Company, for a consideration of ₹ 29,710 Lakhs. Further, the shareholders of the Company also approved to sell, transfer and dispose of all that piece and parcel of vacant land adjacent to Fortis Mohali Hospital as housed in the Company's subsidiary International Hospitals Limited (IHL) to the Company, for a consideration of ₹ 11,572 Lakhs.

The above transaction is subject to necessary regulatory approvals.

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

RAJESH ARORA
Partner
Membership Number: 076124

Place : Gurugram
Date : May 23, 2024

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

SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Fortis Healthcare Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Fortis Healthcare Limited (hereinafter referred to as 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 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiary as were audited by the other auditor, 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 2024, of its consolidated profit and other comprehensive income, 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 MATTERS

i. We draw attention to note 27 and 28 of the consolidated financial statements which deal 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 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 Holding 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 year ended 31 March 2021 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 the note 30 of the consolidated financial statements relating to the order dated 22 September 2022 of the Hon'ble Supreme Court whereby it has directed the Hon'ble High Court of Delhi inter alia that it may also consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between the Holding Company and RHT Health Trust and other related transactions. The above mentioned Note also states that the Hon'ble Supreme Court has observed that prima facie, it appears to be acquisition of proprietary interest of RHT Health Trust by the Holding Company are to subserve the business structure of the Holding Company.

Our opinion is not modified in respect of above matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditor on separate financial statements of component 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.

Goodwill

The key audit matter	How the matter was addressed in our audit
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(i) of the consolidated financial statements for the related accounting policy.

Legal matters

The key audit matter	How the matter was addressed in our audit
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 and 14 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.

Independent Auditor's Report (Contd.)

Recoverability of Deferred tax assets	
The key audit matter	**How the matter was addressed in our audit**
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 recognised.	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 recognised 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) 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.

Valuation of put option liability	
The key audit matter	**How the matter was addressed in our audit**
As described in Note 12(b) and 20 to the Consolidated financial statements, the Holding Company has recognised a financial liability in respect of put option available with certain non-controlling shareholders of Agilus Diagnostics Limited, a subsidiary of the Holding 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 Holding 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.

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 financial statements and 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, 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 the respective Management and Board of Directors of its associates and 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group and the respective Management and Board of Directors 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 the respective Management and Board of Directors of its associates and joint ventures are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Independent Auditor's Report (Contd.)

- 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 the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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 reflect total assets (before consolidation adjustments) of Rs. 1,796.43 lacs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 1,829.29 lacs and net cash flows (before consolidation adjustments) amounting to Rs. 224.32 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

   This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

b. The financial information of fourteen subsidiaries, whose financial financial information reflects total assets (before consolidation adjustments) of Rs. 32,644.14 lacs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 63.62 lacs and net cash outflows (before consolidation adjustments) amounting to Rs. 54.39 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 (and other comprehensive income) of Rs. 951.04 lacs for the year ended 31 March 2024, as considered in the consolidated financial statements, in respect of two associates and three 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-section (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 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 this matter with respect to 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 auditor on separate financial statements of such subsidiary as were audited by other auditor, 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 except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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

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

e. The matters described in the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Holding Company.

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

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

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture company 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 Auditors) 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 report of the other auditor on separate of the subsidiary, as noted in the "Other Matters" paragraph:

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

Independent Auditor's Report (Contd.)

its associates and joint ventures. Refer Note 6(xix), 13, 14, 27, 28, 29, 30 and 40 to the consolidated financial statements.

b. 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.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture company incorporated in India during the year ended 31 March 2024.

d (i) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company and a subsidiary Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

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

As stated in Note 35 to the consolidated financial statements, the Board of Directors of the Holding Company and three subsidiaries have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meetings. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries companies incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

i. In respect of the Holding Company and eight subsidiary companies, in the absence of an independent auditor's report in relation to controls at service organisation for accounting software used for maintaining the books of account relating to general ledger and related records, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature at the database level of the said software was enabled to log any direct data changes and operated throughout the year for all relevant transactions. Further, the feature of recording audit trail (edit log) facility was not enabled for the period from 1 April 2023 to 22 May 2023 for certain tables relating to the supplier module.

ii. In respect of the Holding Company and eight subsidiary companies, for the accounting software used for maintaining payroll records (operational for the period from 1 April 2023 to 15 August 2023), in the absence of supporting evidence on account of deactivation post 15 August 2023, we are unable to comment whether audit trail feature of the said software was enabled.

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

iv. In respect of four subsidiary companies, the feature of recording audit trail (edit log) was not enabled at the application level for the accounting software used for maintaining the books of account relating to general ledger and other related records for certain fields relating to areas such as revenue, inventory, procure to pay and property, plant and equipment.

v. In respect of four subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of accounts relating to revenue process and general ledger.

vi. In respect of four subsidiary companies, based on an independent auditor's report in relation to controls at a service organisation for an accounting software used for maintaining the books of account relating to payroll process, which is operated by a third-party software service provider, in the absence of effective General IT controls, we are unable to comment whether the audit trail feature for the said software has operated throughout the year for all relevant transactions recorded in the software.

vii. In respect of a subsidiary company, the feature of recording audit trail (edit log) facility was not enabled for an accounting software used for maintaining the books of account at one of the subsidiary's laboratory for the period from 1 April 2023 to 22 May 2023.

viii. In respect of a subsidiary company, the accounting software used for maintaining the books of account relating to revenue process at one of the subsidiary's laboratory did not have the feature of recording audit trail (edit log) facility.

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

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

In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and its subsidiary 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 and its subsidiary 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) of the Act which are required to be commented upon by us.

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

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLX1546

Place: Gurugram
Date: 23 May 2024

Independent Auditor's Report (Contd.)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FORTIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

(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, qualification 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)
2	Fortis Hospitals Limited	U93000DL2009PLC222166	Subsidiary	3(iii)(c), 3(iii)(d), 3(vii)(a)
3	Escorts Heart Institute and Research Centre Limited	U85110CH2000PLC023744	Subsidiary	3(i)(c), 3(iii)(c), 3(iii)(d)
4	Agilus Diagnostics Limited	U74899PB1995PLC045956	Subsidiary	3(iii)(e), 3(vii)(a)
5	Agilus Pathlabs Private Limited	U85195DL1999PTC217659	Subsidiary	3(i)(c), (vii)(a)
6	Agilus Reach Limited	U85100DL2015PLC279712	Subsidiary	3(vii)(a), 3(xix)
7	Escort Heart and Super Speciality Hospital Limited	U85110DL2003PLC120016	Subsidiary	3(ix)(a)
8	International Hospital Limited	U74999HR1994PLC048225	Subsidiary	3(iii)(c), 3(ix)(a)
9	Hiranandani Healthcare Private Limited	U85100MH2005PTC154823	Subsidiary	3(i)(c)
10	Fortis Health Management Limited	U85110DL2008PLC176412	Subsidiary	3(iii)(c), 3(ix)(a)
11	Fortis Hospotel Limited	U74899HR1990PLC054770	Subsidiary	3(vii)(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.

Name of the entities	CIN	Subsidiary/ JV/ Associate
Fortis Healthstaff Limited	U85194DL1984PLC205390	Subsidiary
Fortis Cancer Care Limited	U85110DL2011PLC217420	Subsidiary
Adayu Mindfulness Limited (formerly known as Fortis La Femme Limited)	U85100DL2011PLC217500	Subsidiary
Fortis Health Management (East) Limited	U85190DL2011PLC217462	Subsidiary
Birdie and Birdie Realtors Private Limited	U45400DL2008PTC173959	Subsidiary
Stellant Capital Advisory Services Private Limited	U31300MH2005PTC153134	Subsidiary
Hospitalia Eastern Private Limited	U45202DL1988PTC033270	Subsidiary
Fortis Emergency Services Limited	U93000DL2009PLC189866	Subsidiary
Artistery Properties Private Limited	U70101WB2005PTC102910	Subsidiary
Fortis C - Doc Healthcare Limited	U85110DL2010PLC208379	Joint Venture

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

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLX1546

Place: Gurugram
Date: 23 May 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FORTIS HEALTHCARE LIMITED FOR THE YEAR ENDED 31 MARCH 2024

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

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

OPINION

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

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

Independent Auditor's Report (Contd.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OTHER MATTER

The internal financial controls with reference to financial statements insofar as it relates to nine subsidiary companies and one joint venture company, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary companies and joint venture company are not material to the Holding Company.

Our opinion is not modified in respect of this matter.

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

Rajesh Arora
Partner
Membership No.: 076124
ICAI UDIN:24076124BKHBLX1546

Place: Gurugram
Date: 23 May 2024

CONSOLIDATED BALANCE SHEET *as at March 31, 2024*

Particulars				Notes	As at March 31, 2024 (₹ in Lakhs)	As at March 31, 2023 (₹ in Lakhs)
ASSETS						
A.	**Non-current assets**					
	(a)	Property, plant and equipment		6(i)(a)	4,09,678.98	3,79,183.74
	(b)	Capital work-in-progress		6(i)(b)	54,044.60	22,773.82
	(c)	Right-of-use assets		10	1,17,077.56	1,05,772.53
	(d)	Goodwill		6(ii)	4,19,416.00	4,14,098.85
	(e)	Other intangible assets		6(iii)(a)	41,192.52	43,583.58
	(f)	Intangible assets under development		6(iii)(b)	152.45	9.66
	(g)	Investments accounted for using the equity method		6(iv)(a)	22,965.10	21,030.29
	(h)	Financial assets				
		(i)	Investments	6(iv)(b)	12.31	-
		(ii)	Loans	6(vi)	148.27	90.62
		(iii)	Other financial assets	6(vii)	5,340.05	4,918.05
	(i)	Non-current tax assets (net)		6(viii)(a)	77,150.94	68,179.32
	(j)	Deferred tax assets (net)		6(ix)	31,741.41	34,426.58
	(k)	Other non-current assets		6(x)	7,898.94	8,657.99
	Total non-current assets (A)				**11,86,819.13**	**11,02,725.03**
B.	**Current assets**					
	(a)	Inventories		6(xi)	10,741.64	12,284.47
	(b)	Financial assets				
		(i)	Trade receivables	6(v)	62,782.94	58,160.79
		(ii)	Cash and cash equivalents	6(xii)	23,526.79	14,108.25
		(iii)	Bank balances other than (ii) above	6(xiii)	36,312.85	22,164.45
		(iv)	Loans	6(vi)	158.34	161.67
		(v)	Other financial assets	6(vii)	3,763.05	3,158.81
	(c)	Other current assets		6(x)	4,738.82	4,991.52
	(d)	Assets classified as held for sale		6(xiv)	34.46	25,605.45
	Total current assets (B)				**1,42,058.89**	**1,40,635.41**
	Total assets (A+B)				**13,28,878.02**	**12,43,360.44**
EQUITY AND LIABILITIES						
A.	**Equity**					
	(a)	Equity share capital		6(xv)	75,495.81	75,495.81
	(b)	Other equity			6,90,793.88	6,48,730.43
	Equity attributable to owners of the Company				**7,66,289.69**	**7,24,226.24**
	Non-controlling interests			21	89,324.08	85,812.57
	Total equity (A)				**8,55,613.77**	**8,10,038.81**
B.	**Liabilities**					
	I.	**Non-current liabilities**				
	(a)	Financial liabilities				
		(i)	Borrowings	6(xvii)	74,085.22	57,222.12
		(ii)	Lease liabilities	10	24,496.96	18,263.17
		(iii)	Other financial liabilities	6(xviii)	80.05	1,61,151.45
	(b)	Provisions		6(xix)	14,657.05	13,024.02
	(c)	Deferred tax liabilities (net)		6(ix)	42,928.10	41,072.83
	Total non-current liabilities (B)				**1,56,247.38**	**2,90,733.59**
	II.	**Current liabilities**				
	(a)	Financial liabilities				
		(i)	Borrowings	6(xvii)	11,744.54	13,092.93
		(ii)	Lease liabilities	10	5,175.00	3,993.93
		(iii)	Trade payables			
			-Total outstanding dues of micro enterprises and small enterprises	6(xx)	14,475.11	11,865.54
			-Total outstanding dues of creditors other than micro enterprises and small enterprises	6(xx)	58,304.07	59,563.15
		(iv)	Other financial liabilities	6(xviii)	2,01,908.60	20,829.82
	(b)	Provisions		6(xix)	5,567.20	5,583.13
	(c)	Current tax liabilities (net)		6(viii)(b)	3,876.24	391.26
	(d)	Other current liabilities		6(xxi)	15,966.11	16,036.44
	(e)	Liabilities directly associated with assets classified as held for sale		6(xiv)	-	11,231.84
	Total current liabilities (C)				**3,17,016.87**	**1,42,588.04**
	Total liabilities (B+C)				**4,73,264.25**	**4,33,321.63**
	Total equity and liabilities (A+B+C)				**13,28,878.02**	**12,43,360.44**
See accompanying notes forming integral part of the consolidated financial statements				1 - 41		

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS *for the year ended March 31, 2024*

Particulars				Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
I	Revenue from operations			6(xxii)	6,89,291.71	6,29,763.20
II	Other income			6(xxiii)	3,825.01	6,171.74
III	**Total Income (I+II)**				**6,93,116.72**	**6,35,934.94**
IV	**Expenses**					
	(i)	Purchases of medical consumable and drugs			1,60,325.17	1,45,465.28
	(ii)	Changes in inventories of medical consumable and drugs		6(xxiv)	1,542.83	5.56
	(iii)	Employee benefits expense		6(xxv)	1,11,952.77	1,04,687.51
	(iv)	Finance costs		6(xxvi)	13,094.51	12,909.22
	(v)	Depreciation and amortisation expense		6(xxvii)	34,249.75	31,573.60
	(vi)	Other expenses		6(xxviii)	2,88,707.84	2,69,470.67
		Total expenses (IV)			**6,09,872.87**	**5,64,111.84**
V	**Profit from continuing operations before share of profit of equity accounted investees and tax (III-IV)**				**83,243.85**	**71,823.10**
VI	Share of profit of equity accounted investees (net of tax)			26	951.04	2,183.87
VII	**Profit before exceptional item and tax (V+VI)**				**84,194.89**	**74,006.97**
	Exceptional gain			6(xxix)	1,601.74	7,360.99
VIII	**Profit before tax**				**85,796.63**	**81,367.96**
IX	**Tax expense**					
	(i)	Current tax		6(ix)	16,682.25	13,001.77
	(ii)	Deferred tax credit (net)		6(ix)	4,592.47	5,067.80
		Total tax expense			**21,274.72**	**18,069.57**
X	**Profit for the year (VIII-IX)**				**64,521.91**	**63,298.39**
	Other comprehensive income					
	(i)	Items that will not be reclassified to profit or loss				
		(a)	Remeasurements of the defined benefit liabilities		(215.18)	(834.00)
		(b)	Income tax (charge)/ credit relating to items that will not be reclassified to profit or loss		52.02	62.67
	(ii)	Items that will be reclassified to profit or loss				
		(a)	Exchange differences in translating the financial statements of foreign operations		341.63	(16.00)
XI	**Total other comprehensive income / (loss) for the year**				**178.47**	**(787.33)**
XII	**Total comprehensive income for the year(X+XI)**				**64,700.38**	**62,511.06**
	Profit/ (loss) for the year attributable to:					
	(i)	Owners of the Company			59,887.55	58,873.08
	(ii)	Non-controlling interests			4,634.36	4,425.31
					64,521.91	**63,298.39**
	Other comprehensive (loss)/ income for the year attributable to:					
	(i)	Owners of the Company			224.39	(771.05)
	(ii)	Non-controlling interests			(45.92)	(16.28)
					178.47	**(787.33)**
	Total comprehensive (loss)/ income for the year attributable to:					
	(i)	Owners of the Company			60,111.94	58,102.03
	(ii)	Non-controlling interests			4,588.44	4,409.03
					64,700.38	**62,511.06**
	Earnings per equity share of ₹ 10 each:			6(xxx)		
	(i)	Basic (in ₹)			7.93	7.80
	(ii)	Diluted (in ₹)			7.93	7.80
See accompanying notes forming integral part of the consolidated financial statements				1 - 41		

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

CONSOLIDATED STATEMENT OF CASH FLOW *for the year ended March 31, 2024*

	Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax for the year		85,796.63	81,367.96
Adjustments for:			
Exceptional gain (net)		(1,601.74)	(7,360.99)
Finance cost		13,094.51	12,909.22
Interest income		(2,989.38)	(2,382.93)
Profit on disposal of property, plant and equipment (net)		(350.18)	(160.42)
Profit on disposal of asset held for sale		-	(1,530.42)
Allowance for doubtful trade receivables		3,962.13	4,633.20
Allowance for doubtful advances		1,265.99	1,342.87
Advance income tax (TDS) written off		-	622.63
Depreciation and amortisation expense		34,249.75	31,573.60
Provision for contingencies and litigation		18.96	37.58
Share of profit of equity accounted investees (net of tax)		(951.04)	(2,183.87)
Gain on sale of investment		(38.11)	(73.99)
Provisions/ liabilities no longer required written back		(2,269.06)	(5,160.67)
Unrealised foreign exchange (gain)/ loss		36.37	(1,545.95)
		1,30,224.83	**1,12,087.82**
Working capital adjustments			
Increase in trade and other receivables		(8,788.26)	(12,326.81)
Decrease / (increase) in inventories		1,389.19	(199.59)
Increase in loans, other assets and other financial assets		(2,287.62)	(2,752.38)
Increase in trade payables		5,194.09	10,422.45
Increase in other liabilities, provisions and other financial liabilities		6,458.44	2,415.93
Cash generated from operating activities		**1,32,190.67**	**1,09,647.42**
Income taxes paid (net)		(22,181.00)	(27,422.72)
Net cash generated by operating activities	**(A)**	**1,10,009.67**	**82,224.70**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		2,977.54	2,556.32
(Investment) / maturity in bank deposits (net)		(14,139.99)	4,852.63
Payments for property, plant and equipment & intangible assets		(94,246.64)	(44,723.50)
Proceeds from disposal of property, plant and equipment		1,446.14	570.64
Proceeds from disposal of asset held for sale (refer note 36(a))		14,976.97	1,658.00
Proceeds from disposal of assets held in subsidiaries (refer note 36(b))		11,248.09	-
Payment for acquisition of equity in subsidiary (refer note 37(g))		(4,769.17)	-
Amount received back from Joint venture		80.00	-
Purchase of current investment		(11,149.44)	(12,099.40)
Proceeds from sale of current investment		11,187.55	12,173.39
Dividends received from associates		427.14	280.32
Dividend received from joint venture		58.50	-
Payment on acquisition of business operations		-	(1,249.03)
Payment for acquisition for assets in business combinations		(6,733.42)	(1,389.25)
Net cash used in investing activities	**(B)**	**(88,636.73)**	**(37,369.88)**
Cash flows from financing activities (refer note 6(xvi))			
Proceeds from long-term borrowings		61,189.12	24,010.15
Principal payment of lease liabilities		(5,591.76)	(4,374.99)
Repayments of long-term borrowings		(42,255.20)	(43,582.96)
Repayments of short-term borrowings (net)		(385.82)	(8,609.89)
Interest paid (including interest on lease liabilities of ₹ 2,855.96 Lakhs (March 31, 2023 ₹ 3,066.07 Lakhs))		(12,998.99)	(12,966.88)
Dividend paid		(8,603.18)	(1,597.74)
Net cash used in financing activities	**(C)**	**(8,645.83)**	**(47,122.31)**

Consolidated Statement of Cash Flow (Contd.)

	Notes	Year ended March 31, 2024 (₹ in Lakhs)	Year ended March 31, 2023 (₹ in Lakhs)
Effect of exchange rate changes	**(D)**	**(275.18)**	**124.18**
Net increase / (decrease) in cash and cash equivalents	**(A+B+C+D)**	**12,451.93**	**(2,143.31)**
Cash and cash equivalents at the beginning of the year		4,514.53	6,660.04
Less: Cash and cash equivalent classified as asset held for sale (refer note 36(a))		-	(2.20)
Cash and cash equivalents at the end of the year	**6(xii)**	**16,966.46**	**4,514.53**

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 ₹ 1,177.45 Lakhs (March 31, 2023 ₹ 1,448.97 Lakhs) towards corporate social responsibility expenditure (refer note 23).

See accompanying notes forming integral part of the consolidated financial statements	**1 - 41**

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY *for the year ended March 31, 2024*

A. EQUITY SHARE CAPITAL

	No. in Lakhs	₹ in Lakhs
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at April 01, 2022	7,549.58	75,495.81
Issue of share capital	-	-
As at March 31, 2023	**7,549.58**	**75,495.81**
Issue of share capital	-	-
As at March 31, 2024	**7,549.58**	**75,495.81**

B. OTHER EQUITY

Particulars	Other equity								Equity attributable to owners of the Company	Non-controlling interests (Refer Note 21)
	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 01, 2022 (A)	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
Profit for the year	-	58,873.08	-	-	-	-	-	-	58,873.08	4,425.31
Other comprehensive income for the year (net of income tax)	-	(755.05)	-	-	-	-	-	(16.00)	(771.05)	(16.28)
Total comprehensive income for the year (B)	**-**	**58,118.03**	**-**	**-**	**-**	**-**	**-**	**(16.00)**	**58,102.03**	**4,409.03**
Put option (refer note 12 (b))	-	48,300.00	-	-	-	-	-	-	48,300.00	-
Dividend payment to Shareholders	-	-	-	-	-	-	-	-	-	(1,597.74)
Balance at March 31, 2023 (C)	**7,21,519.40**	**(1,01,407.43)**	**175.18**	**156.00**	**45,016.29**	**337.50**	**(1,432.06)**	**(15,634.45)**	**6,48,730.43**	**85,812.57**
Profit for the year	-	59,887.55	-	-	-	-	-	-	59,887.55	4,634.36
Other comprehensive income for the year (net of income tax)	-	(117.24)	-	-	-	-	-	341.63	224.39	(45.92)
Total comprehensive income for the year (D)	**-**	**59,770.31**	**-**	**-**	**-**	**-**	**-**	**341.63**	**60,111.94**	**4,588.44**
Put option (refer note 12 (b))	-	(10,500.00)	-	-	-	-	-	-	(10,500.00)	-
Dividend payment to Shareholders	-	(7,548.49)	-	-	-	-	-	-	(7,548.49)	(1,076.93)
Balance at March 31, 2024 (E)	**7,21,519.40**	**(59,685.61)**	**175.18**	**156.00**	**45,016.29**	**337.50**	**(1,432.06)**	**(15,292.82)**	**6,90,793.88**	**89,324.08**

** The unutilised 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 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.*

Consolidated Statement of Change in Equity (Contd.)

**** 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 recognised 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 - 41**

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

Sd/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

NOTES forming part of the Consolidated Financial Statements

1. CORPORATE INFORMATION

Fortis Healthcare Limited ("the Company" or the "Parent Company") CIN: L85110PB1996PLC045933, 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. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material 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 consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, 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 Lakhs of Indian Rupees and rounded off to two decimals, except per share data.

(ii) Functional and presentation currency

These consolidated 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:

- Agilus 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)

Joint Venture:

- Agilus 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) Basis of measurement

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

Item basis	Measurement
Derivative assets	Fair value
Derivative liability	Fair value
Put option liability	Fair value
Contingent consideration assumed in a business combination	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less the present value of the defined benefit obligation

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) Basis of consolidation

The consolidated financial statements comprise the consolidated financial statement of the Group and its

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

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

(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 consolidated financial statements from the date the Group gains control until the date the Group ceases to control the entity.

These consolidated 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 consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing these consolidated 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. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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". Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. b) Investment in associate companies and joint ventures are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

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 consolidated 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.

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

Based on the time involved 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 determining current and non-current classification of assets and liabilities in the balance sheet.

(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. 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 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

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

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 statement of 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 recognised 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 (if credit) or revenue reserves (if debit) and if there are no reserves or inadequate reserves, to an amalgamation deficit reserve (if debit), with disclosure of its nature and purpose in the notes to the consolidated financial statements.

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

(i) Property, plant and equipment

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

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost which includes capitalised 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.

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

(ii) Goodwill and other intangible assets

a) Recognition and measurement

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

b) Subsequent expenditure

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

c) Amortisation

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

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

(iii) Depreciation and amortisation 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 August 29, 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 improvements is provided over the lease term or expected useful life of the asset, whichever is lower.

Goodwill is not amortised and is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

Estimated useful lives of the other intangible assets are as follows:

Category of assets	Management estimate of Useful Life
Software	3-6 years
User license agreement	3-5 years
License fees	3-10 years
Trademark with indefinite life (refer note 37)	Indefinite
Other Trademark and Non-Compete	3-10 years
Technical Know-how	2-5 Years
Customer relationships	15 Years

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

Depreciation and amortisation 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 amortisation 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, right of use assets and intangible assets are no longer amortised or depreciated.

(i) Impairment of non-financial assets

Goodwill and other 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 recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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

(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

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

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

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 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 recognised 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.

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

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

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Credit-impaired financial assets

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

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

Presentation of allowance for ECL in the balance sheet

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (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 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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.

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 Consolidated Balance Sheet when, and only when, the Group currently has a legally

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

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 recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements 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 not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 recognised as a finance cost.

The amount recognised 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 recognised 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.

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 grant

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

(p) Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services, sale of products comprising medical and non-medical items, management fees from hospitals and diagnostic services. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients. Diagnostic services 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered and goods sold is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract 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 inpatient hospital services and Management fees from hospitals is recognised over the period of time, as and when services are performed. Revenue from outpatient hospital services is recognised at a point in time when patient has actually received the service. Revenue from sale of products is recognised at the point in time upon transfer of control of products to customers at the time of delivery of goods to the customers.

Revenue from diagnostic services is recognised at point in time 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.

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.

Loyalty program liability represents the liability of the Group towards the points earned by the members, which entitle customers to discount on future purchase of services. The Group allocates a portion of the consideration received to loyalty points. The Group estimates the fair value of points awarded under the loyalty program by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rate basis the Group's historic trends of redemption and expiry period of the points and such estimates are subject to significant uncertainty. The amount allocated to the loyalty programme is deferred and is recognised as revenue when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote.

Other operating revenue comprises revenue from various ancillary revenue generating activities like sponsorship arrangements and academic services which is recognised over the period of time, in accordance with the terms of the relevant agreements, as and when services are performed.

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

(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

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

benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly. Short-term employee benefits are measured on an undiscounted basis.

Post-employment benefits

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

a) Gratuity:

The 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 recognised immediately in the Statement of Changes in Equity with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

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

(r) Share-based payments

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Group is recognised as an employee benefits 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 recognised in connection with share based payment transaction is presented as a separate component in equity under "share options outstanding account". The amount recognised 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.

(s) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense on lease liability. 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 capitalised 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 capitalisation. 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. Interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current taxes

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

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to 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 also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that
  - is not a business combination; and
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related 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 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, except leasehold land obtained on perpetual lease, 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.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in 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 profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

<u>Short-term leases and leases of low-value assets</u>

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 recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognised 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

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

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

(x) Operating segments

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 Healthcare 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

(z) Exceptional items

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

3. CRITICAL ESTIMATES AND JUDGMENTS

The preparation of consolidated 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 recognised 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
- Revenue Recognition (loyalty points): The Group determined that the loyalty points provide a material right that the customer would not receive without entering into the contract. The free services the customer would receive by exercising the loyalty points do not reflect the stand-alone selling price that a customer without an existing relationship with the Group would pay for those services. The customers right also accumulates as they purchase additional services.

Assumptions and estimation uncertainties

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

- Leasing arrangement (accounting) – Note 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 and 14
- Measurement of ECL allowance for trade receivables and other assets – Note 2(j)
- Recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised – Note 6(ix)
- Assessment of useful life and residual value of property, plant and equipment and other 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
- Revenue recognition – estimate of provision for loyalty points - Note 2(p)
- Acquisition of business: Fair value of the consideration transferred (including contingent transferred) and fair value of the assets acquired and liabilities assumed - Note 2(f) and Note 37.

4. CHANGES IN MATERIAL ACCOUNTING POLICIES

Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from April 01, 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Recent pronouncements

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

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

6(I)(A) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land (refer note a below)	Buildings	Leasehold improvements	Plant & machinery	Medical equipment	Furniture & fittings	Computers	Office equipment	Vehicles	Total
GROSS CARRYING VALUE										
As at April 1,2022	**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**
Additions	-	2,219.48	2,451.42	2,736.29	23,352.55	651.27	2,239.11	654.43	749.80	35,054.34
Acquisitions through business combinations	-	-	-	1.14	95.45	4.79	5.36	5.62	-	112.36
Disposals	-	(2.88)	(220.38)	(274.51)	(5,877.43)	(166.15)	(240.63)	(112.46)	(524.68)	(7,419.12)
Classified as assets held for sale (refer note 36(a))	-	(11,445.50)	-	(1,442.81)	(6,936.29)	(255.30)	(155.44)	(184.78)	-	(20,420.12)
Exchange translation adjustments	-	-	145.20	-	88.89	1.76	12.67	0.13	1.09	249.74
As at March 31,2023	**1,83,885.02**	**1,18,494.45**	**18,435.77**	**32,679.98**	**1,45,402.88**	**8,286.65**	**8,908.09**	**4,291.41**	**2,979.80**	**5,23,364.05**
Additions	79.37	11,687.82	2,989.89	6,293.74	38,542.32	1,240.29	3,182.51	675.09	918.55	65,609.58
Acquisitions through business combinations	-	-	-	8.24	269.28	10.63	15.65	15.64	1.69	321.13
Disposals	(8,013.86)	(3,090.95)	(252.95)	(1,999.04)	(10,154.16)	(640.38)	(1,018.02)	(387.92)	(456.87)	(26,014.15)
Exchange translation adjustments	-	-	18.89	-	11.57	0.23	1.81	0.04	0.14	32.68
As at March 31,2024	**1,75,950.53**	**1,27,091.32**	**21,191.60**	**36,982.92**	**1,74,071.89**	**8,897.42**	**11,090.04**	**4,594.26**	**3,443.31**	**5,63,313.30**
ACCUMULATED DEPRECIATION										
As at April 1, 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**	**1,32,555.18**
Charge for the year	-	5,429.62	1,475.03	1,808.69	10,886.14	767.29	1,380.06	370.71	321.15	22,438.69
Disposals	-	(2.19)	(199.43)	(213.32)	(5,621.19)	(140.02)	(225.11)	(106.09)	(501.57)	(7,008.92)
Classified as assets held for sale (refer note 36(a))	-	(1,717.93)	-	(419.74)	(1,566.87)	(127.24)	(96.76)	(118.33)	-	(4,046.87)
Exchange translation adjustments	-	-	143.83	-	86.09	-	1.75	10.42	0.14	242.23
As at March 31,2023	**-**	**27,702.64**	**11,048.59**	**16,453.25**	**71,804.85**	**6,055.87**	**6,125.30**	**3,184.74**	**1,805.07**	**1,44,180.31**
Charge for the year	-	5,050.91	2,051.20	1,598.52	11,525.03	555.84	1,858.51	398.45	472.37	23,510.83
Disposals	-	(1,876.67)	(242.06)	(1,320.61)	(8,446.09)	(519.86)	(979.64)	(339.77)	(364.12)	(14,088.82)
Exchange translation adjustments	-	-	18.83	-	11.28	0.23	1.50	0.02	0.14	32.00
As at March 31,2024	**-**	**30,876.88**	**12,876.56**	**16,731.16**	**74,895.07**	**6,092.08**	**7,005.67**	**3,243.44**	**1,913.47**	**1,53,634.32**
Carrying value (As at March 31,2023)	**1,83,885.02**	**90,791.81**	**7,387.18**	**16,226.73**	**73,598.03**	**2,230.78**	**2,782.79**	**1,106.67**	**1,174.73**	**3,79,183.74**
Carrying value (As at March 31,2024)	**1,75,950.53**	**96,214.44**	**8,315.04**	**20,251.76**	**99,176.84**	**2,805.35**	**4,084.36**	**1,350.82**	**1,529.84**	**4,09,678.98**

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. The Group has not revalued its property, plant and equipment during the current and previous financial year.

e. 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.

f. During the current year, the Company has acquired a multi-specialty hospital situated in Manesar, Gurugram, Haryana (Medeor Hospital) for an overall purchase consideration of ₹ 22,500 Lakhs (excluding stamp duty and other charges). The development of the hospital is under progress.

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

6(I)(B) CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening balance	22,773.82	19,342.61
Additions during the year*	96,880.36	38,545.13
Transfer to property, plant and equipment*	(65,609.58)	(35,054.35)
Less : Classified as held for sale (refer note 36(a))	-	(59.57)
Closing balance (net of provision for impairment ₹ 2,569.92 Lakhs (March 31, 2023 ₹ 2,843.00 Lakhs)) {Refer note 27 (C) (ii)}	**54,044.60**	**22,773.82**

** The Group accounts for all capitalisation 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: (₹ in Lakhs)

CWIP	Amount in CWIP for the year ended March 31, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46,472.45	657.37	91.29	6,823.50	54,044.60
Projects temporarily suspended	-	-	-	-	-
Total	**46,472.45**	**657.37**	**91.29**	**6,823.50**	**54,044.60**

(b) Capital-work-in progress completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan.

March 31, 2024 (₹ in Lakhs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Amritsar Hospital Project	-	122.06	-	-
Bannerghatta Road hospital project	6,697.86	-	-	-
AIR handling unit project at Noida	77.78	-	-	-
Civil work for auditorium project at Mulund	57.13	-	-	-
Civil work for auditorium project at FHKI Anandpur	45.88	-	-	-

(a) Ageing Schedule for Capital-work-in progress is as follows: (₹ in Lakhs)

CWIP	Amount in CWIP for the year March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7,296.50	1,236.31	920.63	13,320.38	22,773.82
Projects temporarily suspended	-	-	-	-	-
Total	**7,296.50**	**1,236.31**	**920.63**	**13,320.38**	**22,773.82**

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

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.

March 31, 2023 (₹ in Lakhs)

CWIP	To be completed in			
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**
Amritsar Hospital Project	-	-	122.06	-
Ludhiana hospital project	7,064.22	-	-	-
Bannerghatta Road hospital project	6,697.86	-	-	-
Mulund hospital project	2,309.93	-	-	-
Noida hospital project	245.93	-	-	-
Mohali Asset replacement project	31.48	-	-	-

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 Lakhs)

Particulars	March 31, 2024				March 31, 2023			
	As at April 01, 2023	Addition	Impairment	As at March 31, 2024	As at April 01, 2022	Addition	Impairment	As at March 31, 2023
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 (refer note 36(b))	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
Fortis Healthcare International Limited	17.33	-	-	17.33	17.33	-	-	17.33
Hospital business - Total (A)	**2,77,520.78**	**-**	**2,044.12**	**2,75,476.66**	**2,77,520.78**	**-**	**-**	**2,77,520.78**
Diagnostic business								
Agilus Diagnostics Limited (formerly SRL Limited) and its subsidiaries (refer note 37)	1,36,578.07	7,361.27	-	1,43,939.34	1,34,799.97	1,778.10	-	1,36,578.07
Diagnostic business - Total (B)	**1,36,578.07**	**7,361.27**	**-**	**1,43,939.34**	**1,34,799.97**	**1,778.10**	**-**	**1,36,578.07**
Grand Total (A+B)	**4,14,098.85**	**7,361.27**	**2,044.12**	**4,19,416.00**	**4,12,320.75**	**1,778.10**	**-**	**4,14,098.85**

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

6(II) GOODWILL (Contd.)

The Group's goodwill and other intangible assets (with indefinite life) are 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 Fortis Healthcare International Limited, where the valuation has been determined based on the fair value of net assets. The fair value measurements were categorised as a Level 3 fair value based on the inputs in the valuation technique used which involve a combination of quoted market price of further investment made and bank balance held.

Cash flow projections were developed covering seven year period as at March 31, 2024 (As at March 31, 2023) 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, 2024	As at March 31, 2023
Compound average net sales growth rate (p.a.)	4% - 12%	4% - 12%
Growth rate used for extrapolation of cash flow projections (p.a.)	4.0%	4.0%
Discount rate (Pre tax)	21% - 25%	21% - 25%
Discount rate (Post tax)	14% - 16%	14% - 16%

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.

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

6(III)(A) OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Technical know how fees	User license agreement	License fee	Software	Trademark and Non compete	Trademark (indefinite useful life)	Customer relationships	Total
Gross Carrying value								
As at April 01, 2022	**974.88**	**420.00**	**1,240.00**	**18,887.50**	**8,768.91**	**21,500.00**	**5,733.06**	**57,524.35**
Additions	-	-	16.75	152.43	12,720.90	-	-	12,890.08
Acquisitions through business combinations	-	-	-	1.43	324.10	-	-	325.53
Disposals	-	-	-	(1.91)	-	-	-	(1.91)
Classified as held for sale (refer note 36(a))	-	-	-	(352.72)	-	-	-	(352.72)
As at March 31,2023	**974.88**	**420.00**	**1,256.75**	**18,686.73**	**21,813.91**	**21,500.00**	**5,733.06**	**70,385.33**
Additions	-	-	153.57	838.47	-	-	-	992.04
Acquisitions through business combinations	-	-	-	2.77	900.30	-	-	903.07
Disposals	-	-	-	(629.32)	-	-	-	(629.32)
As at March 31,2024	**974.88**	**420.00**	**1,410.32**	**18,898.65**	**22,714.21**	**21,500.00**	**5,733.06**	**71,651.12**
Amortisation								
As at April 01, 2022	**974.88**	**420.00**	**1,068.57**	**15,131.44**	**5,324.44**	**-**	**382.20**	**23,301.52**
Charge for the year	-	-	74.53	1,305.98	2,085.08	-	382.20	3,847.79
Disposals	-	-	-	(1.91)	-	-	-	(1.91)
Classified as held for sale (refer note 36(a))	-	-	-	(345.65)	-	-	-	(345.65)
As at March 31,2023	**974.88**	**420.00**	**1,143.10**	**16,089.85**	**7,409.52**	**-**	**764.40**	**26,801.75**
Charge for the year	-	-	39.36	1,038.79	2,825.82	-	382.20	4,286.17
Disposals	-	-	-	(629.32)	-	-	-	(629.32)
As at March 31,2024	**974.88**	**420.00**	**1,182.46**	**16,499.32**	**10,235.34**	**-**	**1,146.60**	**30,458.60**
Carrying value as at March 31,2023	**-**	**-**	**113.65**	**2,596.88**	**14,404.39**	**21,500.00**	**4,968.66**	**43,583.58**
Carrying value as at March 31,2024	**-**	**-**	**227.86**	**2,399.33**	**12,478.87**	**21,500.00**	**4,586.46**	**41,192.52**

Note : During the previous year, the Group has extended its business arrangement with certain doctors. Under the said arrangement, the Group has a right to use a registered trademark and restrict these doctors from entering in pathology business (non-compete). In consideration, the Group has made payment of ₹ 12,720.90 Lakhs. The same is recorded as additions to Intangible Assets (Trademark and Non-compete) in the previous year.

6(III)(B) INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lakhs)

Particulars	Ast at March 31, 2024	As at March 31, 2023
Opening balance	9.66	5.58
Additions during the year*	1,134.83	12,894.16
Transfer to other intangible assets*	(992.04)	(12,890.08)
Closing balance	**152.45**	**9.66**

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

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

6(III)(B) INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd.)

a) Ageing Schedule for Intangible assets under development:

(₹ in Lakhs)

Intangible assets under development	Amount in Intangible assets under development for a period of March 31, 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	152.45	-	-	-	152.45
Projects temporarily suspended	-	-	-	-	-
Total	**152.45**	**-**	**-**	**-**	**152.45**

Intangible assets under development	Amount in Intangible assets under development for a period of March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.20	1.46	-	-	9.66
Projects temporarily suspended	-	-	-	-	-
Total	**8.20**	**1.46**	**-**	**-**	**9.66**

(b) There is no project whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024 and March 31, 2023

6(IV)(A) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non current		
A. Quoted investments (fully paid)		
(a) Investments in equity instruments		
Investment in associate companies		
(i) RHT Health Trust, Singapore (refer note 39)		
Nil (225,747,944 as at March 31, 2023) units of SGD 0.90 each, fully paid up	-	60,853.75
Less: Share in post acquisition losses (net of dividend)	-	(54,901.55)
Less: Share in loss for the year	-	(62.03)
Less: Other adjustments	-	(3,577.41)
Add: Exchange translation adjustments	-	315.52
	-	**2,628.28**
(ii) Lanka Hospitals Corporate PLC, Sri Lanka		
64,120,915 (64,120,915 as at March 31, 2023) Equity Shares of Lankan ₹ (LKR) 62 each (including goodwill of ₹ 16,102.33 Lakhs)	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)	8,449.61	6,484.98
Add: Share in profits for the year	963.98	2,244.95
Less: Dividend received during the year	(427.14)	(280.32)
Less: Impairment (net of reversal)	(2,241.69)	(3,130.66)
Add: Exchange translation adjustments	(7,026.69)	(7,568.45)
	20,049.59	**18,082.02**
Aggregate carrying value of quoted investments (A)	**20,049.59**	**20,710.30**

6(IV)(A) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
B. Unquoted Investments (fully paid)		
(a) Investments in equity instruments		
Investment in associate companies		
(i) RHT Health Trust, Singapore (refer note 39)		
225,747,944 (Nil as at March 31, 2023) units of SGD 0.90 each, fully paid up	60,853.75	-
Less: Share in post acquisition losses (net of dividend)	(54,963.58)	-
Less: Share in loss for the year	(1.77)	-
Less: Other adjustments	(3,577.41)	-
Add: Exchange translation adjustments	354.20	-
	2,665.19	**-**
Investment in joint ventures		
(i) Agilus Diagnostics (Nepal) Private Limited		
240,000 (240,000 as at March 31, 2023) equity shares of Nepalese ₹ 100 each fully paid-up	150.00	150.00
Add: Share in post acquisition profits	174.60	173.65
Add: Share in profits for the year	(11.17)	0.95
Add: Share of reserves	(4.61)	(4.61)
Less: Dividend received during the year	(58.50)	-
	250.32	**319.99**
(ii) Fortis C-Doc Healthcare Limited		
[4,060,637 (4,060,637 as at March 31, 2023) equity shares of ₹ 10 each, fully paid up]	622.85	622.85
Less: Impairment	(622.85)	(622.85)
	-	**-**
Aggregate carrying value of unquoted investments (i)	**2,915.51**	**319.99**
(b) Investments in 0.01% Optionally Convertible Redeemable Preference Shares		
Investment in joint venture		
(i) Fortis C-Doc Healthcare Limited		
[43,333,333 (43,333,333 as at 31 March, 2023) preference shares of ₹ 3 each fully paid-up]	1,300.00	1,300.00
Less: Impairment	(1,300.00)	(1,300.00)
	-	-
Aggregate carrying value of unquoted investment in preference shares (b)	**-**	**-**
Unquoted investment in joint venture (a+b)	**2,915.51**	**319.99**
Investments in associates/joint ventures - Total (A+B)	**22,965.10**	**21,030.29**
Aggregate carrying value of investment in associates and joint ventures	**22,965.10**	**21,030.29**
Gross investments in associates/joint ventures (accounted under equity method)	**27,129.64**	**26,083.80**
Impairment of investment in associate and joint venture	**4,164.54**	**5,053.51**

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

6(IV)(A) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Contd.)

NOTES:

A INVESTMENT IN ASSOCIATES

A.1 Break-up of investment in associates (carrying amount determined using the equity method of accounting)

(₹ in Lakhs)

Particulars		Ast at March 31, 2024	As at March 31, 2023
(i)	Aggregate book value of quoted investments	20,049.59	20,710.30
(ii)	Aggregate market value of quoted investments	20,646.27	20,730.86
(iii)	Aggregate gross value of unquoted investments	2,665.19	-
(iv)	Aggregate amount of impairment in value of investments in associates	2,241.69	3,130.66

The following table analyses, in aggregate the carrying amounts and share of profits and OCI of immaterial associates :

(₹ in Lakhs)

Particulars		Ast at March 31, 2024	As at March 31, 2023
(a)	Carrying amount of interest in associates	22,714.78	20,710.30
(b)	Share of :		
	Group share of (loss)/ profit	962.21	2,182.92
	Other comprehensive income for the year	580.44	1,405.75

B INVESTMENT IN JOINT VENTURES

B.1 Break-up of investment in joint ventures (carrying amount determined using the equity method of accounting)

(₹ in Lakhs)

Particulars		Ast at March 31, 2024	As at March 31, 2023
(i)	Aggregate book value of quoted investments	-	-
(ii)	Aggregate market value of quoted investments	-	-
(iii)	Aggregate carrying value of unquoted investments	250.32	319.99
(iv)	Aggregate amount of impairment in value of investments in Joint Ventures	1,922.85	1,922.85

B.2 Unrecognised share of loss of joint venture (Fortis C-Doc Healthcare Limited)

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The unrecognised share of loss of Joint Venture for the year	97.20	53.58
Cumulative share of unrecognised loss of Joint Venture	1,690.04	1,592.84

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

6(IV)(A) INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Contd.)

The following table analyses, in aggregate the carrying amounts and share of profits and OCI of immaterial joint ventures:

(₹ in Lakhs)

Particulars		Ast at March 31, 2024	As at March 31, 2023
(a)	Carrying amount of interest in joint ventures	250.32	319.99
(b)	Share of :		
	Group share of (loss)/ profit	(11.17)	0.95
	Other comprehensive income for the year	-	-

6(IV)(B) INVESTMENTS

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
	Non-current		
	Unquoted investment		
(i)	**Investments in equity instruments - at amortised cost***		
	Renew Wind Energy AP Private Limited	12.30	-
	74,500 (Nil as at March 31, 2023) equity shares of ₹ 10 each		
(ii)	**Investments in equity instruments - at amortised cost #**		
	Clover Energy Private Limited	0.01	-
	100 (Nil as at March 31, 2023) of ₹ 10 each fully paid equity shares		
	Aggregate carrying value of unquoted investments	**12.31**	**-**
	Aggregate gross value of unquoted investments	**12.31**	**-**

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

#FHML had entered in to an energy purchase agreement with Clover Energy Private Limited ("the issuer"). As per terms of the agreement, it needs to keep the money invested in the equity shares of issuer till the period electricity would be purchased from the issuer. The shares would be redeemed at the time of termination of the contract upon mutual consent by the parties. It cannot sell these shares in active market. Given these facts, it has accounted these instruments at cost.

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

6(V) TRADE RECEIVABLES*

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables*		
Current		
Unsecured, unless stated otherwise		
(a) Considered good		
— From Others		
Billed	69,160.73	70,089.90
Unbilled	7,202.04	7,152.45
— From related parties [refer note 9]	970.69	784.51
(b) Credit Impaired		
— From Others	7,064.29	4,401.64
— From Related Parties	-	-
Less: Loss allowance	(21,614.81)	(23,517.83)
Less: Classified as held for sale (refer note 36(a))	-	(749.88)
	62,782.94	**58,160.79**
Break-up of security details		
(a) Trade receivables considered good - Unsecured	77,333.46	78,026.86
(b) Credit impaired - Unsecured	7,064.29	4,401.64
Less: Loss allowance	(21,614.81)	(23,517.83)
Less: Classified as held for sale(refer note 36(a))	-	(749.88)
Total	**62,782.93**	**58,160.79**

* Trade receivables includes receivables of certain entities hypothecated against borrowing (refer note 11).

Notes:

Trade receivables are unsecured and are derived from revenue earned from providing healthcare, diagnostic 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 Group 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:

(₹ in Lakhs)

Ageing	Expected Credit Allowance %	
	As at March 31, 2024	As at March 31, 2023
0 - 1 year	0%-37%	0%-49%
1 - 2 year	1%-55%	1%-78%
2 - 3 year	6% - 81%	4% - 100%
More than 3 years	100%	100%

6(V) TRADE RECEIVABLES* (Contd.)

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

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	23,517.83	24,484.04
Creation of the allowance for expected credit loss	3,962.13	4,633.20
Utilisation of the allowances for expected credit loss (written off)	(5,865.15)	(5,599.41)
Balance at the end of the year	**21,614.81**	**23,517.83**

The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables for which no allowance is recognised because of collateral.

Trade Receivables ageing schedule

As at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	38,881.07	11,441.03	6,685.87	6,045.87	2,080.72	4,996.86	70,131.42
(ii) Undisputed Trade Receivables – credit impaired	46.07	718.49	1,018.73	319.10	222.86	3,484.17	5,809.42
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	0.06	0.16	19.71	62.24	62.28	1,110.42	1,254.87
	38,927.20	**12,159.68**	**7,724.31**	**6,427.21**	**2,365.85**	**9,591.46**	**77,195.71**
Less: Loss allowance							**(21,614.81)**
							55,580.90
Trade receivables - unbilled							**7,202.04**
							62,782.94

As at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	12,098.18	12,434.19	15,083.11	18,166.75	3,210.43	9,881.75	70,874.41
(ii) Undisputed Trade Receivables – credit impaired	1.53	26.09	57.98	350.03	264.25	2,791.88	3,491.76
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	0.11	1.64	31.73	68.83	807.57	909.88
	12,099.71	**12,460.39**	**15,142.73**	**18,548.51**	**3,543.51**	**13,481.20**	**75,276.05**
Less: Loss allowance							**(23,517.83)**
							51,758.22
Trade receivables - unbilled							**7,152.45**
Less: Classified as held for sale (refer note 36(a))							**(749.88)**
							58,160.79

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

6(VI) LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current - at amortised cost		
Unsecured, Considered good		
(a) Loans to body corporates and others	-	8.74
(b) Loans to employees	148.27	81.88
Total (A)	**148.27**	**90.62**
Credit impaired		
(a) Loans to body corporates and others*	303.40	294.66
Total (B)	**303.40**	**294.66**
Less: Loss allowance	(303.40)	(294.66)
Total (C)	**(303.40)**	**(294.66)**
Total (A+B+C)	**148.27**	**90.62**
Current - at amortised cost		
Unsecured, Considered good		
(a) Loans to body corporates and others	158.34	161.67
Total (A)	**158.34**	**161.67**
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)	**42,814.76**	**42,814.76**
Less: Loss allowance	(42,814.76)	(42,814.76)
Total (C)	**(42,814.76)**	**(42,814.76)**
Total (A+B+C)	**158.34**	**161.67**

*This represents loans given to body corporates and inter-corporate deposits which have been fully provided for in earlier years.

6(VII) OTHER FINANCIAL ASSETS (UNSECURED)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Considered good		
(a) Deposit accounts with banks (refer note 1 below)	279.75	288.16
(b) Security deposits	4,899.14	4,768.72
(c) Interest accrued on loans and bank deposits	37.86	5.73
(d) Derivative assets	60.81	-
(e) Advances others - recoverable in cash	62.49	34.35
Total (A)	**5,340.05**	**5,096.96**

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

6(VII) OTHER FINANCIAL ASSETS (UNSECURED) (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Credit impaired		
(a) Interest accrued on loan to Joint venture	88.33	168.33
(b) Security deposits [refer note 27 (C) (ii)]	407.60	406.35
Total (B)	**495.93**	**574.68**
Less: Loss allowance	(495.93)	(574.68)
Total (C)	**(495.93)**	**(574.68)**
Less: Classified as held for sale (refer note 36(a))	-	(178.91)
Total (A+B+C)	**5,340.05**	**4,918.05**
Current		
Considered good		
(a) Interest accrued on loans and bank deposits	71.51	91.80
(b) Security deposits	752.80	1,521.61
(c) Earnest money deposit	5.52	17.52
(d) Deposits with maturity of less than 12 months from the reporting date	218.45	1,002.72
(e) Advances others	1,807.96	357.80
(f) Derivative assets	62.82	169.54
(g) Consideration receivable in relation to sale of business (refer note 36(b))	669.42	-
(h) Government grant receivables	174.57	-
Less: Classified as held for sale (refer note 36(a))	-	(2.18)
Total (A)	**3,763.05**	**3,158.81**
Credit impaired		
(a) Full and final settlement recoverable from employees	466.44	662.10
(b) Security deposits [refer note 27 (C) (ii)]	581.41	417.49
(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	747.26	680.93
Total (B)	**9,970.46**	**9,935.87**
Less: Loss allowance	(9,970.46)	(9,935.87)
Total (C)	**(9,970.46)**	**(9,935.87)**
Total (A+B+C)	**3,763.05**	**3,158.81**

Notes:

1. Including fixed deposits under lien with bank which is restricted from being exchanged for more than 12 months from the Balance Sheet date.

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

6(viii) TAX ASSETS & LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Non-current tax assets		
Advance income-tax*	77,150.94	68,179.32
	77,150.94	**68,179.32**
* Net of provision for tax		
(b) Current tax liabilities		
Provision for income-tax*	3,876.24	391.26
	3,876.24	**391.26**

* 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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Considered good		
(a) Capital advances	2,101.26	2,922.31
(b) Premium on option contracts	15.02	43.68
(c) Prepaid expenses	365.51	421.17
(d) Balances with government authorities		
- Amount paid under protest to Income-tax authorities	4,106.93	4,099.23
- Goods and service tax and other taxes recoverable	1,310.22	1,191.61
Total (A)	**7,898.94**	**8,678.00**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Credit impaired		
(a) Capital advances (refer note 27 (C) (ii))	172.02	766.28
	172.02	**766.28**
Less: Loss allowance	(172.02)	(766.28)
Total (B)	**(172.02)**	**(766.28)**
Less: Classified as held for sale (refer note 36(a))	-	(20.01)
Total (A+B)	**7,898.94**	**8,657.99**

Fortis

6(X) OTHER ASSETS (UNSECURED) (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Considered good		
(a) Balances with government authorities - Goods and service tax recoverable	225.38	168.20
(b) Advance to vendors	1,609.91	2,266.04
(c) Prepaid expenses	2,816.39	2,471.58
(d) SEIS licenses in hand	-	518.78
(e) Premium on option contracts	28.66	57.82
(f) Unamortised premium on forward contracts	4.20	4.20
(g) Unamortised finance charges	54.28	57.53
Less: Classified as held for sale (refer note 36(a))	**-**	(552.63)
Total (A)	**4,738.82**	**4,991.52**
Credit impaired		
(a) Balances with government authorities - customs excise and other authorities	41.79	41.79
(b) Deposits with income tax authorities	8.81	8.81
(c) Advance to vendors	30.06	5.83
	80.66	**56.43**
Less: Loss allowance	(80.66)	(56.43)
Total (B)	**(80.66)**	**(56.43)**
Total (A+B)	**4,738.82**	**4,991.52**

6(XI) INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value)		
(a) Medical consumables and drugs (including reagents and chemicals)	10,741.64	12,489.62
Less: Classified as held for sale (refer note 36(a))	-	(205.15)
	10,741.64	**12,284.47**

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

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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with banks		
- on current accounts	5,041.72	5,632.64
- deposits with original maturity of less than three months	17,820.53	8,092.40
(b) Cheques, drafts on hand	9.97	2.86
(c) Cash on hand	654.57	382.55
Less: Classified as held for sale (refer note 36(a))	-	(2.20)
Cash and cash equivalents as per balance sheet	**23,526.79**	**14,108.25**
Bank overdrafts [refer note 6(xvii)]	(6,560.33)	(9,593.72)
Cash and cash equivalents as per statement of cash flows	**16,966.46**	**4,514.53**

6(XIII) OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Unpaid dividend account	28.55	6.31
(b) Deposits with original maturity of more than 3 months but less than 12 months	36,284.30	21,518.14
(c) Deposits with bank held in escrow account as commitment for purchase of Land	-	640.00
	36,312.85	**22,164.45**

6(xiv) ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Assets held for sale		
(a) Assets related to Hiranandani Healthcare Private Limited* (HHPL)	34.46	35.67
(b) Assets related to Arcot Road (unit of Fortis Healthcare Limited) (Refer note 36(a))	-	25,569.78
	34.46	**25,605.45**

** Represent one flat ("buildings") (March 31, 2023 one flat) 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.*

Liabilities associated with assets held for sale		
(b) Liabilities related to assets held for sale (Refer note 36(a))	-	11,231.84
	-	**11,231.84**

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

6(ix) DEFERRED TAX

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deferred tax assets (net) (A)	31,741.41	34,856.83
(b) Deferred tax liabilities (net) (B)	(42,928.10)	(41,072.83)
Deferred tax (A-B)	**(11,186.69)**	**(6,215.99)**
Less: Classified as held for sale (refer note 36(a))	**-**	**430.25**
	(11,186.69)	**(6,646.24)**

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

(₹ in Lakhs)

Deferred tax assets/(liabilities) in relation to:	As at April 01, 2023	Credit / (Charge) to Profit or loss	Derecognition on disposal	Business combination (refer note 37)	Credit / (Charge) Other Comprehensive Income	Creation / (Utilisation) of MAT credit	As at March 31, 2024
Deferred tax liabilities							
(a) Property, plant and equipment	(36,025.05)	(741.89)	-	-	-	-	(36,766.94)
(b) Intangible assets	(11,590.35)	(144.13)	-	-	-	-	(11,734.48)
(c) Others	(781.47)	117.59	-	-	-	-	(663.88)
(d) Right-of-use assets	(5,054.15)	(1,594.08)	2,778.10	(195.91)	-	-	(4,066.04)
(e) Brand	(5,411.11)	-	-	-	-	-	(5,411.11)
(f) Customer relationships	(1,250.50)	96.20	-	-	-	-	(1,154.30)
(g) Trademark	(62.59)	62.59	-	-	-	-	-
	(60,175.22)	**(2,203.72)**	**2,778.10**	**(195.91)**	**-**	**-**	**(59,796.75)**
Deferred tax assets in relation to:							
(a) Provision for contingency	431.43	(9.84)	-	-	-	-	421.59
(b) Allowances for doubtful advances	3,103.55	(59.27)	-	-	-	-	3,044.28
(c) Allowance for expected credit loss	6,015.90	(456.68)	-	-	-	-	5,559.22
(d) Defined benefit obligation	4,260.17	189.03	-	-	52.02	-	4,501.22
(e) Unabsorbed losses and depreciation	30,080.40	(1,675.10)	-	-	-	-	28,405.30
(f) MAT credit entitlement	2,312.30	-	-	-	-	(2,312.30)	-
(g) Others	1,927.49	(194.55)	-	-	-	-	1,732.94
(h) Lease liabilities	5,827.99	1,757.80	(3,208.35)	195.91	-	-	4,573.35
(i) MSME Principle disallowance	-	372.16	-	-	-	-	372.16
	53,959.23	**(76.45)**	**(3,208.35)**	**195.91**	**52.02**	**(2,312.30)**	**48,610.06**
Less: Classified as held for sale (refer note 36(a))	(430.25)	-	430.25	-	-	-	-
Deferred tax liabilities (Net)	**(6,646.24)**	**(2,280.17)**	**-**	**-**	**52.02**	**(2,312.30)**	**(11,186.69)**

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

6(ix) DEFERRED TAX (Contd.)

(₹ in Lakhs)

Deferred tax assets/(liabilities) in relation to:	As at April 01, 2022	Credit / (Charge) to Profit or loss	Derecognition on disposal	Business combination (refer note 37)	Credit / (Charge) Other Comprehensive Income	Creation / (Utilisation) of MAT credit	As at March 31, 2023
Deferred tax liabilities							
(a) Property, plant and equipment	(35,569.72)	(455.33)	-	-	-	-	(36,025.05)
(b) Intangible assets	(11,583.73)	(6.62)	-	-	-	-	(11,590.35)
(c) Others	(826.16)	44.69	-	-	-	-	(781.47)
(d) Right-of-use assets	(4,379.61)	(631.51)	-	(43.03)	-	-	(5,054.15)
(e) Brand	(5,411.11)	-	-	-	-	-	(5,411.11)
(f) Customer relationships	(1,346.70)	96.20	-	-	-	-	(1,250.50)
(g) Trademark	(125.20)	62.61	-	-	-	-	(62.59)
	(59,242.23)	**(889.96)**	**-**	**(43.03)**			**(60,175.22)**
Deferred tax assets/(liabilities) in relation to:							
(a) Provision for contingency	456.09	(24.66)	-	-	-	-	431.43
(b) Allowances for doubtful advances	3,279.11	(175.56)	-	-	-	-	3,103.55
(c) Allowance for expected credit loss	6,034.28	(18.38)	-	-	-	-	6,015.90
(d) Defined benefit obligation	4,140.00	57.50	-	-	62.67	-	4,260.17
(e) Unabsorbed losses and depreciation	34,120.92	(4,040.52)	-	-	-	-	30,080.40
(f) MAT credit entitlement	3,099.26	-	-	-	-	(786.96)	2,312.30
(g) Other	1,945.24	(17.75)	-	-	-	-	1,927.49
(h) Lease liabilities	4,956.47	828.49	-	43.03	-	-	5,827.99
	58,031.37	**(3,390.88)**	**-**	**43.03**	**62.67**	**(786.96)**	**53,959.23**
Less: Classified as held for sale (refer note 36(a))	**-**	**-**		**-**	**-**	**-**	**(430.25)**
Deferred tax asset (Net)	**(1,210.86)**	**(4,280.84)**	**-**	**-**	**62.67**	**(786.96)**	**(6,646.24)**

DTA has not been recognised on*

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
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	3,359.71	3,359.71
Interest accrued on loan	168.33	168.33
	52,774.13	**52,774.13**

* In addition to the above temporary differences, DTA has not been recognised on losses, unabsorbed depreciation and MAT credit as stated below. 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.

Unrecognised deferred tax liabilities

At March 31, 2024, there was a deferred tax liability of ₹ 110,630 Lakhs (March 31, 2023 ₹ 93,361 Lakhs) in respect of temporary differences of ₹ 316,592 Lakhs (March 31, 2023 ₹ 267,172 Lakhs) related to undistributed earnings of subsidiaries. However, this liability was not recognised because the group controls the dividend policy of its subsidiaries i.e., the group controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the near future. Additionally, the holding company intends to distributes an amount equal to or higher than the dividend received/receivable from its subsidiaries, this will create a zero-tax incidence at the group level basis provisions of Section 80M of the Income Tax Act, 1961.

6(ix) DEFERRED TAX (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax		
Recognised in Statement of Profit or loss		
Current tax		
Current income tax charge for the year	16,682.25	13,001.77
	16,682.25	**13,001.77**
Deferred tax credit		
Deferred tax credit/ (charge) for the year	4,592.47	5,067.80
	4,592.47	**5,067.80**
	21,274.72	**18,069.57**
Recognised in Other Comprehensive Income		
Deferred tax (Credit)/ Charge		
Tax related to item that will not be subsequently reclassified to profit and loss	52.02	62.67
Income tax charge recognised to other comprehensive income	**52.02**	**62.67**
The income-tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	**85,796.63**	**81,367.96**
Enacted income-tax rate in India (%)	34.94	34.94
Income tax rate calculated	**29,980.77**	**28,433.22**
Effect of profit of equity accounted investee not considered in determining taxable profit	(332.33)	(763.13)
Creation of deferred tax asset not recognised earlier based on the projected future taxable profits	(3,551.37)	(332.27)
Income chargeable at lower/ Nil tax rate	(5,409.26)	(6,393.34)
Effect of expenses not considered in determining taxable profits	897.55	(7.93)
Reversal of impairment on investment	(310.64)	(2,866.98)
Income-tax expense reported in the Consolidated Statement of profit and loss	**21,274.72**	**18,069.56**

No deferred tax asset has been recognised on below:

(₹ in Lakhs)

Particulars	As on March 31, 2024		As on March 31, 2023	
	Gross Amount	Tax effect	Gross Amount	Tax effect
Expiry in assessment year				
Unabsorbed depreciation				
No expiry	25,140.03	8,289.06	26,659.59	8,676.78
Total				

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

6(ix) DEFERRED TAX (Contd.)

(₹ in Lakhs)

Particulars	As on March 31, 2024		As on March 31, 2023	
	Gross Amount	Tax effect	Gross Amount	Tax effect
Unused long term and short term capital loss				
2024-25	-	-	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	129.12	27.72	129.12	22.56
2030-31	8,686.65	2,023.64	8,686.65	2,023.64
2032-33	5,899.22	1,286.08	-	-
	16,685.82	**3,796.57**	**11,737.92**	**2,726.95**
Business loss				
2023-24	-	-	188.33	52.39
2024-25	-	-	3,344.21	1,145.46
2025-26	389.84	108.45	389.84	108.45
2026-27	1,109.35	309.06	5,773.13	1,938.17
2027-28	27,216.96	9,128.65	33,014.79	11,154.63
2028-29	36,405.86	12,381.66	36,362.18	12,368.12
2029-30	12,648.41	3,996.01	13,269.14	4,150.62
2030-31	5,152.78	1,454.74	5,390.64	1,520.43
2031-32	5,456.26	1,507.76	5,491.03	1,516.64
2033-34	8,273.07	2,391.77	-	-
	96,652.53	**31,278.10**	**1,03,223.29**	**33,954.91**

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Minimum Alternate Tax		
2028-29	7,414.11	7,414.11
2030-31	-	127.26
2031-32	-	159.13
2032-33	-	239.49
2033-34	-	52.49
2038-39	-	74.13
	7,414.11	**8,066.61**

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

6(XV) SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital:		
850,000,000 (850,000,000 as at March 31, 2023) Equity shares of ₹ 10 each	85,000.00	85,000.00
200 Class 'A' (200 as at March 31, 2023) 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, 2023) 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, 2023) 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, 2023) 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	As on March 31, 2024		As on March 31, 2023	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
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 on March 31, 2024		As on March 31, 2023	
	Number of shares held	₹ in Lakhs	Number of shares held	₹ in Lakhs
Northern TK Venture Pte Ltd (refer note 30) (Holding Company)	23,52,94,117	23,529.41	23,52,94,117	23,529.41

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

6(XV) SHARE CAPITAL (Contd.)

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

Equity Shares

Name of Shareholder	As on March 31, 2024		As on March 31, 2023	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Northern TK Venture Pte Ltd	23,52,94,117	31.17%	23,52,94,117	31.17%

(e) 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.

(f) Details of shares held by the promoters

As at March 31, 2024

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
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%**	**-**

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
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 (Contd.)

6(XVI)

(₹ in Lakhs)

Particulars	Non-Current Borrowings**	Current borrowings (net)***	Interest accrued	Lease liabilities
As at April 01, 2022	79,600.72	16,966.54	231.11	28,925.77
Proceeds from borrowings	24,010.15	-	-	-
Repayment of borrowings	(43,582.96)	(8,609.89)	-	-
Reclassification of bank overdraft*	-	1,930.49	-	-
Finance cost	-	-	9,843.15	3,066.07
Finance cost paid	-	-	(9,900.81)	(3,066.07)
Addition of lease contracts	-	-	-	6,875.13
Lease liabilities paid	-	-	-	(4,374.99)
Exchange translation	-	-	-	(9,168.82)
As at March 31, 2023	**60,027.91**	**10,287.14**	**173.45**	**22,257.09**
As at April 01, 2023	**60,027.91**	**10,287.14**	**173.45**	**22,257.09**
Proceeds from borrowings	61,189.12	-	-	-
Repayment of borrowings	(42,255.20)	(385.82)	-	-
Reclassification of bank overdraft*	-	(3,033.39)	-	-
Finance cost	-	-	10,238.55	2,855.96
Finance cost paid	-	-	(10,143.03)	(2,855.96)
Addition of lease contracts	-	-	-	13,006.63
Deletion of lease contracts	-	-	-	-
Lease liabilities paid	-	-	-	(5,591.76)
Asset held for sale	-	-	-	-
As at March 31, 2024	**78,961.83**	**6,867.93**	**268.97**	**29,671.96**

**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*

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

6(XVII) NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
Carried at amortised cost			
Secured [refer note 11(I)]			
(a)	Term loan from banks	73,376.38	56,499.53
(b)	Deferred payment liabilities	-	29.47
(c)	Vehicle loans	708.84	557.05
		74,085.22	**57,086.05**
Unsecured [refer note 11(I)]			
(a)	Term loan from a body corporate	-	136.07
		-	**136.07**
Non-current borrowings - Total		**74,085.22**	**57,222.12**
Current borrowings			
Carried at amortised cost			
Secured - at amortised cost [refer note 11(II)]			
(a)	Bank overdraft	6,560.33	9,593.72
(b)	Working capital demand loan	-	552.76
(c)	Deferred payment liabilities	29.69	-
(d)	Current maturities of non-current borrowings [refer note 11(I)]	4,876.61	2,805.79
		11,466.63	**12,952.27**
Unsecured - at amortised cost [refer note 11(II)]			
(a)	Loan from body corporate	277.91	140.66
		277.91	**140.66**
		11,744.54	**13,092.93**

6(XVIII) OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
Non-current			
Unsecured			
(a)	Security deposits	8.42	43.43
(b)	Payables on purchase of property, plant and equipment*	71.63	2,008.02
(c)	Put option [refer note 12(b)]	-	1,59,100.00
		80.05	**1,61,151.45**
Current			
Unsecured			
(a)	Security deposits	1,822.19	1,985.60
(b)	Interest accrued but not due on borrowings	268.97	173.45
(c)	Unpaid equity dividend	28.55	6.31
(d)	Payables on purchase of property, plant and equipment*	17,594.17	10,868.14
(e)	Deferred purchase consideration (refer note 37)	3,382.54	826.75
(f)	Employees Payable	8,215.48	6,259.80

6(XVIII) OTHER FINANCIAL LIABILITIES (Contd..)

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
(g)	Liability against indemnification (refer note 1 below)	74.70	74.70
(h)	Derivative Liabilities (refer note 19)	1.10	22.15
(i)	Put option [refer note 12(b)]	1,69,600.00	-
(j)	Other liabilities	920.90	813.57
		2,01,908.60	**21,030.47**
	Less: Classified as held for sale (refer note 36(a))	-	(200.65)
		2,01,908.60	**20,829.82**

** This also includes amount payable to micro and small enterprises amounting to ₹ 1,736.29 Lakhs (March 31, 2023 ₹ 1,073.43 Lakhs).*

Notes:

1 At the time of acquisition of Piramal labs (now Agilus Pathlabs Private Limited) by Agilus Diagnostics Limited (Subsidiary), it was agreed that any charge relating to tax litigations before the date of acquisition shall be indemnified to Agilus Diagnostics Limited. Accordingly, the amount paid by Piramal to Agilus Diagnostics Limited, has been shown under liability against indemnification till the litigations are settled.

6(XIX) PROVISIONS

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
Non-current			
Provision for employee benefits			
(a)	Provision for gratuity (refer note 17)	11,416.35	10,222.98
(b)	Provision for compensated absences	3,240.70	2,882.13
	Less: Classified as held for sale (refer note 36(a))	-	(81.09)
		14,657.05	**13,024.02**
Current			
Provision for employee benefits			
(a)	Provision for gratuity (refer note 17)	1,291.43	1,451.97
(b)	Provision for compensated absences	634.33	639.90
Others			
(a)	Provision for litigations (refer note (iii) below and note 13)	977.44	991.42
(b)	Provision for contingencies [refer note (i) and (v) below]	2,564.00	2,429.36
(c)	Provision against vendor claim [refer note (ii) below]	100.00	100.00
	Less: Classified as held for sale (refer note 36(a))	-	(29.52)
		5,567.20	**5,583.13**

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

6(XIX) PROVISIONS (Contd..)

Notes

(i) Provision for contingencies

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for Indemnification [refer note 12(a)]	205.03	205.03
(b) Others		
Opening balance	2,224.33	3,677.74
Add: provision created during the year (refer note (iv) and (v) below)	348.42	242.53
Less: utilisation during the year	(213.78)	(1,695.94)
Closing balance	2,358.97	2,224.33
Total - Provision for contingencies	**2,564.00**	**2,429.36**

(ii) Includes provision of ₹ 100 Lakhs 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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	991.42	947.97
Add: provision made during the year	18.96	43.45
Less: utilised during the year	(32.94)	-
Closing balance	**977.44**	**991.42**

(iv) Provision created during the year ended March 31, 2021 includes ₹ 1,460.00 Lakhs 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) TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 34)	14,475.11	11,865.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	58,304.07	61,162.25
Less: Classified as held for sale (refer note 36(a))	-	(1,599.10)
	72,779.18	**71,428.69**
Of the above trade payables amounts due to related parties are as below:		
Trade Payables due to related parties	42.10	62.27
	42.10	**62.27**

6(XX) TRADE PAYABLES (Contd..)

Ageing schedule

As at March 31, 2024

(₹ in Lakhs)

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	-	12,735.73	1,646.85	47.42	18.88	26.23	14,475.11
(ii) Others	20,943.79	19,401.08	13,963.27	1,540.26	1,212.42	1,243.25	58,304.07
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-
						Total	**72,779.18**
							-
							72,779.18

As at March 31, 2023

(₹ in Lakhs)

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	-	5,903.94	5,749.51	163.52	10.42	38.15	11,865.54
(ii) Others	20,723.30	26,601.58	8,176.56	1,806.71	1,684.19	2,169.91	61,162.25
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-
						Total	**73,027.79**
Less: Classified as held for sale (refer note 36(a))							1,599.10
							71,428.69

6(XXI) OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Contract liabilities - advances from customers	4,966.76	5,581.33
(b) Statutory dues payable	10,582.43	10,301.94
(c) Liability towards customer loyalty program*	204.14	172.41
(d) Deferred Revenue	212.78	133.42
	15,966.11	**16,189.10**
Less: Classified as held for sale (refer note 36(a))	-	(152.66)
	15,966.11	**16,036.44**

**The movement during the year is as below :*

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	172.41	247.18
Deferred during the year	273.27	245.41
Released to the Statement of Profit and Loss	(241.54)	(320.18)
Closing balance	**204.14**	**172.41**

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

6(XXII) REVENUE FROM OPERATIONS

I. Revenue from contracts with customers

A. Sale of services

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
i)	**Healthcare services**		
-	Revenue from in patient department	4,96,973.14	4,45,521.47
-	Revenue from out patient department	77,176.90	70,327.51
-	Income from medical services	638.68	645.13
-	Management fees from hospital	5,185.28	3,959.44
-	Income from clinical research	112.49	175.93
		5,80,086.49	**5,20,629.48**
Less: Trade discounts		27,892.42	23,942.59
		5,52,194.07	**4,96,686.89**
ii)	**Diagnostic services***	1,19,367.35	1,17,609.82
	Less: Customer loyalty program	**(31.72)**	74.78
	Less: trade discount	**-**	(159.26)
		1,19,335.63	**1,17,525.33**
	Revenue from contract with customers	**6,71,529.70**	**6,14,212.22**
	***Disaggregation of revenue from diagnostic services as per Ind AS 115:**		
-	Owned labs	92,542.01	89,065.88
-	Collection centers	24,302.42	25,990.22
-	Franchisees	2,491.20	2,469.23
		1,19,335.63	**1,17,525.33**

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 8). The revenue recognised during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenue and liabilities.

B. Sale of products - trading

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
	(i) Out patient pharmacy and others	12,362.05	7,285.04
	Less: Trade discounts	383.08	181.78
	Total (B)	**11,978.97**	**7,103.26**
I.	**Total revenue from contracts with customers (A+B)**	**6,83,508.67**	**6,21,315.48**
	Timing of revenue recognition		
	Goods transferred at a point in time	11,978.97	7,103.26
	Services transferred over time	4,77,641.58	4,28,597.90
	Services transferred at a point in time	1,93,888.12	1,85,614.32
		6,83,508.67	**6,21,315.48**

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

6(XXII) REVENUE FROM OPERATIONS (Contd..)

(₹ in Lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	Contract balances		
	Contract assets (unbilled revenue)	7,202.04	7,152.45
	Contract liabilities (advance from Customers)	4,966.76	5,581.33
	Deferred revenue	212.78	133.42
II.	**Other operating revenues**		
	(i) Income from academic services	623.54	250.69
	(ii) Income from rent (refer note 10 (b))	1,196.67	1,587.31
	(iii) Equipment lease rental (refer note 10 (b))	581.06	615.25
	(iv) Provisions/ liabilities no longer required written back	2,269.06	5,160.67
	(v) Miscellaneous income	1,112.71	833.80
II.	**Total other operating revenues**	**5,783.04**	**8,447.72**
	Total revenue from operations (I+II)	**6,89,291.71**	**6,29,763.20**

6(XXIII) OTHER INCOME

(₹ in Lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a)	**Interest income**		
	i) Interest income		
	- on bank deposits	1,942.63	1,471.34
	- on Income-tax refund	720.74	641.72
	ii) Interest on other financial assets carried at amortised cost	326.01	269.87
(b)	**Other non-operating income**		
	i) Profit on disposal of property, plant and equipment	350.18	160.42
	ii) Profit on disposal of asset held for sale	-	1,530.42
	iii) Gain on foreign currency fluctuation (net)	-	1,545.95
	iv) Gain on sale of investment	38.11	73.99
	v) Net gain arising on financial assets designated at FVTPL	38.31	181.96
	vi) Miscellaneous income	409.03	296.07
	Total other income (a+b)	**3,825.01**	**6,171.74**

6(XXIV) CHANGES IN INVENTORIES OF MEDICAL CONSUMABLE AND DRUGS

(₹ in Lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a)	Inventory at the beginning of the year	12,284.47	12,290.03
(b)	Inventory at the end of the year (including assets classified as held for sale of ₹ Nil (March 31,2023: ₹ 205.15 Lakhs))	10,741.64	12,284.47
	Changes in inventories [(a)-(b)]	**1,542.83**	**5.56**

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

6(XXV) EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Salaries, wages and bonus	1,01,046.36	94,207.96
(b)	Gratuity expense (refer note 17)	1,575.77	1,396.23
(c)	Compensated absences	522.79	772.81
(d)	Contribution to provident and other funds	5,620.99	5,437.55
(e)	Staff welfare expenses	3,186.86	2,872.96
		1,11,952.77	**1,04,687.51**

6(XXVI) FINANCE COSTS

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Interest expense on financial liabilities measured at amortised cost:		
	- on term loans	5,259.68	6,169.29
	- on cash credit	873.28	507.74
	- on others	371.20	115.64
	Interest expense on:		
	- deferred purchase consideration / liability towards intangibles	440.03	192.44
	- on defined benefit plan and other long term employee benefits	1,004.60	787.67
	- interest on lease liabilities (refer note 10)	2,855.96	3,066.07
(b)	Other borrowing cost	2,289.76	2,070.37
		13,094.51	**12,909.22**

6(XXVII) DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Depreciation of property, plant and equipment (refer note 6(i)(a))	23,510.83	22,438.69
(b)	Amortisation of intangible assets (refer note 6(iii)(a))	4,286.17	3,847.79
(c)	Amortisation of Right-of-use assets (refer note 10)	6,452.75	5,287.12
		34,249.75	**31,573.60**

6(XXVIII)OTHER EXPENSES

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Contractual manpower	10,999.16	10,570.89
(b)	Power and fuel	11,951.88	11,906.44
(c)	Housekeeping expenses including consumables	9,225.70	8,773.84
(d)	Patient food and beverages	4,910.40	4,638.03
(e)	Pathology laboratory expenses	1,209.44	1,360.01
(f)	Radiology expenses	4,979.02	4,551.22
(g)	Cost of medical services	1,535.30	1,374.34
(h)	Professional and consultation fees to doctors	1,45,951.28	1,31,146.00
(i)	Repairs and maintenance		
	- Building	791.50	940.19
	- Plant and machinery (including medical equipments)	15,146.34	14,119.00
	- Others	1,626.12	1,787.01
(j)	Rent		
	- Hospital buildings, offices and labs	4,061.12	4,736.57
	- Equipments	1,496.13	1,385.38
	- Others	1,591.68	1,523.44
(k)	Donations	0.30	0.08
(l)	Independent Director remuneration	354.00	354.00
(m)	Legal and professional fee	9,981.49	8,848.58
(n)	Travel and conveyance	3,852.31	3,452.48
(o)	Rates and taxes	1,968.69	2,721.02
(p)	Printing and stationary	7,103.02	7,146.87
(q)	Recruitment and trainings	303.55	296.88
(r)	Communication expenses	1,382.51	1,304.35
(s)	Directors' sitting fees	372.96	349.53
(t)	Insurance	1,350.54	2,290.92
(u)	Marketing and business promotion	27,024.87	23,199.38
(v)	Fees to collection centers	11,263.35	11,403.90
(w)	Net loss on foreign currency transactions	36.37	-
(x)	Allowance for doubtful trade receivables (refer note 6(v))	3,962.13	4,633.20
(y)	Allowance for doubtful advances	1,265.99	1,342.87
(z)	Advance income tax (TDS) written off	-	622.63
(aa)	Provision for litigations [refer note 6(xix)]	18.96	43.45
(ab)	Expenditure on corporate social responsibility (refer note 23)	1,177.45	1,448.97
(ac)	Contingent consideration payment of lab acquisition	436.96	-
(ad)	Amortisation of premium on option contracts	57.82	56.41
(ae)	Miscellaneous expenses	1,319.50	1,142.79
		2,88,707.84	**2,69,470.67**

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

6(XXIX) EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Income:			
(a)	Reversal of impairment of investment in Lanka Hospitals Corporation Plc, Sri Lanka (refer note 22 (a))	888.97	7,360.99
(b)	Profit on sale / divestment of Arcot Road unit (refer note 22 (b))	349.29	-
(c)	Reversal of allowance for interest accrued on loan given to Fortis C-Doc Healthcare Limited [refer note 22 (c)]	80.00	-
(d)	Profit on divestment of assets and liabilities related to operations of Fortis Malar (including associated Land) (net of goodwill written off ₹ 2,044.12 Lakhs) (refer note 22 (d))	283.48	-
		1,601.74	**7,360.99**

6(XXX) EARNINGS PER SHARE

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
(a)	Profit after tax as per statement of profit and loss (₹ in Lakhs)	59,887.55	58,873.08
(b)	Weighted average number of equity shares outstanding	75,49,58,148	75,49,58,148
(c)	Basic earnings per share in rupees (face value – ₹ 10 per share)	7.93	7.80
(d)	Diluted earnings per share in rupees (face value – ₹ 10 per share)	7.93	7.80

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

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, 2024	March 31, 2023
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%
Adayu Mindfulness Limited (formerly Fortis Lafemme Limited (FLFL))	India	Non-operational	100.00%	100.00%
Fortis Health Management (East) Limited (FHM(E)L)	India	Non-operational	100.00%	100.00%
Fortis Cancer Care Limited (FCCL)	India	Non-operational	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%
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	Non-operational	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 Healthstaff Limited	India	Operates a network of heart command centres	100.00%	100.00%
Agilus Diagnostics Limited (formerly SRL Limited)	India	Operates a network of diagnostics centres	57.11%	57.11%

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

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, 2024	March 31, 2023
Agilus Pathlabs Private Limited (formerly SRL Diagnostic Private Limited)	India	Operates a network of diagnostics centres	57.11%	57.11%
Agilus Pathlabs Reach Limited (formerly SRL Reach Limited)	India	Operates a network of diagnostics centres	57.11%	57.11%
Agilus Diagnostics FZ-LLC (formerly SRL Diagnostics FZ-LLC)	United Arab Emirates	Operates a network of diagnostics centres	57.11%	57.11%
DDRC Agilus Pathlabs Limited (formerly DDRC SRL Diagnostics Limited)	India	Operates a network of diagnostics centres	57.11%	57.11%
Fortis Healthcare International Pte Limited (FHIPL) (refer note 2)	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	100.00%	100.00%
Artistery Properties Private Limited (refer note 3 below)	India	Operates a hospital	100.00%	-
b) Associates				
Lanka Hospitals Corporation Plc	Sri Lanka	Operates a multi-specialty hospital	28.60%	28.60%
RHT Health Trust (formerly known as Religare Health Trust) (RHT)	Singapore	Investment holding company	27.82%	27.82%
c) Joint Ventures				
Fortis C-Doc Healthcare Limited (C-Doc)	India	Operates a hospital	60.00%	60.00%
Fortis Cauvery	India	Operates a hospital	51.00%	51.00%
Agilus Diagnostics (Nepal) Private Limited (formerly SRL Diagnostics Nepal Private Limited).	Nepal	Operates a network of diagnostics centres	28.56%	28.56%

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. Fortis Healthcare International Pte Limited was amalgamated with Fortis Asia Healthcare Pte. Limited (FAHPL) w.e.f June 12, 2023.
3. Includes 10 shares, held by an individual, over which the Company has ownership control through the share purchase agreement.

Fortis

8. SEGMENT REPORTING

The Group has presented healthcare and diagnostic as two separate reportable segments in accordance with "Ind AS 108 Operating segments".

Healthcare business includes inpatient and outpatient services, sale of medical and non-medical items and management fees from hospital.

Diagnostics business include pathology and radiology services.

(₹ in Lakhs)

Sr. No	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
1.	**Revenue from operations**		
	Healthcare	568,591.30	510,740.99
	Diagnostics	137,204.07	134,746.24
	Gross value of sales and services	**705,795.37**	**645,487.23**
	Less: Inter segment sales and services	(16,503.66)	(15,724.03)
	Revenue from Operations	**689,291.71**	**629,763.20**
2.	**Segment result**		
	Healthcare	82,807.86	63,536.79
	Diagnostics	9,741.85	15,000.62
	Total segment profit before interest and tax	**92,549.71**	**78,537.41**
	(i) Finance cost	(13,094.51)	(12,909.22)
	(ii) Exceptional items and unallocable expenditure (net of unallocable income)	5,390.39	13,555.90
	(iii) Share of profit / (loss) of associates and joint ventures (net)	951.04	2,183.87
	Profit before tax	**85,796.63**	**81,367.96**
3.	**Profit for the year**		
	Healthcare	57,831.77	51,634.86
	Diagnostics	6,690.14	11,663.56
4.	**Depreciation and amortisation expense**		
	Healthcare	23,055.94	22,676.65
	Diagnostics	11,193.81	8,896.95
5.	**Capital expenditure**		
	Healthcare	92,683.39	31,272.75
	Diagnostics	4,196.97	7,272.38
6.	**Equity interest in profit and loss of Joint venture and associates**		
	Healthcare	962.21	2,182.92
	Diagnostics	(11.17)	0.95
7.	**Investment using equity method in joint ventures and associates**		
	Healthcare	22,714.78	20,710.30
	Diagnostics	250.32	319.99

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

8. Segment Reporting (Contd.)

(₹ in Lakhs)

Sr. No	Particulars	Year Ended	
		March 31, 2024	March 31, 2023
8.	**Segment assets**		
	Healthcare	930,281.03	886,258.51
	Diagnostics	210,459.31	197,835.51
	Un-allocable assets	191,059.75	161,696.57
	Total segment assets	1,331,800.09	1,245,790.59
	Inter segment assets	(2,922.07)	(2,430.15)
	Total assets	**1,328,878.02**	**1,243,360.44**
9.	**Segment liabilities**		
	Healthcare	297,503.72	283,605.53
	Diagnostics	45,738.78	40,179.16
	Un-allocable liabilities	132,943.82	111,967.09
	Total segment liabilities	476,186.32	435,751.7
	Inter segment liabilities	(2,922.07)	(2,430.15)
	Total liabilities	**473,264.25**	**433,321.63**

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 Lakhs)

Region	Year ended	
	March 31, 2024	March 31, 2023
India	685,727.24	626,671.02
Outside India	3,564.47	3,092.18
Total	**689,291.71**	**629,763.20**

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)

Region	Carrying amount of assets	
	March 31, 2024	March 31, 2023
India	1,149,462.33	1,063,011.80
Outside India	114.76	277.98
Total	**1,149,577.09**	**1,063,289.78**

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.

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
Joint Ventures (parties with whom transactions have taken place)	Agilus 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
	Ms Suvalaxmi Chakrobarty – Independent Director
	Mr Indrajit Banerjee – Independent Director
	Mr Sumit Goel- Company Secretary (up to April 04, 2022)
	Mr Murlee Manohar Jain-Company Secretary (w.e.f. April 05, 2022 to February 29, 2024)
	Mr Satyendra Chauhan-Company Secretary (w.e.f. March 01, 2024)
	Mr Mehmat Ali Aydinlar-Additional Director (w.e.f. March 28, 2023)
	Mr Tomo Nagahiro-Additional Director (w.e.f. March 28, 2023)
	Dr. Kelvin Loh Chi-Keon - Non-Executive Non-Independent Director (up to February 22, 2023)
	Mr Dilip Kadambi- Non Executive Non-Independent Director
	Mr Sim Heng Joo Joe - Non-Executive Non-Independent Director (upto August 31, 2023)
	Dr. Farid Bin Mohamed Sani - Non-Executive Non-Independent Director (up to March 28, 2023)
	Ms Shailaja Chandra-Independent Director
	Mr Takeshi Saito- Non Executive Non Independent Director (up to March 28, 2023)
	Mr Joerg Ayrle – Non Executive Non Independent Director (Up to October 02, 2023)
	Dr. Prem Kumar Nair – Non Executive Non Independent Director (w.e.f. November 10, 2023)
	Mr Lim Tsin Lin – Non Executive Non Independent (w.e.f May 04, 2023)
	Mr Ashok Pandit – Non Executive Non Independent (w.e.f September 13, 2023)

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

9. Related party disclosures (Contd.)

Nature of relationship	Name of the related party
Enterprises owned or significantly controlled / influenced by subsidiary of holding/ultimate holding company/ enterprise having significant influence over ultimate holding company (with whom transactions have been taken place)	Mauritius International Trust Company Limited
	Gleneagles Healthcare India Private Limited (formerly 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
	Acibadem Teknoloji A.S.
Entities having significant influence (Enterprises having significant influence over ultimate holding company through its subsidiary)	Mitsui & Co Ltd Khazanah Nasional Berhad

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Transactions during the year		
Operating income (including Income from medical services, Management fees from hospitals and Pharmacy income)		
Agilus Diagnostics (Nepal) Private limited	266.09	234.34
Fortis C-Doc Healthcare Limited	97.41	125.37
RHT Health Trust	55.39	52.87
Apollo Gleneagles Hospital Limited	-	2.14
Apollo Hospitals Enterprises Limited	-	21.26
Gleneagles Healthcare India Private Limited	0.71	-
Mitsui and Co India Pvt Limited	0.98	0.34
Lanka Hospitals Diagnostics (Pvt) Ltd	50.18	46.87
Dividend income		
Agilus Diagnostics Nepal Private Limited	58.50	-
Lanka Hospitals Corporation Plc	427.14	280.32
Consultation fees to doctors		
Gleneagles Healthcare India Private Limited	-	30.65
Fortis C-Doc Healthcare Limited	74.08	43.09
Collection on behalf of company by		
Fortis C-Doc Healthcare Limited	3.61	0.33
Legal and Professional Fees		
Mauritius International Trust Company Limited	16.96	15.67

9. Related party disclosures (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Intangible assets acquired		
Acibadem Teknoloji A.S.	280.93	-
Transfer of employee benefit liability from		
Fortis C-Doc Healthcare Limited	1.21	2.12
Transfer of employee benefit liability to		
Fortis C-Doc Healthcare Limited	5.87	4.98
Managerial remuneration		
Dr. Ashutosh Raghuvanshi		
Short-term employee benefits	907.14	823.18
Post employment and other long-term benefits	20.11	45.49
Mr Vivek Kumar Goyal		
Short-term employee benefits	463.48	315.31
Post employment and other long-term benefits	14.88	7.82
Mr Sumit Goel		
Short-term employee benefits	-	13.63
Post employment and other long-term benefits	-	9.61
Mr Murlee Manohar Jain		
Short-term employee benefits	101.86	77.35
Post employment and other long-term benefits	1.92	2.17
Mr Satyendra Chauhan		
Short-term employee benefits	19.44	-
Post employment and other long-term benefits	0.01	-
Allowance for Interest accrued on loans recoverable (reversed)		
Fortis C-Doc Healthcare Limited	80.00	-
Reversal of impairment on investments		
Lanka Hospitals Corporation Plc	888.97	7,360.99
Interest income		
Fortis C-Doc Healthcare Limited	0.37	0.06
Expenses incurred by the Company on behalf of		
Agilus Diagnostics (Nepal) Private limited	0.19	16.37
Fortis C-Doc Healthcare Limited	47.30	2.01

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

9. Related party disclosures (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Expense incurred on behalf of the Company by		
Agilus Diagnostics (Nepal) Private limited	24.88	18.96
Fortis C-Doc Healthcare Limited	-	4.30
Independent Directors Remuneration		
Mr Ravi Rajagopal	106.20	106.20
Mr Indrajit Banerjee	82.60	82.60
Ms Suvalaxmi Chakrabarty	82.60	82.60
Ms Shailaja Chandra	82.60	82.60
Director Sitting Fees		
Mr Indrajit Banerjee	36.23	26.43
Mr Ravi Rajagopal	44.29	30.30
Ms Suvalaxmi Chakrobarty	35.12	33.01
Northern TK Venture Pte. Limited (Dr. Kelvin Loh Chi-Keon)	-	5.90
Northern TK Venture Pte. Limited (Sim Heng Joo Joe)	-	7.08
Ms Shailaja Chandra	44.11	30.87
Mitsui & Co. Ltd. (MrTakeshi Saito)	-	3.54
Northern TK Venture Pte. Limited (Mr Dilip Kadambi)	11.80	10.62
Northern TK Venture Pte. Limited (Mr Joerg Ayrle)	8.26	14.16
Mr Mehmet Ali Aydinlar	9.44	1.18
Mitsui and Co. Ltd. (MrTomo Nagahiro)	11.80	1.18
Mr Sim Heng Joo Joe	7.08	-
Mr Ashok Pandit	10.62	-
Mr Prem Kumar Nair	9.44	-
Reimbursement of expenses		
Mr Ravi Rajagopal	9.57	13.60
Dr. Ashutosh Raghuvanshi	5.25	-
Mr Mehmet Ali Aydinlar	51.36	-
Mitsui and Co. Ltd. (MrTomo Nagahiro)	13.58	-
Transfer of Medical Consumables and drugs from		
Fortis C-Doc Healthcare Limited	-	6.26
Transfer of Medical Consumables and drugs to		
Fortis C-Doc Healthcare Limited	-	0.24

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

9. Related party disclosures (Contd.)

Balance Outstanding at the year end

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans/Advances recoverable		
Lanka Hospitals Diagnostics (Pvt) Ltd	3.97	3.97
Interest accrued		
Fortis C-Doc Healthcare Limited	88.33	168.33
Provision for doubtful interest		
Fortis C-Doc Healthcare Limited	88.33	168.33
Gross investments (net of sale proceeds)		
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
Agilus Diagnostics (Nepal) Private limited	150.00	150.00
Fortis C-Doc Healthcare Limited	1,922.85	1,922.85
Provision for investment		
Lanka Hospitals Corporation Plc	2,241.69	3,130.66
Fortis C-Doc Healthcare Limited	1,922.85	1,922.85
Investments (at net book value)		
Lanka Hospitals Corporation Plc	20,049.59	18,082.01
RHT Health Trust	2,665.19	2,628.28
Agilus Diagnostics (Nepal) Private limited	250.32	319.99
Other balance recoverable		
Fortis C-Doc Healthcare Limited	34.66	34.66
Fortis Cauvery	13.25	13.25
Trade receivables		
Agilus Diagnostics (Nepal) Private Limited	415.91	266.78
Fortis C-Doc Healthcare Limited	553.21	505.63
Apollo Gleneagles Hospital Limited	-	0.69
Gleneagles Healthcare India Pvt Limited	0.82	0.11
Apollo Hospitals Enterprises Limited	-	10.32
Bharat Insecticides Limited	0.31	0.31
Centre for Digestive and Kidney Diseases (India) Private Limited	0.44	0.44
Mitsui & Co India Pvt Limited	-	0.23

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

9. Related party disclosures (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for doubtful receivable		
Fortis Cauvery	13.25	13.25
Trade Payables		
Agilus Diagnostics (Nepal) Private Limited	32.66	7.97
Fortis C-Doc Healthcare Limited	1.28	11.89
Mauritius International Trust Company Limited	8.16	11.76
Gleneagles Healthcare India Private Limited	-	30.65
Capital Creditors		
Acibadem Teknoloji A.S.	85.41	-
Advance from customers		
Lanka Hospitals Diagnostics Private Limited	15.89	-

Notes:

1. Also refer note 12(a) and 12 (c).
2. All transactions with these related parties are priced on an arm's length basis and financial assets / liabilities are to be settled in cash with in credit period from the reporting date. None of the balances are secured.

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 Lakhs)

Right-of-use assets	Leasehold land (refer note (i) and (ii) below)	Buildings	Plant & equipments	Total
Gross carrying value				
As at April 01, 2022	**88,623.22**	**32,185.85**	**1,946.45**	**1,22,755.52**
Additions	-	5,501.09	1,555.82	7,056.91
Derecognition	-	(2,528.86)	-	(2,528.86)
Classified as held for sale (refer note 36(a))	-	(7,938.05)	-	(7,938.05)
Exchange translation adjustments	-	53.36	-	53.36
As at March 31, 2023	**88,623.22**	**27,273.39**	**3,502.27**	**1,19,398.88**
Addition	3,750.45	11,078.15	3,692.59	18,521.19
Disposals	-	(3,758.54)	(73.63)	(3,832.17)
Exchange translation adjustments	-	6.95	-	6.95
As at March 31, 2024	**92,373.67**	**34,599.95**	**7,121.23**	**134,094.85**

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

10. Leases (Contd.)

(₹ in Lakhs)

Right-of-use assets	Leasehold land (refer note (i) and (ii) below)	Buildings	Plant & equipments	Total
Accumulated depreciation				
As at April 01, 2022	**1,491.92**	**9,054.85**	**414.44**	**10,961.21**
Charge for the year	450.56	4,489.28	347.28	5,287.12
Derecognition	-	(1,704.78)	-	(1,704.78)
Classified as held for sale (refer note 36(a))	-	(949.37)	-	(949.37)
Exchange translation adjustments	-	32.17	-	32.17
As at March 31, 2023	**1,942.48**	**10,922.15**	**761.72**	**13,626.35**
Charge for the year	464.99	4,934.97	1,052.79	6,452.75
Disposals	-	(2,993.69)	(73.63)	(3,067.32)
Exchange translation adjustments	-	5.51	-	5.51
As at March 31, 2024	**2,407.47**	**12,868.94**	**1,740.88**	**17,017.29**
Net carrying value				
As at March 31, 2023	**86,680.74**	**16,351.24**	**2,740.55**	**1,05,772.53**
As at March 31, 2024	**89,966.20**	**21,731.01**	**5,380.35**	**1,17,077.56**

Notes:

(i) Leasehold Land includes ₹ 377.11 Lakhs (Previous year ₹ 377.11 Lakhs) 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 amortised since it has been taken on a perpetual lease. [also refer note 14 (II) (i)]

(ii) Leasehold Land includes ₹ 21.11 Lakhs (Previous year ₹ 21.11 Lakhs) in respect of a subsidiary, for which, the deed is not in possession of the Group As per allotment letter, land has been allotted to a society which was later amalgamated into the subsidiary under Societies Registration Act..

(iii) Under the lease agreement, Fortis Hospotel Limited (subsidiary company) is required to pay annual lease rental of ₹ 32.55 Lakhs 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 Lakhs recorded in the books represents the perpetuity value of annual lease payments.

(₹ in Lakhs)

Lease Liabilities included in Balance Sheet (discounted)	As at March 31, 2024	As at March 31, 2023
Current	5,175.00	3,993.93
Non-current	24,496.96	18,263.17

(₹ in Lakhs)

Maturity analysis - contractual undiscounted cash flows	As at March 31, 2024	As at March 31, 2023
Less than one year	7,418.51	6,690.16
One to five years	21,765.38	17,250.43
More than five years	15,374.74	32,210.96
Total undiscounted lease liabilities	**44,558.63**	**56,151.55**

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

10. Leases (Contd.)

(₹ in Lakhs)

Amounts recognised in Statement of Profit and Loss	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	2,855.96	3,066.07
Expenses relating to short-term leases	7,148.93	7,645.39

(₹ in Lakhs)

Amounts recognised in Statement of Cash Flow	As at March 31, 2024	As at March 31, 2023
Cash outflow for lease payments	5,591.76	4,374.99
Interest on lease liabilities (included in Interest paid)	2,855.96	3,066.07
Total cash outflow for leases	**8,447.72**	**7,441.06**

(b) As a lessor

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 the risks and rewards incidental to the ownership of the assets. The total lease income received/ receivable in respect of hospital premises recognised in the consolidated statement of profit and loss for the year are ₹ 1,196.67 Lakhs (Previous year ₹ 1,587.31 Lakhs). The equipment lease rental received in respect of medical equipment recognised in the consolidated statement of profit and loss for the year are ₹ 581.06 Lakhs (Previous year ₹ 615.25 Lakhs). All leases are cancellable at the option of either parties.

The details of assets given on lease are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Gross carrying value	Accumulated Depreciation	Net carrying value	Gross carrying value	Accumulated Depreciation	Net carrying value
Building (leasehold improvements) & Furniture and fittings	167.65	133.19	34.46	172.45	137.99	34.46
Plant and machinery	91.59	91.59	-	91.59	91.59	-
Medical equipment	3,472.10	2,761.36	710.74	3,992.83	3,067.77	925.06
Computers	7.31	7.31	-	7.31	7.31	-
Office equipment	2.05	2.05	-	2.05	2.05	-
Vehicles	-	-	-	3.70	3.70	-
Total	**3,740.70**	**2,995.50**	**745.20**	**4,269.93**	**3,310.41**	**959.52**

11. BORROWINGS

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
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 The Hongkong and Shanghai Banking Corporation Limited ("HSBC") secured against the first pari-passu charge on moveable fixed and current assets of FHsL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of International Hospital Limited (IHL) (Noida and Faridabad), Fortis Hospotel Limited (FHTL) (Gurugram), Escorts Heart and Super Speciality Hospital Limited (EHSSHL) (Mohali) and Hospitalia Eastern Private Limited (HEPL) (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024 Till the previous year, the loan was further guaranteed by corporate guarantee issued by Fortis Healthcare Limited (FHL) which has been withdrawn during the current year.	Repayable in structured quarterly instalments starting from April 2020 till October 2030. Additionally, there is call and put option due on September 05, 2026. Further during the current year, a prepayment of ₹ 2,399.27 Lakhs has been made and next repayment is due in October 2026. (In the previous year a prepayment of ₹ 778.14 Lakhs had been made)	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	5,432.08	-	7,822.11	-
Fortis Hospitals Limited (FHsL) Term loan facility from DBS Bank India Limited ("DBS") was 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in structured monthly instalments starting from December 2020 till December 2025. This credit facility has been prepaid during the current year.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	-	-	315.88	380.98

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Fortis Hospitals Limited (FHsL) Term loan from HSBC was secured against the first pari-passu charge on moveable fixed and current assets of FHsL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in equal quarterly instalments starting from November 2020 till August 2026. This credit facility has been refinanced from ICICI Bank during the current year.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	-	-	5,053.48	-
Fortis Hospitals Limited (FHsL) Term loan from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHsL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024. Till the previous year, the loan was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	Repayable in equal quarterly installments starting from September, 2024 till June, 2029. During the previous year, FHsL had drawn ₹ 1,200 Lakhs which has been refinanced from ICICI Bank in the current year. Further during the current year, FHsL has drawn new term loan of ₹ 2,500 Lakhs under this credit facility.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	2,125.00	375.00	1,200.00	-

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Fortis Hospitals Limited (FHsL) Term loan facility from DBS was 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in equal quarterly instalments starting from December 2021 till September 2025. This credit facility has been refinanced from ICICI Bank during the current year.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	-	-	1,641.26	987.01
Fortis Hospitals Limited (FHsL) ECLGS Term Loan facility from Axis Bank Limited ("Axis") secured by second pari-passu charge over all the existing and future current assets of the FHsL and second pari-passu charge over movable fixed assets of FHsL both present and future, excluding vehicles and medical equipment exclusively financed by other lenders.	Repayable in equal monthly repayments starting from October 2024 till September 2028. During the previous year, ₹ 4,568.75 Lakhs were prepaid and next monthly installment is due in March 2026	Repo rate + 2.40% payable at monthly intervals	8,308.98	-	8,300.62	-
Fortis Hospitals Limited (FHsL) Term loan facility from ICICI Bank Limited ("ICICI") secured against the first pari-passu charge on moveable fixed and current assets of FHsL and exclusive charge on immoveable fixed assets of FHsL (Chandigarh Road, Ludhiana)	Repayable in structured quarterly instalments starting from September, 2024 till June 2029.	ICICI 3 months MCLR plus 20 bps	13,834.98	1,125.00	-	-

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Escorts Heart Institute and Research Centre Limited (EHIRCL) Term loan facility from HSBC secured against first pari-passu charge on moveable fixed and current assets of EHIRCL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024 Till the previous year, the loan was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	Repayable in equal quarterly instalments starting from June 2024 till March 2029.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	800.00	200.00	617.00	-
Escorts Heart Institute and Research Centre Limited (EHIRCL) Term loan from HSBC secured against first pari-passu charge on moveable fixed and current assets of EHIRCL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x) Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024 Till the previous year, the loan was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	Repayable in equal quarterly installments starting from November 2020 till August 2026.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	125.01	83.33	208.34	83.33

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Escorts Heart Institute and Research Centre Limited (EHIRCL) Term loan facility from DBS was 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantees issued by FHL.	Repayable in structured quarterly instalments starting from December 2021 till September 2025. This credit facility has been prepaid during the current year.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	-	-	103.77	69.18
International Hospital Limited (IHL) Term loan facility from HSBC was secured against the first pari-passu charge on moveable fixed and current assets of IHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in equal quarterly instalments starting from November 2020 till August 2026. This credit facility has been refinanced from Axis Bank during the current year.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	-	-	1,373.04	-
International Hospital Limited (IHL) Term loan facility from HSBC was secured against the first pari-passu charge on moveable fixed and current assets of IHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantees issued by FHL.	Repayable in equal quarterly instalments starting from September 2024 till June 2029. This credit facility has been refinanced from Axis Bank during the current year.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	-	-	2,230.00	-

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
International Hospital Limited (IHL) Term loan facility from DBS was 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in quarterly instalments starting from December 2021 till September 2025. This credit facility has been prepaid during the current year.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	-	-	447.88	253.43
International Hospital Limited (IHL) Term loan facility from Axis bank secured by First pari passu charge over current assets and moveable fixed assets of the IHL excluding the vehicles and medical equipment exclusively financed by other lenders and exclusive charge over immovable fixed assets of Fortis Hospitals, Bannerghata Road, Bengaluru owned by IHL with a security cover of minimum 1.25x.	(i) For ₹ 3,605 Lakhs in structured installment starting from May 2024 till June 2029; and (ii) For ₹ 8,219.41 Lakhs in equal quarterly installments starting from August 2025 till June 2030.	Repo Rate plus 190 bps	10,936.41	888.00	-	-
Fortis Hospotel Limited (FHTL) Term loan facility from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHTL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year- 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024 Till the previous year, the loan was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	Repayable in equal quarterly installments starting from November 2020 till August 2026	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	923.17	615.45	1,538.62	-

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Fortis Hospotel Limited (FHTL) Term loan facility from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHTL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x. Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024	Repayable in equal quarterly installments starting from November 2025 till August 2030	HSBC 3 months MCLR or any other rate as may be mutually agreed upon	1,600.00	-	-	-
Fortis Hospotel Limited (FHTL) Term loan facility from DBS was 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. The loan was further guaranteed by corporate guarantee issued by FHL.	Repayable in quarterly instalments starting from December 2021 till September 2025. This credit facility has been prepaid during the current year.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	-	-	148.79	76.02

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Fortis Healthcare Limited (FHL) Term loan facility from HSBC was secured against the first pari-passu charge on moveable fixed and current assets of FHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.33x	Facility (i): ₹ 7,500 Lakhs Repayable in 3 equal instalments starting from June 2023 till June 2025 and Facility (ii): ₹ 4,778.77 Lakhs in structured quarterly instalments starting from April 2020 till October 2030. Additionally, in facility (ii) there was a call and put option due on September 5,2026. These credit facilities have been prepaid during the year.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	-	-	12,278.77	-
Fortis Healthcare Limited (FHL) Term loan facility from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x. Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024	Repayable in equal quarterly installments starting from November, 2025 till August 2029.	HSBC 3 months MCLR or any other rate as may be mutually agreed upon	23,933.98	-	-	-

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Fortis Healthcare Limited (FHL) Term loan facility from Axis Bank was secured by first pari-pasu charge on entire current assets and moveable fixed assets of the FHL, 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 was further guaranteed by corporate guarantee issued by IHL.	Repayable in structured quarterly instalments starting from March 2024 till March 2029. The loan has been fully prepaid during the current year (Previous year- ₹ 12,000 Lakhs were prepaid).	Repo Rate + 2.80%	-	-	7,956.24	-
Fortis Healthcare Limited (FHL) Term loan facility from DBS 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. In May 2024, the security cover has been reduced to 1.25x.	Repayable in structured monthly instalments starting from December 2020 till September 2025	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	1.89	181.56	178.85	-
Fortis Healthcare Limited (FHL) Term loan facility from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024.	Repayable in equal quarterly instalments starting from November 2020 till August 2026. During the current year, ₹ 1,601.60 Lakhs has been prepaid The repayment of next installment is due in May 2024.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	822.77	548.52	2,972.89	-

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Fortis Healthcare Limited (FHL) Term loan facility from HSBC secured against the first pari-passu charge on moveable fixed and current assets of FHL except machineries and vehicles specifically financed by other banks /financial institutions and exclusive charge cumulatively on certain immoveable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum assets cover of 1.25x (Previous Year 1.33x). Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024.	Repayable in equal quarterly instalments with starting from September 2024 till June 2029.	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	340.00	60.00	400.00	-
Fortis Healthcare Limited (FHL) Term loan facility from DBS 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 EHSSHL (Jaipur, Rajasthan) with minimum assets cover of 1.33x. In May 2024, the security cover has been reduced to 1.25x.	Repayable in equal quarterly instalments starting from December 2021 till September 2025.	DBS 3 / 12 months MCLR + 1% margin or any other rate as may be mutually agreed upon	213.36	426.72	991.99	637.57
Hospitalia Eastern Private Limited (HEPL) Term loan facility from HSBC secured against charge over moveable fixed and current assets of HEPL and certain immovable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum asset cover of 1.25x (Previous Year 1.33x). Till the previous year, the loan was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year. Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024	Repayment in equal quarterly installments starting from November 2024 till August 2029. During the current year ₹ 1,320.00 Lakhs were prepaid. The repayment of next installment is due in November 2026	HSBC 3 / 12 months MCLR or any other rate as may be mutually agreed upon	1,980.00	-	720.00	-

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	**Repayment terms**	**Interest rate per annum**	**Non-current**	**Current**	**Non-current**	**Current**
Hospitalia Eastern Private Limited (HEPL) Term loan facility from HSBC secured against charge over moveable fixed and current assets of HEPL and certain immovable fixed assets of IHL (Noida and Faridabad), FHTL (Gurugram), EHSSHL (Mohali) and HEPL (Mall Road, Ludhiana) with minimum asset cover of 1.25x. Further, charge over EHSSHL (Mohali) has been released by HSBC in April 2024	Repayment in equal quarterly installments starting from January 2026 till October 2029. During the current year ₹ 416.25 Lakhs were prepaid. The repayment of next installment is due in January 2026	HSBC 3 months MCLR or any other rate as may be mutually agreed upon	1,998.75	-	-	-
Total (A)			**73,376.38**	**4,503.58**	**56,499.53**	**2,487.52**
B. Vehicle Loan – Secured against hypothecation of the specific vehicles purchased						
Fortis Hospitals Limited (FHsL)	Repayable in equated monthly instalments over 4 years.	7.00% to 9.25% p.a.	237.00	123.03	176.53	69.73
Fortis Healthcare Limited			-	-	-	8.73
Fortis Healthcare Limited			93.46	67.14	128.04	57.88
Fortis Hospotel Limited			111.28	43.75	76.05	21.67
Escorts Heart Institute and Research Centre Limited			24.54	8.39	-	-
International Hospital Limited			9.73	3.25	-	-
Agilus Diagnostics Limited (formerly known as SRL Limited)			232.83	127.47	176.43	93.35
Total (B)			**708.84**	**373.03**	**557.05**	**251.36**
C. Deferred payment liabilities - Secured:						
Fortis Hospitals Limited (FHsL) Deferred payment facility taken from Philips India Ltd is secured by first charge by way of hypothecation of specific equipment of FHsL.	The loan is repayable in structured 84 monthly instalments commencing from September 2017 till August 2024.	7.88% p.a. payable monthly	-	29.69	29.47	66.91

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

11. Borrowings (Contd.)

I. Long-term borrowings (including current maturities)

(₹ in Lakhs)

Particulars			March 31, 2024		March 31, 2023	
Security and guarantee details	Repayment terms	Interest rate per annum	Non-current	Current	Non-current	Current
Total (C)			**-**	**29.69**	**29.47**	**66.91**
D. Loan from a body corporate – Unsecured						
Fortis Asia Healthcare Pte. Limited (FAHPL) The loan is repayable to Fortis Medicare International Limited			-	-	136.07	-
Total (D)					**136.07**	**-**
TOTAL(I=A+B+C+D)			**74,085.22**	**4,906.30**	**57,222.12**	**2,805.79**

11. Borrowings (Contd.)

II. Short term borrowings

(₹ in Lakhs)

	Security and guarantee details	Repayment terms	Interest rate	March 31, 2024	March 31, 2023
E.	**Bank overdrafts & Working Capital Demand Loan - Secured:**				
	Escorts Heart Institute and Research Centre Limited(EHIRCL) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of EHIRCL both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of EHIRCL both present and future. Till the previous year, the facility was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank.	1,273.11	3,489.19
	Fortis Healthcare Limited (FHL) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of FHL both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of FHL both present and future.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	1,518.10	1,316.15
	Fortis Hospitals Limited (FHsL) The facility from DBS is secured against the first pari-passu charge on moveable fixed and current assets of FHsL The facility was further guaranteed by corporate guarantee issued by FHL. The credit facility has been surrendered during the current year.	On demand	DBS Overnight MCLR / 1M MCLR + 125 bps or any other rate as may be mutually agreed	-	0.30
	Fortis Hospitals Limited (FHsL) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of FHsL both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of FHsL both present and future. Till the previous year, the facility was further guaranteed by corporate guarantee issued by FHL which have been withdrawn during the current year.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	3,175.39	5,112.47
	Hiranandani Healthcare Private Limited (HHPL) The facility from HSBC is secured against the first pari-passu charge on moveable fixed and current assets of HHPL Till the previous year, the facility was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	33.56	128.20

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

II. Short term borrowings (₹ in Lakhs)

	Security and guarantee details	Repayment terms	Interest rate	March 31, 2024	March 31, 2023
	International Hospital Limited (IHL) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of the Company both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of IHL both present and future. Till the previous year, the facility was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	45.13	6.75
	International Hospital Limited (IHL) The facility from Axis Bank is secured against first pari passu charge on entire current assets and moveable fixed assets of IHL, excluding vehicles and medical equipment exclusively financed by other lenders	On demand	1 month MCLR + 20 bps or any other rate as may be mutually agreed with the bank	15.56	-
	Fortis Hospotel Limited (FHTL) The facility from HSBC Bank is secured against the first pari-passu over moveable fixed assets of FHTL both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of FHTL both present and future. Till the previous year, the facility was further guaranteed by corporate guarantee issued by FHL which has been withdrawn during the current year.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	33.07	28.80
	Fortis Health Management Limited (FHML) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of FHML both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of FHML both present and future.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	180.25	64.62
	Hospitalia Eastern Private Limited (HEPL) The facility from HSBC is secured against the first pari-passu over moveable fixed assets of HEPL both present and future except the machinery, vehicles specifically financed by other bank / Financial institutions and first pari-passu charge on current assets of HEPL both present and future.	On demand	HSBC Bank Overnight MCLR/ 1 month MCLR or as may be agreed with the bank	286.16	-
	Total(E)			**6,560.33**	**10,146.48**
F.	**Loan from a body corporate - Unsecured:**				
	Fortis Asia Healthcare Pte. Limited Interest free loan has been taken from Fortis Medicare International Limited.	On Demand	Interest free	277.91	140.66
	Total (F)			**277.91**	**140.66**
	TOTAL (II= E+F)			**6,838.24**	**10,287.14**

As described above, some companies within the Group have been sanctioned borrowings on the basis of security of current assets wherein the companies are required to file quarterly statements of cash flows / trade receivables / creditors / inventory. During the current year, the quarterly statements filed by companies with respective banks are in agreement with the books of account.

12. COMMITMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account for		
- Property Plant and equipment	37,201.10	36,505.79
- Intangible Assets	567.17	-
[net of capital advances of ₹ 2,077.71 Lakhs (as at March 31, 2023 ₹ 2,922.31 Lakhs) and deposit with bank held in escrow account of Nil as at March 31, 2024 (₹ 640.00 Lakhs as at March 31, 2023)] (refer note 6(xiii)(c))		

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 Lakhs (as at March 31, 2023 ₹ 205.03 Lakhs) as provision for contingency.

b. As per an Exit Agreement dated June 12, 2012, Certain non-controlling shareholders of Agilus have the right to exercise a Put Option on the Company on the occurrence of certain events as described in the amendment agreement to the shareholders agreement. If exercised, the liability towards the cash put option will now be due within the next 12 months. The management believes that they have sufficient liquidity to meet the aforesaid liability. However, in case of consummation of a public offering of Equity Shares accompanied by the listing of Equity Shares of Agilus before date as specified in the agreement, the put option shall lapse.

   The Board of Directors of Agilus and the Company, in their meetings held on August 04, 2023 had considered and approved the proposal to undertake an initial public offer of equity shares of Agilus of face value of ₹ 10 each by way of an offer of sale of such number of Equity Shares by certain existing and eligible shareholders of Agilus, as may be determined at the Agilus board's discretion, after considering the prevailing market conditions and other relevant factors, at such price as permitted under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, subject to regulatory approvals, as required under applicable law. The members of the Company had approved the same. In furtherance thereto, Agilus filed Draft Red Herring Prospectus on September 29, 2023 with Securities and Exchange Board of India. BSE Limited vide its letter dated December 22, 2023 and National Stock Exchange of India Limited vide its letter dated December 26, 2023 granted in-principle approval for listing of equity shares of Agilus. Agilus due to commercial considerations, in consultation with Private Equity investors and basis Board approval on February 13, 2024 withdrew the DRHP.

   As at March 31, 2024, 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 ₹ 169,600.00 Lakhs (as at March 31, 2023 ₹ 159,100.00 Lakhs).

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).

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 has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company or its subsidiary companies and joint venture company incorporated in India during the current or previous year.

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

13. CONTINGENT LIABILITIES (NOT PROVIDED FOR):

(In addition, refer other litigations and claims assessed as contingent liabilities described in Note 14, 29 and 40 below)

(₹ in Lakhs)

Particular	As at	
	March 31, 2024	March 31, 2023
Income tax	156,049.02	134,482.15
Medical negligence and related	36,271.04	46,049.30
Value Added Tax and luxury tax	6,972.58	7,109.58
Customs	165.24	165.24
Service Tax & GST	8,026.43	3,726.50
Others (refer note 14 (II) (iii))	54,667.46	55,441.98
Grand Total	**262,151.77**	**246,974.75**

i. On February 28, 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. The Group has assessed that it is only possible but not probable, that outflow of economic resources will be required.

14. OTHER LITIGATIONS AND CLAIMS ASSESSED AS CONTINGENT LIABILITIES AND NOT PROVIDED FOR, UNLESS OTHERWISE STATED:

I. A Civil Suit filed by a Party ("Plaintiff") before the District Court, Delhi in February 2018 against various entities including the Company (together "the defendants") has been dismissed due to non-prosecution on 24 November 2023. It was filed against the Company/ its diagnostic subsidiary & other entities seeking declaration that it has implied ownership of brands "Fortis", "SRL" and "La-Femme" and for restraining the defendants from alienating, encumbering, taking adverse action w.r.t. the same. Further, in the year 2018, the Company had received four notices from the abovenamed Plaintiff claiming (i) ₹ 180,000 thousands as per notices dated May 30, 2018 and June 01, 2018 (ii) ₹ 2,158,200 thousands as per notice dated June 04, 2018; and (iii) ₹ 196,200 thousands as per notice dated June 04, 2018. All these notices were responded to by the Company denying any liability whatsoever. The Learned District Court had passed an ex-parte order that any transaction done in favour of a third- party affecting interest of the Plaintiff shall be subject to orders passed in the civil suit. With the dismissal of the suit, the ex-parte order stands vacated.

A Third Party who had applied for being substituted in place of the Plaintiff, had approached the Hon'ble Delhi High Court for seeking certain interim reliefs against the Company under the provisions of The Arbitration and Conciliation Act, 1996 and had also filed a claim for damages and injunctive reliefs

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd.)

against the Company before International Chamber of Commerce (ICC). The Company had 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 were withdrawn by Third Party on February 24, 2020. Further, arbitration before ICC had also been withdrawn by Third Party on February 23, 2020 and the same was closed by ICC on February 28, 2020. The Company 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 dated December 06, 2017 ('Term Sheet') had 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 an assignee of the above named Third Party 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 was never 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 learnt that the case had been filed for alleged violation of, inter-alia, the U.S. Racketeer, Influenced and Corrupt Organisations Act, copyright infringement, tortious interference with contracts, etc. and Party had claimed damages in excess of US$ 6.5 Billion against all the defendants. Company also made disclosure about this case to stock exchange. Vide order dated September 07, 2022, case has been dismissed by United States District Court, New Jersey on grounds of forum non convenience. During the year ended March 31, 2023 another Party, claiming to be an assignee of the Third Party initiated arbitration proceedings wherein an ex-parte Interim Award was passed which was subsequently terminated by the Learned Arbitrator. Neither any notice nor any statement of claim has been received by the Company of the arbitration proceedings. Company will seek legal advice and pray for dismissal of this arbitration proceedings, as and when served. Company has filed a Civil Suit against the said third party and others inter alia challenging their locus and seeking permanent injunction against their actions, which is sub-judice before the Hon'ble High Court of Delhi.

Separately, the Third Party had also alleged rights to invest in the Company. It had 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 the reporting package 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

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

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd.)

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. There was a net tax demand of ₹ 4,748.99 Lakhs for earlier assessment year (₹ 5,801.87 Lakhs as at March 31, 2023) after adjusting ₹ 18,220.07 Lakhs (₹ 17,167.19 Lakhs for March 2023) maintained in an escrow account out of sale consideration payable by the holding Company to the erstwhile promoters of EHIRCL. Further, as per the Share Purchase Agreement, one third of any excess of the net demand, amounting to ₹ 1,583.00 Lakhs (March 31, 2023: ₹ 1,933.96 Lakhs) after adjusting the recovery from escrow account, would be borne by the said erstwhile promoters of EHIRCL and the rest by EHIRCL. During the year ended March 31, 2015, the Commissioner of Income Tax (Appeals) decided the appeals in favor of the EHIRCL. Income Tax Department had filed appeals before Income Tax Appellate Tribunal (ITAT) and during the year ended March 31, 2020, ITAT decided the appeals in favor of EHIRCL.

Income Tax Department has contested the decision of ITAT before the Hon'ble High Court of Delhi. During the current year, the appeal of the department in respect of one of the matters involving an amount of ₹ 12,437.00 Lakhs has been dismissed by Hon'ble High Court. The statutory timeline for appeal by the department before Hon'ble Supreme Court is yet to lapse.

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 Lakhs 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 Lakhs for the period till FY 2006-07, 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 09, 2016 directing EHIRCL to deposit ₹ 50,336 Lakhs 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 Lakhs. This order was challenged by EHIRCL before the Delhi High Court and the Court vide order dated June 01, 2018 had issued notice and directed that no coercive steps may be taken subject to EHIRCL depositing a sum of ₹ 500 Lakhs before the concerned authority. EHIRCL deposited ₹ 500 Lakhs 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.

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

14. Other litigations and claims assessed as contingent liabilities and not provided for, unless otherwise stated: (Contd.)

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. The Group has received a claim of ₹ 935.00 Lakhs from an ex-employee alleging certain dues payable by the Group to him in respect to his variable pay, provident fund and ESOPs. The ex-employee has also filed a similar claim of ₹ 1,923.04 Lakhs with respect to certain Technology transfer amounts allegedly due to him. Subsequently, the claimant has filed a petition with National Company Law Tribunal (NCLT) and revised his claim amount to ₹ 3,637.80 Lakhs. The Group has filed the response to the petition on merits submitting that the Petition is not maintainable either under facts or law. Accordingly, no adjustment is required to these Consolidated Financial Statements. The matter is currently pending with National Company Law Tribunal.

V. 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. Petition has been filed by the doctor before the Hon'ble High Court of Punjab and Haryana for quashing of the said FIR. 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 Lakhs alleging wrongful death of the patient and ₹ 10,000 Lakhs towards a fund to be set up in the name of the patient for treatment of under privileged pediatric cases. Company contested the said demand. Writ Petition has been dismissed as withdrawn and stands disposed of.

VI. Agilus Pathlabs Private Limited (formerly SRL Diagnostics Private Limited) 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.

15.

During the previous year, a Composite Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013 which provides for merger of Fortis Emergency Services Limited, Birdie & Birdie Realtors Private Limited, Fortis Health Management (East) Limited and Fortis Cancer Care Limited with Fortis Hospitals Limited (FHsL) ("Scheme") (one of the wholly owned subsidiaries of the Company), has been approved by the Board of Directors and Shareholders of the Holding Company, subject to requisite approval(s). The application is subject to the approval of National Company Law Tribunal (NCLT).

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

16. EMPLOYEE STOCK OPTION PLAN

i. A subsidiary (Agilus Diagnostics Limited or 'ADL') has provided share-based payment scheme to the eligible employees and then directors of ADL, its subsidiary, Fortis Healthcare Limited (holding company) and RHC Holding Private Limited. The shareholders of ADL granted approval to 'Super Religare Laboratories Limited Employee Stock Option Plan 2009' and 'SRL Limited Employee Stock Option Scheme 2013'. ADL has granted these options under Equity Settlement method and there are no conditions for vesting other than continued employment with the respective company. 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 02, 2015	November 08, 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 20, 2013	September 20, 2013	September 20, 2013	September 20, 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	August 22, 2009 to August 21, 2012	September 30, 2016 to September 30, 2018	November 02, 2018 to November,01 2020	November 07, 2019 to November 07, 2021	March 22, 2020 to March 22, 2022	May 26, 2020 to May 26, 2022	August 02, 2020 to August 02, 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

The details of activity under the Plan have been summarised below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Options	Weighted Average exercise price (₹ in Lakhs)	Number of Options	Weighted Average exercise price (₹ in Lakhs)
Outstanding at the beginning of the year	784,709	174.24	784,709	174.24
Granted during the year	-	-	-	-
Vested during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited/ Cancelled during the year	-	-	-	-
Reinstated during the year	-	-	-	-
Outstanding at the end of the year	784,709	174.24	784,709	174.24
Exercisable option at the end of the year	784,709	174.24	784,709	174.24

16. Employee Stock Option Plan (Contd.)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Options	Weighted Average exercise price (₹ in Lakhs)	Number of Options	Weighted Average exercise price (₹ in Lakhs)
Weighted average remaining life (years)**	-	-	-	-
Range of exercise price (₹)	-	40-428	-	40-428

**ADL has extended the exercise period of all outstanding options (Grant I and Grant III) 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. ADL has recognised (income)/ expense in relation to employee stock option plan of ₹ Nil (previous year ₹ Nil).
2. On the date of transition to Ind AS (i.e. 01 April 2015), ADL 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 (Contd.)

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" (till August 01, 2023) and "Escorts Heart Institute and Research Centre Limited PF Trust" which is recognised by the income tax authority (refer note below) and rest payment is made to provident fund commissioner.

The Group recognised ₹ 5,134.14 Lakhs (previous year ₹ 4,582.11 Lakhs) 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 summarises the components of net benefit expenses recognised in the Statement of Profit and Loss and the amounts recognised in the Balance Sheet.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
i. Movement in net liability		
Present value of obligation at the beginning of the year	12,406.07	10,860.05
Current service cost	1,575.77	1,396.23
Interest cost	866.07	692.73
Amount recognised to OCI (actuarial (gain)/loss)	215.18	834.00
Obligation transferred (to)/ from disposal/ acquisition	(577.52)	7.19
Benefits paid	(1129.55)	(1,384.13)
Present value of obligations at the end of the year	**13,356.02**	**12,406.07**
Amounts in the Balance Sheet		
(a) Liabilities	13,356.02	12,406.07
(b) Assets	(648.24)	(731.12)
(c) Net liability/(asset) recognised in the balance sheet	**12,707.78**	**11,674.95**
Current liability	1,291.43	1,451.97
Non-current liability	11,416.35	10,222.98
ii. Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	731.12	624.87
Return on plan assets	31.52	44.29
Contributions by employer	75.56	99.41
Transfer out	(78.60)	-
Benefit payments	(111.36)	(37.45)
Closing value of plan assets	**648.24**	**731.12**

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

17. Employee Benefits Plan: (Contd.)

iii. Expense recognised in Statement of Profit and Loss is as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount recognised in employee benefit expense		
Service cost	1,575.77	1,396.23
Total	**1,575.77**	**1,396.23**
Amount recognised in finance cost		
Interest cost	866.07	692.73
Total	**866.07**	**692.73**
Grand Total	**2,441.84**	**2,088.96**

iv. Expense recognised in Statement of Other comprehensive income is as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net actuarial loss due to changes in demographic assumptions	6.06	-
Net actuarial loss / (gain) due to experience adjustment recognised during the year	(107.46)	1,191.16
Net actuarial (gain)/ loss due to assumptions changes recognised during the year	298.42	(356.05)
Net return on plan assets (excluding interest income)	18.16	(1.11)
(Income)/ Expense	**215.18**	**834.00**

The Principal assumptions used in determining gratuity obligation for the Group's plan are shown below:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discounting rate (p.a.)	6.10%-7.40%	6.10%-7.40%
Expected salary increase rate (p.a.)	6.00%-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	upto 16.00%	upto 16.00%
Weighted average duration of the defined benefit obligation	9 years	9 years
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 (Contd.)

17. Employee Benefits Plan: (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.5% to 1%	3,752.70	4,211.35	3,305.81	3,714.98
Change in salary increase rate by 1%	4,632.58	3,970.22	4,140.83	3,686.27
Change in withdrawal rate by 1% to 5%	3,820.71	3,822.22	3,300.29	3,265.58

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 March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2027	Year ended March 31, 2028	Year ended March 31, 2029 to year ended March, 31, 2034
1,484.44	1,874.70	1,272.26	1,365.78	10,001.49

Provident Fund:

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Such contribution for the current year are ₹ 486.85 Lakhs (previous year ₹ 855.44 Lakhs). 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.

During the current year, the holding Company has surrendered the recognition granted to PF Trust in the name of Fortis Healthcare Limited Provident Fund Trust (FHL PF Trust) effective August 01, 2023. As such, the entire corpus in respect of all the active and inactive employees was transferred out to the office of Regional Provident Fund Commissioner (RPFC), Delhi (South).

Key assumptions and other disclosures are as follows:

(₹ in Lakhs)

Assumptions:	March 31, 2024	March 31, 2023
Discount rate (p.a.)	7.00% p.a.	7.25% p.a.
Expected return on exempt fund	8.50% p.a.	8.15% - 8.50% p.a.
Expected EPFO return	8.25% p.a.	8.10%-8.15% p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

17. Employee Benefits Plan: (Contd.)

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 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)

Provident fund scheme	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation (DBO)	10,816.92	27,139.00
Fair Value of Plan Assets (FVA)	10,887.09	27,877.08
Funded status {Surplus/(Deficit)}	**70.17**	**738.08**

The Defined Benefit Obligation as at March 31, 2024 includes obligation in respect of Interest Guarantee Shortfall in future. The obligation for Interest Guarantee Shortfall as at March 31, 2023 is ₹ 484.37 Lakhs.

Asset allocation

(₹ in Lakhs)

Asset Category	As at March 31, 2024	As at March 31, 2023
Government of India Securities (Central and State)	49.49%	53.14%
High quality corporate bonds (including Public Sector Bonds)	34.20%	36.60%
Mutual Funds	11.56%	10.00%
Cash (including Special Deposits)	4.75%	0.26%
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 maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings, interest accrued and lease liabilities as detailed in notes 6(xvii), 6(xviii) and 10 respectively 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. Amongst other things, the Groups' objective for capital management is to ensure that it maintains stable capital management by monitoring the financial covenants attached to the interest bearing loans and borrowings. The gearing ratio at March 31, 2024 is as follows:

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

18. Financial instruments (Contd.)

Gearing ratio

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt*	115,770.69	92,745.60
Cash and cash equivalents [refer note 6(xii)]	(23,526.79)	(14,108.25)
Net debt	**92,243.90**	**78,637.35**
Total equity	**8,55,613.77**	**8,10,038.80**
Net debt to equity ratio	**10.78%**	**9.71%**

*Debt is defined as long-term and short-term borrowings (including lease liabilities, interest accrued and due on borrowings and excluding derivative).

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 upto 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:

(₹ in Lakhs)

Particulars	Foreign Currency	March 31, 2024		March 31, 2023	
		Foreign Currency Amount	Rupees	Foreign Currency Amount	Rupees
Trade payables	US$	4.01	334.32	3.44	282.19
	Euro	-	-	-	0.03
	AED	-	-	14.37	321.38
Cash and bank balances	US$	3.01	250.88	1.29	105.52
	SGD	18.38	1,134.17	0.17	10.57
	AED	0.01	0.13	10.00	223.58
	LKR	43.58	12.10	176.48	44.05
Trade receivables	US$	28.43	2,370.86	28.68	2,354.75
	AED	-	-	5.49	122.86
Loan Payables (Borrowings)	AED	5.96	135.33	6.09	136.07

19. Financial risk management objectives (Contd.)

Foreign currency sensitivity analysis

The group is mainly exposed to US$, SGD, LKR & AED 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% change in foreign currency rates. This analysis assumes that all other variables, in particular, interest rates, remain constant. 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.

If increase by 5%

(₹ in Lakhs)

Currency	Increase / (decrease) in profit or loss for the year		Increase / (decrease) in total equity	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
US$	(114.37)	(108.90)	(74.41)	(70.85)
SGD	(56.71)	(0.53)	(36.89)	(0.34)
AED	6.76	(5.55)	4.40	(3.61)
LKR	(0.60)	(2.20)	(0.39)	(1.43)

If increase by 5%

(₹ in Lakhs)

Currency	Increase / (decrease) in profit or loss for the year		Increase / (decrease) in total equity	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
US$	114.37	108.90	74.41	70.85
SGD	56.71	0.53	36.89	0.34
AED	(6.76)	5.55	(4.40)	3.61
LKR	0.60	2.20	0.39	1.43

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 Group 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.

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

19. Financial risk management objectives (Contd.)

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 Lakhs) **	Maturity: Up to 12 months Nominal Amount* (₹ In Lakhs)	Maturity: More than 12 months Nominal Amount* (₹ In Lakhs)
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
US$/₹ Buy forward	5	1,871.14	1,874.27	-

Outstanding Contracts*	No. of Deals	Contract value of foreign Currency (In Lakhs) **	Maturity: Up to 12 months Nominal Amount* (₹ In Lakhs)	Maturity: More than 12 months Nominal Amount* (₹ In Lakhs)
	As at March 31, 2023	As at March 31, 2023	As at March 31, 2023	As at March 31, 2023
US$/₹ Buy forward	7	3,447.42	3,470.31	-

* Computed using average forward contract rates.

** Sensitivity on the above forward contracts in respect of foreign currency exposure is insignificant.

Currency Option Contracts

The Group uses currency options for hedging financial risks that arise from its commercial business activities. The Group manages its foreign currency risk by hedging transactions that are expected to occur for hedges of forecasted purchases and capital expenditures. When a contract is entered into for the purpose of being a hedge, the Group negotiates the terms of those contracts 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.

The following table details the option contracts outstanding at the end of the reporting period:

Outstanding Contracts	No. of Deals	Option premium paid (In Lakhs)	Nominal Amount (US$. In Lakhs)
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
US$/₹ Buy Option	1	56.10	16.50
US$/₹ Buy Option	1	53.29	16.50

The Group had entered into option contracts with Axis Bank for purchase of machinery (MR-Linac) of which contract amounting to US$ 16.50 Lakhs has expired on January 29, 2024.

19. Financial risk management objectives (Contd.)

Outstanding Contracts	No. of Deals	Option premium paid (In Lakhs)	Nominal Amount (US$. In Lakhs)
	As at March 31, 2023	As at March 31, 2023	As at March 31, 2023
US$/₹ Buy Option	1	56.10	16.50
US$/₹ Buy Option	1	53.29	16.50
US$/₹ Buy Option	1	48.51	16.50

The Group had entered into option contracts with DBS Bank and HSBC for purchase of machinery (MR-Linac, Ultrasound & Cath lab).

Interest rate risk management

The Group is exposed to interest rate risk because Group borrows 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 Lakhs)

If increase by 50 basis point	Interest impact	
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Increase / (decrease) in profit or loss for the year	(422.84)	(346.00)
Increase / (decrease) in total equity	(275.09)	(225.10)
If decrease by 50 basis point	**Interest impact**	
Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Increase / (decrease) in profit or loss for the year	422.84	346.00
Increase / (decrease) in total equity	275.09	225.10

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.

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

19. Financial risk management objectives (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	53,619.95	54,391.97
Loss allowance recognised/ (utilised)	(35.40)	(772.02)
Balance at the end of the year	53,584.55	53,619.95

The Group held cash and cash equivalents and other bank balances of ₹ 59,839.64 Lakhs at March 31, 2024 (March 31, 2023: ₹ 36,272.70 Lakhs). The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties, which have high credit ratings assigned by credit-rating agencies.

The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

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, 2024

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (Term Loan)	64,478.27	15,215.00
HSBC Bank (Overdraft/ Short Term Loan)	23,100.00	14,906.21
DBS Bank (Term Loan)	3,266.53	-
DBS Bank (Overdraft/ Short Term Loan)	2,700.00	2,700.00
Axis Bank (Term Loan)	28,331.25	8,145.00
Axis Bank (Overdraft/ Short Term Loan)	9,000.00	8,900.89
Kotak Bank (Overdraft/ Short Term Loan)	100.00	100.00
ICICI (Term Loan)	15,000.00	-
ICICI (Overdraft/ Short Term Loan)	1,500.00	1,500.00
Other Bank (Term Loan)	1,122.49	-
Others Bank (Overdraft/ Short Term Loan)	100.00	100.00
Grand Total	**148,698.54**	**51,567.10**

19. Financial risk management objectives (Contd.)

As at March 31, 2023

(₹ in Lakhs)

Particulars	Sanctioned limit	Undrawn limit
HSBC Bank (Term Loan)	55,632.16	19,063.00
HSBC Bank (Overdraft/ Short Term Loan)	30,000.00	19,850.02
DBS Bank (Term Loan)	8,644.58	2,405.68
DBS Bank (Overdraft/ Short Term Loan)	5,500.00	5,499.70
Axis Bank (Term Loan)	16,331.25	-
Axis Bank (Overdraft/ Short Term Loan)	10,000.00	10,000.00
Kotak Bank (Overdraft/ Short Term Loan)	100.00	100.00
ICICI (Term Loan)	97.73	-
Other Bank (Term Loan)	806.55	-
Others Bank (Overdraft/ Short Term Loan)	100.00	100.00
Grand Total	**127,212.27**	**57,018.40**

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 ₹ 59,839.64 Lakhs (gross of bank and book overdraft) and unutilised borrowing facilities sanctioned by banks amounting to ₹ 139,026.73 Lakhs.

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 Lakhs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at March 31, 2024				
Borrowings (current and non-current)	18,197.49	90,951.13	1,09,148.62	85,829.76
Lease liabilities (current and non-current)	7,418.51	37,140.00	44,558.51	29,671.96
Trade payables	72,779.19	-	72,779.19	72,779.19
Other financial liabilities (current and non-current) other than put option	32,308.60	80.05	32,388.65	32,388.65
Put option [refer note 12(b)]	1,69,600.00	-	1,69,600.00	1,69,600.00
Total	**3,00,303.79**	**1,28,171.18**	**4,28,474.97**	**3,90,269.56**

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

19. Financial risk management objectives (Contd.)

(₹ in Lakhs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
As at March 31, 2023				
Borrowings (current and non-current)	7,580.86	69,015.76	76,596.62	70,488.50
Lease liabilities (current and non-current)	6,690.15	49,461.40	56,151.55	22,257.10
Trade payables	71,428.69	-	71,428.69	71,428.69
Other financial liabilities (current and non-current) other than put option	20,656.37	2,051.45	22,707.82	22,707.82
Put option [refer note 12(b)]	-	159,100.00	159,100.00	159,100.00
Total	**1,06,356.07**	**2,79,628.61**	**3,85,984.68**	**3,45,982.11**

The Group has a secured bank loan that contains a loan covenant. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Borrowings from Axis Bank Limited, DBS Bank Limited, HSBC Bank Limited and ICICI Bank Limited will become repayable on demand if the Group's EBIDTA to loan ratio exceeds 4. Additionally, for facility from ICICI Bank, Debt Service Coverage Ratio (DSCR) for Fortis Hospitals Limited should be more than / equal to 1.1x. Under the agreements, the covenants are monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreements.

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.

As at March 31, 2024

(₹ in Lakhs)

Particulars	Note	Carrying Value			Fair value measurement using
		Fair value through profit and loss (FVTPL)	Amortised cost	Total	Level 3
Financial assets					
Loans (Non-current)	(b)	-	148.27	148.27	-
Other financial assets (Non-current)	(b)	-	5,340.05	5,340.05	-
Trade receivables (including unbilled receivables)	(a)	-	62,782.94	62,782.94	-
Cash and cash equivalents	(a)	-	23,526.79	23,526.79	-
Other bank balances	(a)	-	36,312.85	36,312.85	-
Loans (current)	(a)	-	158.34	158.34	-
Other financial assets (current)	(d)/(a)	62.82	3,700.23	3,763.05	62.82
Total		**62.82**	**1,31,969.47**	**1,32,032.29**	**62.82**
Financial Liabilities					
Borrowings – non-current	(c)	-	74,085.22	74,085.22	-
Borrowings – Current	(a)	-	11,744.54	11,744.54	-
Lease liabilities -- Non-Current	(e)	-	24,496.96	24,496.96	-
Lease liabilities – Current	(e)	-	5,175.00	5,175.00	-
Trade payables – Current	(a)	-	72,779.19	72,779.19	-
Other financial liabilities – Non-Current	(a)	-	80.05	80.05	-
Other financial liabilities – Current	(b)/ (d)	1,69,601.10	32,307.50	2,01,908.60	1,69,601.10
Total		**1,69,601.10**	**2,20,668.46**	**3,90,269.56**	**1,69,601.10**

20. Fair value measurement (Contd.)

As at March 31, 2023

(₹ in Lakhs)

Particulars	Note	Carrying Value			Fair value measurement using*
		Fair value through profit and loss (FVTPL)	Amortised cost	Total	Level 3
Financial assets					
Loans (Non-current)	(b)	-	90.62	90.62	-
Other financial assets (Non-current)	(b)	-	4,918.05	4,918.05	-
Trade receivables (including unbilled receivables)	(a)	-	58,160.79	58,160.79	-
Cash and cash equivalents	(a)	-	14,108.25	14,108.25	-
Other bank balances	(a)	-	22,164.45	22,164.45	-
Loans (current)	(a)	-	161.67	161.67	-
Other financial assets (current)	(d)/(a)	169.54	2,989.27	3,158.81	169.54
Total		**169.54**	**1,02,593.10**	**1,02,762.64**	**169.54**
Financial Liabilities					
Borrowings – non-current	(c)	-	57,222.12	57,222.12	-
Borrowings – Current	(a)	-	13,092.93	13,092.93	-
Lease liabilities – Non-Current	(e)	-	18,263.17	18,263.17	-
Lease liabilities – Current	(e)	-	3,993.93	3,993.93	-
Trade payables – Current	(a)	-	71,428.69	71,428.69	-
Other financial liabilities – Non-Current	(b)/ (d)	1,59,100.00	2,051.45	1,61,151.45	159,100.00
Other financial liabilities – Current	(d) /(a)	22.15	20,807.67	20,829.82	22.15
Total		**1,59,122.15**	**1,86,859.96**	**3,45,982.11**	**1,59,122.15**

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, 2024 and March 31, 2023.

Financial instruments measured at amortised 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.

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

20. Fair value measurement (Contd.)

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 amortisation (EV/ EBITDA) multiple. As at March 31, 2024, the weighted average EV/ EBITDA multiple has been determined at 26.7x (previous year 29.3x).

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 Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Compound average net sales growth rate	7%	5%
EV/ EBITDA multiple used for terminal value	26.70x	29.34x
Discount rate	15.41%	16.00%

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 Lakhs)

Increase/ (decrease) in fair value	As at March 31, 2024	As at March 31, 2023
EV/ EBITDA multiple		
Increase by 1x	5,800.00	4,800.00
Decrease by 1x	(5,800.00)	(4,800.00)
Discount rate		
Increase by 1%	(3,277.00)	(2,800.00)
Decrease by 1%	3,449.00	2,800.00

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, 2024 and March 31, 2023:

(₹ in Lakhs)

Particulars	Put option
As at April 01, 2022	**207,400.00**
Derecognition during the year (refer note 12 b)	48,300.00
As at March 31, 2023	**159,100.00**
Recognition during the year (refer note 12 b)	10,500.00
As at March 31, 2024	**169,600.00**

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

21. NON-CONTROLLING INTEREST

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations :

(₹ in Lakhs)

Particulars		Agilus Group	Malar Group	Other individually immaterial subsidiaries	Total
	NCI Percentage	**42.89%**	**37.29%**	-	-
(a)	Non-current assets	2,02,239.78	258.39	-	-
(b)	Current assets	49,680.75	11,329.21	-	-
(c)	Non-current liabilities	25,250.50	-	-	-
(d)	Current liabilities	27,864.01	635.78	-	-
	Net assets	**1,98,806.02**	**10,951.82**	**-**	**-**
	Net assets attributable to NCI/accumulated NCI	**85,267.90**	**4,083.95**	**(27.77)**	**89,324.08**
(a)	Revenue	1,39,167.74	6,802.48	-	-
(b)	Profit for the year	6,690.12	4,733.06	-	-
(c)	Other comprehensive income for the year	(104.66)	(2.77)	-	-
(d)	**Total comprehensive income for the year**	**6,585.46**	**4,730.29**	**-**	**-**
(e)	Profit allocated to NCI	2,869.39	1,764.97	-	-
(f)	OCI allocated to NCI	(44.89)	(1.03)	-	-
(a)	Cash flows from/ (used in) operating activities	11,317.55	(730.29)	-	-
(b)	Cash flows from/ (used in) investment activities	(7,499.81)	11,970.29	-	-
(c)	Cash flows from/ (used in) financing activities (dividends to NCI: nil)	(7,287.90)	(1,085.19)	-	-
(d)	Net increase (decrease) in cash and cash equivalents	(3,470.16)	10,154.81	-	-

As at March 31, 2023

(₹ in Lakhs)

Particulars		Agilus Group	Malar Group	Other individually immaterial subsidiaries	Total
	NCI Percentage	**42.89%**	**37.29%**	-	-
(a)	Non-current assets	1,86,102.54	5,352.47	-	-
(b)	Current assets	55,771.89	8,447.52	-	-
(c)	Non-current liabilities	20,020.11	4,207.23	-	-
(d)	Current liabilities	27,296.62	3,175.52	-	-
	Net assets	**1,94,557.70**	**6,417.24**	-	-
	Net assets attributable to NCI/accumulated NCI	**83,445.80**	**2,392.99**	**(26.22)**	**85,812.57**
(a)	Revenue	1,37,110.22	9,258.89	-	-
(b)	Profit for the year	11,663.57	(1,548.11)	-	-

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

21. Non-Controlling Interest (Contd.)

(₹ in Lakhs)

Particulars		Agilus Group	Malar Group	Other individually immaterial subsidiaries	Total
(c)	Other comprehensive income for the year	3.84	(47.80)	-	-
(d)	**Total comprehensive income for the year**	**11,667.41**	**(1,595.91)**	**-**	**-**
(e)	Profit allocated to NCI	5,002.51	(577.20)	-	-
(f)	OCI allocated to NCI	1.64	(17.92)	-	-
(a)	Cash flows from/ (used in) operating activities	19,351.18	560.99	-	-
(b)	Cash flows from/ (used in) investment activities	(10,754.11)	49.97	-	-
(c)	Cash flows from/ (used in) financing activities (dividends to NCI: nil)	(7,600.49)	(1,265.18)	-	-
(d)	Net increase (decrease) in cash and cash equivalents	996.58	(654.22)	-	-

Agilus Group includes the following entities:

(a) Agilus Diagnostics Limited

(b) Agilus Pathlabs Private Limited

(c) Agilus Pathlab Reach Limited

(d) Agilus Diagnostics FZ-LLC

(e) DDRC Agilus Pathlabs Limited

Malar Group includes the following entities:

(a) Fortis Malar Hospital Limited

(b) Malar Star Medicare Limited

22. EXCEPTIONAL GAIN

(a) The Company through its subsidiary Fortis Healthcare International Pte. Ltd. bought 64,120,915 shares @ 62 LKR total value in ₹ 19,762.82 Lakhs in year ended March 31, 2012 representing 28.60% of total equity of Lanka Hospital Corporation Plc, which is listed in Lanka Stock exchange.

During the current year, the management of the Group performed an impairment test for the carrying value of its investment in associate in Lanka Hospital Corporation Plc. The carrying value of its investment as on March 31, 2023 was ₹ 18,082.02 Lakhs in the consolidated financial statements post impairment recorded in earlier years of ₹ 3,130.66 Lakhs (previous year 10,491.65 Lakhs). A reversal of impairment loss of ₹ 888.97 Lakhs (previous year ₹ 7,360.99 Lakhs) has been recognised for the year ended March 31, 2024 to reflect the said carrying value to its likely recoverable value based on the published price quotation (Level 1 Fair value) as at March 31, 2024.

(b) On March 31, 2023, the Board of directors of the Company gave their consent to sell/transfer/dispose-off Arcot Road Hospital, Chennai as a going concern/ on slump sale basis on "as is where is" basis on such terms and conditions as per the draft business transfer agreement and with closure of points under discussion. During the current year, based on the final business transfer agreement with Sri Kauvery Medical Care (India) Limited, the Company consummated transaction for a sale consideration of ₹ 15,200 Lakhs (excluding other charges) and recorded an exceptional gain of ₹ 349.29 Lakhs. Also refer note 36(a).

(c) 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 Lakhs through equity shares, ₹ 1,300 Lakhs through Optionally Convertible Redeemable Preference Shares and amount of ₹ 168.33 Lakhs towards interest accrued. These amounts were impaired in earlier years.

22. Exceptional gain (Contd.)

During the current year, the Company received an amount of ₹ 80.00 Lakhs against the interest which was impaired earlier and recorded the same as an exceptional gain.

(d) During the current year, Fortis Malar Hospitals Limited ("Malar"), Fortis Health Management Limited ("FHML") and Hospitalia Eastern Private Limited, step down subsidiaries of the Company entered into Business Transfer Agreement ("BTA")/ Agreement to Sell ("ATS") with MGM Healthcare Private Limited ("MGM") for divestment of business operations pertaining to Malar Hospital (which also inter alia include land and building on which Malar Hospital is situated) and adjoining vacant lands. Based on approval of the shareholders of Malar, FHML, HEPL and the Company, the transactions were consummated during the year.

Based on above, an exceptional gain of ₹ 283.48 Lakhs recorded. Also refer note 36(b).

23. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013 and rules therein, some of 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 Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent by the Group during the year as approved by board	1,177.45	1,448.97
(ii) Amount of expenditure incurred, (includes administrative expenses of ₹ 18.20 Lakhs (Previous year ₹ 7.00 Lakhs)	1,177.45	1,448.97
(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	As per below note	(i) Contributed to IIT Madras engaged in conducting research in Science, Technology, Engineering and Medicine aimed at promoting Sustainable Development Goals (SDGS) (ii) Donation to Yuva unstoppable (for Education related activities). (iii) Contribution to Indian Council of Medical Research.
(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,	Donation to Fortis CSR Foundation of ₹ 50.00 Lakhs for Mamta Health Institute	-

Note: The Group has contributed to below CSR activities during the year:

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

23. Corporate Social Responsibility (Contd.)

- Contribution to Buddy4study India Foundation, Yuva Unstoppable engaged in Education Sector and Mamta Health Institute for Mother and Child (through Fortis CSR Foundation) (for educational related activities).
- Contributed to Society of Community Oriented Operational Links (SCHOOL) under the theme of Primary Healthcare Upgrade, the focus is on elevating healthcare facilities at Primary Health Centers (PHCs).
- Contribution to Healthcare Federation of India, Lord Education and Health Society, American Indian Foundation, PM Care and Sattva Media and Consulting Private Limited.
- Donated one Advanced Cardiac Life Support (ACLS) ambulance and two Basic Cardiac Life Support (BCLS) ambulances to the authorities in the district of Thiruvananthapuram to enhance the healthcare capabilities within the district, supporting prompt and effective emergency responses.
- Stipend to National apprenticeship promotion scheme (NAPS) trainees.
- Contribution to Indian Council of Medical Research.

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 utilise the money so received strictly in various CSR programs.

However, there are unutilised 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 unutilised amount of ₹ 182.00 Lakhs during the year ended March 31, 2021.

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 Lakhs)

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 Healthcare Limited	106.21%	908,716.47	30.91%	19,945.49	-18.52%	(33.05)	30.78%	19,912.44
	Subsidiaries								
	Indian								
1	Escorts Heart Institute And Research Centre Limited	7.76%	66,387.36	7.32%	4,720.54	-1.77%	(3.15)	7.29%	4,717.39
2	Fortis Hospitals Limited	-5.03%	(43,019.99)	24.25%	15,649.63	-14.87%	(26.54)	24.15%	15,623.09
3	Fortis Malar Hospitals Limited	1.28%	10,920.47	7.33%	4,728.22	-1.55%	(2.77)	7.30%	4,725.45
4	Malar Stars Medicare Limited	0.00%	31.35	0.01%	4.85	0.00%	-	0.01%	4.85
5	Fortis HealthStaff Limited	-0.18%	(1,570.72)	-0.19%	(120.08)	0.00%	-	-0.19%	(120.08)
6	Fortis Lafemme Limited	-0.02%	(138.45)	-0.06%	(37.77)	0.00%	-	-0.06%	(37.77)
7	Fortis Cancer Care Limited	-0.55%	(4,702.98)	-0.60%	(386.44)	0.00%	-	-0.60%	(386.44)
8	Fortis Health Management (East) Limited	-0.18%	(1,509.82)	-0.19%	(120.33)	0.00%	-	-0.19%	(120.33)
9	Hiranandani Healthcare Private Limited	0.82%	7,052.25	0.16%	106.21	2.32%	4.14	0.17%	110.35
10	Agilus Diagnostics Limited	16.24%	138,958.00	6.07%	3,917.66	-12.21%	(21.80)	6.02%	3,895.86
11	Agilus Pathlabs Private Limited	2.21%	18,922.73	1329.32%	2,372.43	-1.24%	(2.22)	3.66%	2,370.21
12	Agilus Pathlabs Reach Limited	0.02%	194.69	91.53%	163.36	1.04%	1.85	0.26%	165.21
13	DDRC Agilus Diagnostics Limited	2.09%	17,901.28	2562.06%	4,572.50	-39.37%	(70.26)	6.96%	4,502.24
14	Birdie and Birdie Realtors Private Limited	-1.68%	(14,404.38)	-0.34%	(221.87)	0.00%	-	-0.34%	(221.87)
15	Stellant Capital Advisory Services Private Limited	0.39%	3,358.69	-0.69%	(447.24)	-4.95%	(8.84)	-0.70%	(456.08)
16	Fortis Hospotel Limited	31.77%	271,841.56	35.72%	23,044.19	-3.72%	(6.63)	35.61%	23,037.56
17	Fortis Emergency Services Limited	-1.06%	(9,090.69)	-0.98%	(631.39)	0.00%	-	-0.98%	(631.39)

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

(₹ in Lakhs)

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	2.27%	19,416.25	4.30%	2,773.13	-2.04%	(3.64)	4.28%	2,769.49
19	International Hospital Limited	15.13%	129,454.69	20.34%	13,123.28	1.01%	1.81	20.29%	13,125.09
20	Hospitalia Eastern Private Limited	-2.21%	(18,869.27)	-4.59%	(2,959.47)	0.00%	-	-4.57%	(2,959.47)
21	Fortis Health Management Limited	-9.46%	(80,909.81)	-13.03%	(8,406.32)	-0.95%	(1.70)	-13.00%	(8,408.02)
	Foreign								
22	Fortis Asia Healthcare Pte Limited	-11.79%	(100,841.24)	-0.27%	(172.58)	-178.20%	(318.04)	-0.76%	(490.62)
23	Fortis Healthcare International Limited	0.23%	1,935.31	-0.03%	(17.48)	16.58%	29.60	0.02%	12.11
24	Fortis Global Healthcare (Mauritius) Limited	-5.05%	(43,206.20)	-2.37%	(1,532.30)	-361.07%	(644.40)	-3.36%	(2,176.70)
25	Agilus Diagnostics FZ-LLC	-0.17%	(1,431.37)	-0.29%	(188.31)	-6.86%	(12.24)	-0.31%	(200.55)
26	Mena Healthcare Investment Company Limited	-0.11%	(967.21)	0.00%	-	0.00%	-	0.00%	-
27	Medical Management Company Limited	0.10%	850.23	0.00%	-	0.00%	-	0.00%	-
28	RHT Health Trust Manager Pte Ltd	1.12%	9,556.23	-0.66%	(425.33)	-0.97%	(1.73)	-0.66%	(427.07)
	Associates (investment as per the equity method)								
	Foreign								
1	RHT Health Trust	0.31%	2,665.19	0.00%	(1.77)	21.67%	38.68	0.06%	36.91
2	Lanka Hospitals Corporate Plc	2.34%	20,049.59	1.49%	963.98	303.56%	541.76	2.33%	1,505.74

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

(₹ in Lakhs)

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
	Joint Ventures (as per the equity method)								
	Indian								
1	Fortis C-Doc Healthcare Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
2	Fortis Cauvery	0.01%	53.81	0.00%	-	0.00%	-	0.00%	-
	Foreign								
1	Agilus Diagnostics Nepal Private Limited	0.03%	250.32	-0.02%	(11.17)	0.00%	-	-0.02%	(11.17)
	Consolidation adjustments	-52.86%	(452,240.57)	-24.62%	(15,883.70)	402.11%	717.65	-23.44%	(15,166.05)
	Total	**100.00%**	**855,613.77**	**100.00%**	**64,521.91**	**100.00%**	**178.47**	**100.00%**	**64,700.38**
	Non-controlling interests in all subsidiaries								
	Indian								
1	Fortis Malar Hospitals Limited	0.47%	3,997.00	2.73%	1,763.15	-0.58%	(1.03)	2.72%	1,762.12
2	Malar Star Medicare Limited	0.01%	86.95	0.00%	1.81	0.00%	-	0.00%	1.82
3	Agilus Diagnostics Limited	9.97%	85,267.90	4.45%	2,869.39	-25.15%	(44.89)	4.37%	2,824.50
	Foreign								
4	Mena Healthcare Investment Company Limited, and Medical Management Company Limited	0.00%	(27.77)	0.00%	-	0.00%	-	0.00%	-
	Total		**89,324.08**		**4,634.36**		**(45.92)**		**4,588.44**

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

27. INVESTIGATION INITIATED BY THE ERSTWHILE AUDIT AND RISK MANAGEMENT COMMITTEE:

A. Background

(i) 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 Lakhs (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 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 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 01, 2014 to September 30, 2018 involving additional matters by engaging independent experts with specialised 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 Lakhs 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 05, 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 Lakhs including interest accrued thereon of ₹ 4,260 Lakhs 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 authorisation 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 Lakhs before Hon'ble Delhi High Court against the Borrowers and few other entities which is pending adjudication. 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

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

having responded thereto. A First Information Report (FIR) was registered by EOW in July 2021 w.r.t. the above complaint. The investigation is underway.

(ii) The Company and its subsidiary Agilus Diagnostics Limited ('Agilus') (certificate of incorporation was issued by Office of the Registrar of Companies, Ministry of Corporate Affairs certifying the change of name from "SRL Limited" to "Agilus Diagnostics Limited" w.e.f. May 31, 2023) had paid security deposits and advances aggregating to ₹ 2,676 Lakhs 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 certificate (OC), the lease agreement/MOUs were either terminated by the Company or expired during the financial year 2017-18. Agilus 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 Lakhs 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 had issued legal notice demanding the outstanding. The subsidiary, Agilus, had filed criminal complaint in Mumbai against the private company under Section 138 of the Negotiable Instruments Act wherein its Directors and authorised representatives were directed to appear before District Court. This complaint is sub-judice.

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 Lakhs in the Consolidated Financial Statements for the year ended March 31,2018 and a further provision of ₹ 186 Lakhs was made in respect of expenditure accrued during the quarter ended June 30, 2018.

Further, Company and Agilus have filed their respective claims before Interim Resolution Professional (IRP) appointed by NCLT in a matter filed by one of creditors of Lessor. NCLT has approved the Resolution Plan. The Resolution Professional admitted the claim of the Company and Agilus as other creditors and in accordance with the terms of Resolution Plan decided that the payment made to the Company shall stand as ₹ Nil.

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. The investigation is underway.

(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 materialise. Of the total advance of ₹ 10,000 Lakhs, balance of ₹ 2,375 Lakhs 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 Lakhs 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 realisation 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 Lakhs 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 Lakhs 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 Lakhs 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 Lakhs 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. The investigation is underway.

(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 Lakhs from erstwhile promoter group company. Subsequently, FHsL advanced a loan to FESL, which was used to repay the outstanding unsecured loan amount of ₹ 215 Lakhs 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. The investigation is underway.

(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.

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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 Lakhs) 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 characterised 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 Lakhs 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 Lakhs 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 Lakhs 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 Lakhs 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 Lakhs and managerial remuneration was paid for the period January 2016 to May 2016, amounting to equivalent ~ ₹ 349 Lakhs. Further, remuneration paid in excess of Central Govt. approval by the Company for FY 2014-15 & FY 2015-16 amounting to ~ ₹ 528 Lakhs 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 Lakhs 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 Lakhs 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 Lakhs were paid towards ICDs at a rate of interest of 14% per annum and ₹7,725 Lakhs were paid for the shares acquired. The total enterprise value of Birdie was projected at ₹ 20,000 Lakhs based on the valuation report of land and building by an independent valuer. However, the equity valuation of ₹ 7,725 Lakhs was arrived based on a land and building valuation report by another valuer of ₹ 23,700 Lakhs 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 Lakhs were utilised 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 Lakhs, goodwill to the extent of ₹ 9,430 Lakhs 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 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. The investigation is underway. Enforcement Directorate is also investigating into the allegations made in the said FIR.

(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 Lakhs (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.

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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), confirming that an investigation has been instituted by SEBI in the matter of the Company. In the said 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 ₹ 47,300 Lakhs 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 ("Interim 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 the erstwhile promoters (and certain entities controlled by them) and misrepresentation in financial statements of the Company. Further, it inter alia directed the Company to take all necessary steps to recover ₹ 40,300 Lakhs along with due interest from erstwhile promoters and various other entities, as mentioned in the Interim Order. More importantly, the said entities had also been directed to jointly and severally repay ₹ 40,300 Lakhs along with due interest to Company within three months of the Interim order. Incidentally, the Interim 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.

The Company and its wholly owned subsidiary i.e. Fortis Hospitals Limited (FHsL) had then filed applications for modification of the Interim 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 Interim order dated October 17, 2018 deleting FHsL from the list of entities against whom the Interim 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, ("Confirmatory 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 Lakhs along with due interest from erstwhile promoters and various other entities, as mentioned in the Interim 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 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 Lakhs 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. The new promoter 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 that had got triggered pursuant to 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. SEBI passed an order dated April 19, 2022 w.r.t SCN -1 directing the Company & FHsL to pursue the measures taken to recover the amount of ₹ 39,712 Lakhs (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 ₹ 100.00 Lakhs and ₹ 50.00 Lakhs on Company and FHsL respectively. The Company and FHsL filed an appeal against the order dated April 19, 2022 before Hon'ble Securities Appellate Tribunal, Mumbai. On August 25, 2022, SEBI filed its affidavit in reply in the matter. Thereafter, the Company and FHsL filed a rejoinder to SEBI's reply. Appeal is pending adjudication. The Company & FHsL have deposited ₹ 50.00 Lakhs and ₹ 25.00 Lakhs respectively under protest with Hon'ble Securities Appellate Tribunal, Mumbai.

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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 was alleged that ₹ 56,700 Lakhs 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 was 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 had been clubbed along with the other noticees, and had 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 ₹ 39,712 Lakhs 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 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 had also imposed a penalty of ₹ 100 Lakhs on EHIRCL. EHIRCL filed an appeal against the order dated May 18, 2022 before Hon'ble Securities Appellate Tribunal, Mumbai. SEBI filed its response to which EHIRCL filed a rejoinder. Appeal is pending adjudication. EHIRCL has deposited ₹ 50 Lakhs under protest with Hon'ble Securities Appellate Tribunal, Mumbai.

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 was 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 is seeking information in relation to the Company, its subsidiaries, joint ventures and associates. The Company is submitting 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 quarter ended March 31, 2021 for any contingency that may arise from the aforesaid issues. 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. In connection with the brand transition in respect of Agilus, it is relevant to highlight that non-exclusive Brand License Agreement of the diagnostics business had expired on May 09, 2021. In May 2023, an application on behalf of a Judgment Debtor was filed in pending proceedings before Hon'ble High Court of Delhi, for restraining Agilus & the Company from abruptly dumping/discontinuing the brand 'SRL' and allied trademarks, appointment of an entity for valuation and sale of the 'SRL' and allied trademarks ("Former Brand") and directing Agilus to deposit an appropriate amount with the Hon'ble High Court till the sale of the Former Brand. On May 26, 2023, submissions on behalf of Agilus were recorded that the process of brand transition had already been initiated by the diagnostic business since year 2020 and it had been moving towards brand Agilus. Vide Order dated May 26, 2023 (26 May Order) High Court directed Agilus, the Company and brand owner to not to act in any manner to diminish the value of the brand SRL. Certificate of incorporation was issued by Office of the Registrar of Companies, Ministry of Corporate Affairs certifying the change of name from "SRL Limited" to "Agilus Diagnostics Limited" w.e.f. May 31, 2023. On June 02, 2023, an affidavit in compliance of order dated May 26, 2023 was filed on behalf of Agilus.

On June 02, 2023, Hon'ble High Court of Delhi appointed M/s Konverj - Zeus as valuer for valuation of brand 'SRL'. In the last week of June 2023, Decree Holder filed a Contempt Petition against Agilus, the Company and directors/KMPs of Agilus alleging that they have knowingly and willfully disobeyed the order dated May 26, 2023 passed by Hon'ble High Court of Delhi. No notice on this petition has been issued by Hon'ble Court. Affidavits have been filed by Agilus to support and substantiate that it is in compliance of the 26 May Order.

In September 2023, an ex-director of Headway Brands Private Limited (company which was the owner and licensor of the Former Brand) has filed an application dated September 14, 2023 before the Delhi High Court inter alia seeking payment of ₹ 36,200 Lakhs (approx.) as license fee and interest for use of the Former Brand, and that an inquiry be conducted into the impact of brand transition by Agilus on valuation of the Former Brand. The High Court by its order dated September 25, 2023, while issuing notice on the said application recorded the preliminary objections of Agilus that the application (i) is not maintainable and (ii) Agilus and Agilus Pathlabs are not necessary parties to the said application. Notice of the said application has been issued by the Court to all parties named therein for submission of their respective responses/ objections. Objections have been filed by Agilus.

Court appointed valuer M/s Konverj – Zeus has filed its report which has been objected to by Agilus and an affidavit, highlighting the deficiencies and illegality therein has been filed by Agilus on October 17, 2023 supported by reports of subject matter experts i.e. Ernst & Young and Osborne Partners who in their respective reports have pointed out that in preparation of report, M/s Konverj – Zeus has applied entirely incorrect and inappropriate valuation methodologies and has made reference to incorrect dates in arriving at conclusions set out in its report. Post the order of the Hon'ble Delhi High Court for public auction of SRL Brand, Court Commissioner has informed the Court that no prospective bidder turned-up and the public auction of the SRL Brand could therefore not be completed.

Further, as per the management and in consultation with external legal counsel it is believed that the Company has a strong case on merits and the likelihood of any impact on the consolidated financial statements is not expected to be material. The matter is pending adjudication.

30. The Board of Directors, after seeking inputs from reputed investment bankers, had approved an equity infusion of ₹ 400,000 Lakhs 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

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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. The Company had accordingly filed an application seeking for modification of the said order which has been disposed of pursuant to the judgement of the Hon'ble Supreme Court dated September 22, 2022.

Vide its judgement dated November 15, 2019, the Hon'ble Supreme Court had 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 order dated December 14, 2018. In this respect, the Hon'ble Supreme Court had 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 had 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 ("status Quo Order") 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 had impleaded SEBI as a party in the petition pending before it. SEBI had prayed for allowing the Mandatory Open Offer. Further, the Hon'ble Supreme Court of India had issued notice on application filed by a public shareholder of the Company seeking impleadment. NTK had also filed an application for impleadment, modification of the status quo order and for proceeding with Mandatory Open Offer.

Vide judgment dated 22nd September 2022 ("Judgement"), the Hon'ble Supreme Court of India disposed of Special Leave Petition (Civil) No. 20417 of 2017, Contempt Petition No. 2120 of 2018 in SLP (C) No. 20417 of 2019 and Suo Motu Contempt Petition (C) No. 4 of 2019, which includes the Petition in which the Status Quo Order dated December 14, 2018 had been issued. It had directed the Hon'ble High Court of Delhi inter alia that it may also consider issuing appropriate process and appointing forensic auditor(s) to analyse the transactions entered into between FHL and RHT and other related transactions. In so far as the acquisition of proprietary interests of RHT Health Trust by the Company is concerned, the Hon'ble Supreme Court observed that prima facie, it appears to be acquisition of proprietary interest to subserve the business structure of the Company, as suggested by IHH/NTK while observing that it is a matter to be enquired into and facts to be assessed in light of any forensic analysis, if the court so deems appropriate.

Pursuant to the Judgement, Hon'ble High Court of Delhi vide its order dated 18th October 2022 has directed Decree Holder to file an application defining contours of the forensic audit sought, which could thereafter be considered by the Delhi High Court. Decree Holder filed application(s) before Delhi High Court seeking appropriate directions in connection with forensic audit. Company has filed objections to the said request of the Decree Holder. Matter is pending adjudication.

In view of the legal positions/claim(s) and defence(s) available to the Company and basis external legal advice, the management believes that it has a strong case on merits. It is of the view that these transactions were 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 the requisite manner. Therefore, no adjustment is required in the Consolidated Financial Statements.

31. Further during the year ended March 31, 2021, 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 grant of 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 expired. As mentioned above, the Judgment has disposed of the Petitions and all applications thereunder, and the Company is evaluating the path ahead in consultation with its legal advisors with regard to the aforesaid brand transition.

32. 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, 2024 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 consolidated financial statement, particularly on the amount of tax expense and provision for taxation.

33. 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.

34. 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	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises (including payable against PPE)	16,211.40	12,938.97
-Interest due on above	95.81	25.25
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.	75.21	31.15
The amount of interest accrued and remaining unpaid at the end of each accounting year	241.06	88.08
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)]

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

35. Details of dividend by Company or subsidiaries is as below:

i. The Board of Directors of the Company, at its meeting on May 23, 2024, recommended a dividend at the rate of ₹ 1.00 per equity share (10% on face value of ₹ 10 per share) for the financial year ended March 31, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company and if approved, would result in a net cash outflow of approximately ₹ 7,549.58 Lakhs.

For the year ended March 31, 2023, the Company paid a dividend of ₹ 1.00 per equity share (10% on face value of ₹ 10 per share). This resulted in a cash outflow of ₹ 7,549.58 Lakhs.

ii. The Board of Directors of Agilus Diagnostics Limited, at its meeting on May 21, 2024, recommended a dividend at the rate of ₹ 1.69 per equity share on 784.26 lac shares having face value of ₹ 10 each (fully paid up) for the financial year ended March 31, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company and if approved, would result in a net cash outflow of approximately ₹ 1,325.39 Lakhs for Agilus Diagnostics Limited.

For the year ended March 31, 2023, the Company paid a dividend of ₹ 2.98 per equity share on 784.26 Lakhs shares having face value of ₹ 10 each (fully paid up). This resulted in a cash outflow of ₹ 2,337.08 Lakhs for Agilus Diagnostics Limited.

iii. The Board of Directors of Fortis Hospotel Limited, a wholly owned subsidiary of the Company, in its meeting held on May 20, 2024, proposed a final dividend of ₹ 1.5 per share in respect of year ended March 31, 2024. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company and if approved, would result in a net cash outflow of approximately ₹ 8,417.55 Lakhs.

iv. The Board of Directors of Agilus Pathlabs Private Limited ('APPL') in its meeting held on 26 July 2023 have declared an interim dividend of ₹ 29.52 per equity share for the current year. This resulted in net cash outflow of ₹ 1,168.46 Lakhs.

v. The Board of Directors of DDRC Agilus Pathlabs Limited ('DDRC') in its meeting held on 20 July 2023 have declared an interim dividend of ₹ 467.42 per equity share or the current year. This resulted in net cash outflow of ₹ 2,337.10 Lakhs.

vi. The Board of Directors of Fortis Malar Hospitals Limited ('FHML') in its meeting held on 12 April 2024 have declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) for the current year. The dividend was paid to members whose names appear in the register of members of the Parent Company and as beneficial owners in the depositories, as on the record date fixed for the purpose i.e., April 23, 2024. This resulted in net cash outflow of ₹ 7,496.70 Lakhs (including tax deducted at source) for FMHL.

Further, the Board of Directors of FMHL at its meeting held on May 17, 2024, has proposed a final dividend of ₹ 2.50 per equity share and if approved, would result in a net cash outflow of approximately ₹ 468.54 Lakhs.

vii. The Board of Directors of Malar Stars Medicare Limited, a wholly owned subsidiary of FMHL, at its meeting held on 29 March 2024 have declared an interim dividend of ₹ 400 per equity share (4000% on face value of ₹ 10 per share). The dividend was paid on April 02, 2024 and has resulted a net cash outflow of ₹ 200.00 Lakhs.

36. a) On March 31, 2023, the Board of directors of the Company gave their consent to sell/transfer/dispose-off Arcot Road Hospital, Chennai as a going concern/ on slump sale basis on "as is where is" basis on such terms and conditions as per the draft business transfer agreement and with closure of points under discussion.

During the current year, based on the final business transfer agreement with Sri Kauvery Medical Care (India) Limited, the Company consummated transaction for a sale consideration of ₹ 15,200 Lakhs (excluding other charges) and recorded an exceptional gain of ₹ 349.29 Lakhs.

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

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

(₹ in Lakhs)

Particulars	Amounts as at Disposal date July 11, 2023	Assets held for Sale as at March 31, 2023
Assets:		
Non-current assets:		
Property, plant and equipment	16,431.83	16,373.25
Capital work in progress	73.28	59.57
Right-of-use assets	6,988.68	6,988.68
Other intangible assets	-	7.07
Other financial assets	200.32	178.91
Deferred tax assets (net)	434.65	430.25
Other non-current assets	0.95	20.01
Total (A)	**24,129.71**	**24,057.74**
Current assets:		
Inventory	232.83	205.15
Trade receivables	661.39	749.88
Cash and cash equivalents	1.00	2.20
Other financial assets	1.39	2.18
Other current assets	539.28	552.63
Total (B)	**1,435.89**	**1,512.04**
Total assets (C = A + B)	**25,565.60**	**25,569.78**
Liabilities:		
Non-current liabilities:		
Lease liabilities	9,075.60	9,060.86
Provisions	82.79	81.09
Total (D)	**9,158.39**	**9,141.95**
Current liabilities		
Trade payables	1,463.12	1,599.10
Lease liabilities	112.27	107.96
Other financial liabilities	136.77	200.65
Provisions	6.52	29.52
Other current liabilities	62.06	152.66
Total (E)	**1,780.74**	**2,089.89**
Total liabilities (F = D + E)	**10,939.13**	**11,231.84**
Net assets transferred (G = C - F)	**14,626.47**	**14,337.94**
Consideration received (H)	15,200.00	-
Gross gain on slump sale transaction (I = H -G)	**573.53**	**-**
Less: Expenses in nature of 'Legal and professional fee' in relation to transaction (J)	(224.24)	-
Net gain on slump sale transaction (K = I - J)	**349.29**	**-**

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

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the acquired business into the Group's existing diagnostic business.

Statutory financial statements of the acquiree are not available for the period prior to acqusition hence it is impracticable to disclose revenue and profit or loss of the acquiree for the current reporting period as if the acquisition date for the business combination had been as of April 01,2023. Contribution of the above business in the current year's revenue and profit is also not available since the books of accounts are not separately maintained. None of the goodwill recognised is deductible for income tax purposes.

(b) The Group operated its healthcare business from Fortis Malar Hospital situated at Adyar Chennai ("Malar Hospital / undertaking") through its subsidiary Fortis Malar Hospitals Limited (FHML). FHML had a "Hospital and Medical Services Agreement" ("HMSA") with Fortis Health Management Limited ("FHML"), another subsidiary of the Company, w.r.t. rendering of certain medical and healthcare services in the hospital premises (including right to use of the hospital building).

Vide application dated May 29, 1999, FMHL had requested to the Chennai Metropolitan Development Authority ("CMDA") for regularisation of the aforesaid hospital premises which was rejected by CMDA by its Order dated 18 March 2016 (Rejection Order). Consequentially, CMDA served a "Lock & Seal" notice on May 03, 2016 stating that in view of Rejection Order, the construction at the site of the Hospital premises is unauthorised and called upon to restore the land to its original state within 30 days from the date of the notice. FMHL and FHML have continuously been taking bonafide steps to get the required clearances/ certificates, regularisation of the hospital building and issues related thereto.

However, above referred legacy issues gave rise to certain challenges for these subsidiaries and constrained further investments into the facility. The circumstances accentuated the need to divest the undertaking as a viable and prudent option in the interest of stakeholders.

Accordingly, during current year, FMHL, FHML and and Hospitalia Eastern Private Limited entered into a Business Transfer Agreement ('BTA')/ Agreement to Sell ('ATS') for divestment of business operations pertaining to Malar Hospital (which also inter alia include land and building on which Malar Hospital is situated) and adjoining vacant lands. As per BTA, the undertaking along with all related assets and liabilities (refer below) stands transferred and vested in MGM Healthcare Private Limited. Further, the HMSA with FMHL was automatically terminated post this transaction. Accordingly, the Group is no longer associated with the hospital building and related uncertainties such as pending regularisation and ongoing litigations related thereto.

Consequent to disposal of operations of Fortis Malar Hospital Limited, the goodwill related to the cash generating unit, Fortis Malar, has been fully impaired.

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

(₹ in Lakhs)

Particulars	Amounts as at disposal date
Assets:	
Property, plant and equipment	10,829.36
Other financial assets	69.74
Inventory	125.96
Trade Receivable	960.47
Other current assets	78.57
Total assets (A)	**12,064.10**

(₹ in Lakhs)

Particulars	Amounts as at disposal date
Liabilities:	
Trade Payables	1,710.52
Provisions	538.42
Other current liabilities	183.19
Total liabilities (B)	**2,432.13**
Net assets / (liabilities) transferred C = (A) - (B)	9,631.97
Consideration received/receivable	12,664.23
Gross gain / (loss) on Slump Sale	3,032.26
Less: Expenses incurred in relation to slump sale	(743.16)
Gain / (loss) on slump sale transaction presented under 'Exceptional Items'	**2,289.10**
Less: Goodwill written off	2,044.12
Add: Net gain on derecognition of leases	38.50
Net gain / (loss) on slump sale transaction presented under 'Exceptional Items'	**283.48**

Post this sale, the FMHL ceases to have any business operations. Currently, FMHL has no visibility of commencing any new business operations in the future, and the Board of Directors of FMHL, in consultation with its legal advisors/ merchant bankers, is evaluating various corporate restructuring options for the future possible course of actions for FMHL.

37. a) During the previous year, effective from July 1, 2022, the Group acquired R K Diagnostic, the whole pathology business vertical. The transaction was for a purchase consideration of ₹ 1,125.00 Lakhs. The amount shall be payable in three tranches ₹ 281.25 Lakhs payable on Effective Date, ₹ 562.50 Lakhs payable on or before Closing date and ₹ 281.25 Lakhs payable within 120 days from Closing Date. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 964.10 Lakhs has been recorded.

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	Fair Value
Trademark and non compete fees	101.10
Right of Use assets	28.57
Property, plant and equipment	59.80
Lease liability	(28.57)
Net assets acquired	**160.90**

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	Amount
Purchase consideration	1,125.00
Fair value of net identifiable assets	160.90
Goodwill	**964.10**

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

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non-compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non-compete is having useful life of 10 years.

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the entities into the Company's existing diagnostic business.

Statutory financial statements of the acquiree are not available for the period prior to acqusition hence it is impracticable to disclose revenue and profit or loss of the acquiree for the current reporting period as if the acquisition date for the business combination had been as of April 01, 2022. Contribution of the above business in the current year's revenue and profit is also not available since the books of accounts are not separately maintained. None of the goodwill recognised is deductible for income tax purposes.

b) During the previous year, effective from January 15, 2023, the Group acquired Dr Ponkshe Path Lab (Including care diagnostics), located at Ramdaspeth Nagpur, Maharashtra. The transaction was for a purchase consideration of ₹ 1,091.00 Lakhs. The amount is payable in two tranches. First tranche of ₹ 545.50 Lakhs has been paid during the year and the second tranche of ₹ 545.5 Lakhs is payable within 60 days from the expiry of the one year period on achievement of net revenue target. The transaction is accounted as a business combination and based on purchase price allocation performed, a goodwill of ₹ 814.00 Lakhs has been recorded.

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	Fair Value
Trademark and non compete fees	223.00
Softwares	1.43
Right of use assets	142.41
Property, plant and equipment	52.57
Lease liability	(142.41)
Net assets acquired	**277.00**

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	Amount
Purchase consideration (Including contingent consideration of ₹ 545.5 Lakhs)	1,091.00
Fair value of net identifiable assets	277.00
Goodwill	**814.00**

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non-compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non compete is having useful life of 9 years.

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the entities into the Group's existing diagnostic business.

Statutory financial statements of the acquiree are not available for the period prior to acquisition hence it is impracticable to disclose revenue and profit or loss of the acquiree for the current reporting period as if the acquisition date for the business combination had been as of April 01, 2022. The contribution of the above business in the current year's revenue and profit is also not available since the books of accounts are not separately maintained. None of the goodwill recognised is deductible for income tax purposes.

c) During the current year, effective from April 01, 2023, the Company acquired Deep Clinical Laboratories. The transaction was for a purchase consideration of ₹ 700.00 Lakhs (Fair value of ₹ 652.50 Lakhs). The amount shall be payable in three tranches ₹ 350.00 Lakhs payable on Effective Date, ₹ 175.00 Lakhs payable on the date of expiry of 6 months from the Closing date and ₹ 175.00 Lakhs payable within 60 days from the expiry of one-year period from the closing date on achievement of revenue target. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 592.26 Lakhs has been recorded.

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	**Fair Value**
Trademark and non compete fees	56.90
Right of use assets	151.97
Property, plant and equipment	2.75
Other Intangible assets	0.59
Lease liability	(151.97)
Net assets acquired	**60.24**

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	**Amount**
Purchase consideration (including contingent consideration of ₹ 127.51 Lakhs)	652.50
Fair value of net identifiable assets	60.24
Goodwill	**592.26**

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non-compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non compete is having useful life of 10 years.

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the acquired business into the Company's existing diagnostic business.

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

d) During the current year, effective from April 10, 2023, the Company acquired Lifeline Laboratores, located at Green park, New Delhi. The transaction was for a purchase consideration of ₹ 4,149.29 Lakhs (Fair value of ₹ 3,500.91 Lakhs). The amount is payable in two tranches. First tranche of ₹ 3,099.29 Lakhs has been paid during the year and second tranche of ₹ 1,050.00 Lakhs is payable on the final closing date on achievement on revenue target. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 2,996.16 Lakhs has been recorded.

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	Fair Value
Trademark and non compete fees	387.60
Net working capital	4.00
Right of use assets	113.25
Property, plant and equipment	113.15
Lease liability	(113.25)
Net assets acquired	**504.75**

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	Amount
Purchase consideration (including contingent consideration of ₹ 448.74 Lakhs)	3,500.91
Fair value of net identifiable assets	504.75
Goodwill	**2,996.16**

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non-Compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non compete is having useful life of 8 years.

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the acquired business into the Group's existing diagnostic business.

e) During the current year, effective from October 03, 2023, the Company acquired Dr. Gajendra Yadav Pathology Lab, located at Rewari, Haryana. The transaction was for a purchase consideration of ₹ 2,300.00 Lakhs (Fair value of ₹ 1,675.23 Lakhs). The amount is payable in two tranches. First tranche of ₹ 1,150.00 Lakhs has been paid during the year and second tranche of ₹ 1,150.00 Lakhs is payable within 60 days from the expiry of the one year from the closing date on achievement of revenue target. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 1,445.42 Lakhs has been recorded.

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

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	Fair Value
Trademark and non compete fees	153.50
Net working capital	5.70
Right of use assets	253.18
Property, plant and equipment	68.43
Other Intangible assets	2.18
Lease liability	(253.18)
Net assets acquired	**229.81**

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	Amount
Purchase consideration (including contingent consideration of ₹ 525.23 Lakhs)	1,675.23
Fair value of net identifiable assets	229.81
Goodwill	**1,445.42**

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non-Compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non compete is having useful life of 10 years.

The Goodwill is attributable mainly to the synergies expected to be achieved by integrating the acquired business into the Group's existing diagnostic business.

f) During the current year, effective from November 1, 2023, the Company acquired Pathocare Pathology Lab, located at Vadodara, Gujarat. The transaction was for a purchase consideration of ₹ 3,600.00 Lakhs (Fair value of ₹ 2,796.73 Lakhs). The amount is payable in three tranches. First tranche and second tranche of ₹ 825.00 Lakhs and ₹ 900.00 Lakhs has been paid during the year and third tranche of ₹ 1,875.00 Lakhs is payable within 60 days from the expiry of demonstration period (one year from the closing date) on achievement of EBITDA target. The transaction is accounted as business combination and based on purchase price allocation performed, a goodwill of ₹ 2,327.41 Lakhs has been recorded.

The following table summarises the recognised amount of assets acquired:

(₹ in Lakhs)

Particulars	Fair Value
Trademark and non compete fees	302.30
Net working capital	29.73
Right of use assets	260.04
Property, plant and equipment	137.28
Lease liability	(260.04)
Net assets acquired	**469.31**

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

Goodwill

Goodwill arising from acquisition has been determined as follows:

(₹ in Lakhs)

Particulars	Amount
Purchase consideration (including contingent consideration of ₹ 1,071.72 Lakhs)	2,796.72
Fair value of net identifiable assets	469.31
Goodwill	**2,327.41**

Property, plant and equipment

Cost approach has been adopted to estimate the fair value of Property, plant and equipment.

Non compete

The intangible asset related to non-compete has been valued using with or without method, which is form of the income approach. Non compete is having useful life of 12 years.

g) The Board of Directors of the Company at its meeting held on September 25, 2023 approved the acquisition of shareholding of Artistery Properties Private Limited (Artistery) at an enterprise value of ₹ 3,200 Lakhs, and payment of charges to Kolkata Metropolitan Development Authority ("KMDA") for change of land use and other levies. Artistery is in possession of a land parcel situated adjacent to Fortis Hospital, Anandpur, Kolkata under license from KMDA.

During the current year, the transaction was consummated on November 08, 2023 and the same has been accounted as asset acquisition as per Ind AS 103.

The following table summarises the assets and liabilities acquired:

(₹ in Lakhs)

Particulars	Amount
Property, Plant and Equipment	6.68
Right of use	4,802.52
Other financial assets	14.14
Other assets	14.00
Other liabilities	(68.17)
Net assets acquired	**4,769.17**

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

38. 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:

(₹ in Lakhs)

Name of the Company	Reason for continuous transactions	Nature of transaction	Balance outstanding as at March 31, 2024 (payable/ (advance))	Balance outstanding as at March 31, 2023 (payable/ (advance))	Transactions in FY 2023-24	Transactions in FY 2022-23
Abstract Waterproofing Private Limited	Business requirement	Purchase of material / services	-	-	4.71	-
Aniketshubham Private Limited	Business requirement	Purchase of material / services	3.65	3.65	-	-
Aquimed Devices Private Limited	Business requirement	Purchase of material / services	-	0.07	-	-
Ayuh-Meditech Solutions Private Limited	Business requirement	Purchase of material / services	-	0.46	-	-
Bingo Technologies Private Limited	Business requirement	Purchase of material / services	-	0.02	-	-
El Shaddai Integrated Solutions India Private Limited	Business requirement	Purchase of material / services	2.15	2.15	-	11.60
Enin Projects India Private Limited	Business requirement	Purchase of material / services	-	0.01	-	-
Enmax Global Technologies Pvt Ltd	Business requirement	Purchase of material / services	1.25	1.51	-	-
First Star Hotels Private Limited	Business requirement	Purchase of material / services	-	0.02	-	-
Ganga Tour And Travels Pvt Ltd	Business requirement	Purchase of material / services	(0.02)	-	11.14	-
Global Medi Advisors Private Limited	Business requirement	Purchase of material / services	-	(0.05)	-	-
Green Park Hotels And Resorts Ltd	Business requirement	Purchase of material / services	-	(0.05)	-	6.06
Indiavepro Medical Informatics (P) Ltd.,	Business requirement	Purchase of material / services	-	-	1.11	1.11
Indicure Health Tours Pvt Ltd	Business requirement	Purchase of material / services	-	-	6.14	-
J.M. Weightronix Pvt. Ltd.	Business requirement	Purchase of material / services	(0.04)	(0.04)	0.88	0.76
Medineel Healthcare (Opc) Private Limited	Business requirement	Purchase of material / services	-	0.23	-	-
Now N Next Concept Private Limited	Business requirement	Purchase of material / services	0.11	0.11	-	-
Orison Healthcare Solutions Private Limited	Business requirement	Purchase of material / services	-	2.10	-	-
Overseas Medical Services (India) Private Limited	Business requirement	Purchase of material / services	71.85	71.85	-	-

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

(₹ in Lakhs)

Name of the Company	Reason for continuous transactions	Nature of transaction	Balance outstanding as at March 31, 2024 (payable/ (advance))	Balance outstanding as at March 31, 2023 (payable/ (advance))	Transactions in FY 2023-24	Transactions in FY 2022-23
Rxpress Digimed Services Private Limited	Business requirement	Purchase of material / services	-	2.94	-	2.94
Safe Vacations Pvt Ltd.	Business requirement	Purchase of material / services	-	0.02	-	-
Thermadyne Pvt.Ltd.	Business requirement	Purchase of material / services	-	-	2.50	-
Thotwaves Innovations Private Limited	Business requirement	Purchase of material / services	(0.40)	(0.40)	-	-
Vision Medi Distributors India Ltd.	Business requirement	Purchase of material / services	-	(0.11)	-	-
VLS Healthcare Private Limited	Business requirement	Purchase of material / services	0.24	0.54	1.71	1.87
Wizzcare Home Health Solutions Private Limited	Business requirement	Purchase of material / services	(0.18)	-	-	-

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).

iv. 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.

v. 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.

vi. 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.

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

viii. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

39. During the current year, Trustee Manager of RHT Health Trust ("RHT"), an associate of the Company, filed an application before Hon'ble High Court of Singapore for winding-up of RHT. The Hon'ble Court has appointed liquidators for winding up of RHT. Further, RHT was delisted from the .Official List of the SGX-ST (Singapore) w.e.f. January 31, 2024.

40. Agilus Diagnostics Limited ("Agilus"), a subsidiary of the Company, on January 18, 2024, received a notice from the Anti-Corruption Branch, Government of National Capital Territory of Delhi, in respect of alleged anomalies in diagnostic tests conducted in Aam Aadmi Mohalla Clinic. Agilus had entered into an agreement with Directorate General of Health Services - Delhi Government ('DGHS') (the 'Agreement') to conduct diagnostic tests on the patients of the Aam Aadmi Mohalla Clinics. Under the Agreement and Standard Operating Procedure for Patient Related Processes, interacting with patients and collecting samples is the sole responsibility of staff at the Aam Aadmi Mohalla Clinics. Agilus has duly performed its obligation for the samples collected under the said Agreement and has recognised revenue for a total amount of ₹ 2,177.18 Lakhs till March 31, 2024, which is less than 2% of its revenue for the year ended March 31, 2024.

The revenue recognised during the year ended March 31, 2024 amounts to ₹ 1,647.65 Lakhs. As of that date, total receivables due amounts to ₹ 1,688.18 Lakhs and Agilus has only received a sum of ₹ 330.73 Lakhs from the DGHS. On January 18, 2024, Agilus received a communication from DGHS that it is undertaking thorough scrutiny and verification following which the balance payments, if found rightfully due, would be released. Considering delays in recovering the outstanding amounts as at March 31, 2024, Agilus has fully provided for them and recognised an impairment loss of ₹ 1,688.18 Lakhs [under other expense in the Consolidated Statement of Profit and Loss] in the current year.

Further, a termination notice has also been issued by Agilus on January 29, 2024, with 3 months' notice, expressing its inability to serve further because of non-payment of outstanding dues. Subsequent to the year end, on April 26, 2024, DGHS has requested Agilus to keep the termination notice in abeyance initially for three months so that DGHS has adequate time to select a new service provider or put in place an alternate arrangement. In response to the same, on May 01, 2024, Agilus has extended the provision of services for a further period of three months.

On May 10, 2024, Agilus received a notice from Central Bureau of Investigation, Anti-Corruption Branch, New Delhi asking for certain documents/information. Agilus has submitted the requested information on May 15, 2024.

Agilus has been fully co-operating with the respective authorities in connection with the aforesaid notices and has been providing documents and information as sought by them. Further, as per the management, it is believed that the likelihood of impact, if any, is low and is not expected to be material.

41. The healthcare business operates inter alia within two categories of entities within the Fortis Group i.e. operations entities and establishment entities. In order to consolidate the operations entities and establishment entities such that both operations and establishment of a hospital are housed in same entity, the Board of Directors of the Company consented to the demerger of certain healthcare operations from the operations entities into the establishment entities, which was also subsequently approved by the shareholders of the Company.

During the current year, the Board of Directors of the respective Companies have also approved this intra group restructuring by way of a Composite Scheme of Arrangement. The scheme is subject to the approval of National Company Law Tribunal (NCLT), Delhi and Chandigarh and proceedings in connection thereto are ongoing.

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 23, 2024

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/-
SATYENDRA CHAUHAN
Company Secretary
Membership No.: ACS 14783

SD/-
VIVEK KUMAR GOYAL
Chief Financial Officer

Place : Gurugram
Date : May 23, 2024

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Fortis

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Fortis Healthcare Limited
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https://www.instagram.com/fortis.healthcare

https://www.facebook.com/fortishealth

https://youtube/fortis_hospital