FMHL/SEC/AGM/2024 **July 9, 2024**

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code: 523696

Sub: **Notice of the 33rd Annual General Meeting and Annual Report for the Financial Year 2023-24**

Dear Sir/Madam,

This is to inform you that 33rd Annual General Meeting of the Company is scheduled to be held on Wednesday July 31, 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 33rd 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 33rd 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.

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

Event	Date	Time
Record date for payment of dividend	July 19, 2024	Not Applicable
Cut-off date to determine the eligibility of the shareholders to cast their votes on AGM resolutions	July 25, 2024	
Commencement of e-Voting	July 27, 2024	9.00 A.M (IST)
End of e-Voting	July 30, 2024	5.00 P.M (IST)
Annual General Meeting	July 31, 2024	2.00 P.M (IST)

The Notice of the 33rd AGM and the Annual Report are also being uploaded on the website of the Company at www.fortismalarhospital.com

This is for your information and record

Thanking you,

Yours faithfully,
For Fortis Malar Hospitals Limited

SRISHTY Digitally signed by SRISHTY Date: 2024.07.09 21:05:54 +05'30'

Srishty
Company Secretary & Compliance Officer
(Membership No. A62933)

FORTIS MALAR HOSPITALS LIMITED

CIN: L85110PB1989PLC045948

Regd. Office: Fortis Hospital, Sector 62, Phase VIII, Mohali, Punjab – 160062

Tel.: No.: +91 172 5096001 **Fax No.:** +91 172 5096002

Email Id: secretarial.malar@malarhospitals.in **Website:** www.fortismalarhospital.com

NOTICE

Notice is hereby given that the **33rd Annual General Meeting** of **Fortis Malar Hospitals Limited** will be held on **Wednesday, July 31, 2024 at 2.00 P.M.** (IST) through Video Conferencing/ Other Audio-Visual Means ("**VC/OAVM**") Facility to transact following business(es):

ORDINARY BUSINESS

1. To consider and adopt Audited Standalone Financial Statements of the Company together with the Report of Board of Director and Auditors thereon and Audited Consolidated Financial Statements of the Company including Report of Auditors thereon for the Financial Year ended on March 31, 2024.

2. To appoint a Director in place of Mr Daljit Singh (DIN: 00135414), who retires by rotation and being eligible, offers himself for re-appointment as a Director.

3. To declare dividend of ₹ 2.50 (Rupees Two and Fifty paisa) per equity share, for the financial year ended March 31, 2024.

4. Re-Appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) as Statutory Auditor and fixation of their remuneration

   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 33rd Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in the year 2028, and shall conduct the Statutory Audit for the financial years commencing from April 1, 2024 to 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

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

   "RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and in terms of Articles of Association and based on the recommendation of the Nomination and Remuneration Committee of the Company, Mr Ramesh Lakshman Adige (DIN: 00101276) be and is hereby appointed as a "Non-Executive Non Independent Director" of the Company up to May 05, 2025, liable to retire by rotation.

   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 act, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution"

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 up to ₹ 75,000/- (Rupees Seventy Five Thousand only) plus out of pocket expenses and taxes, being paid to M/s. Jitender, Navneet & Co., Cost Auditors 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 of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

RESOLVED THAT pursuant to the provisions of sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr Ravi Rajagopal (DIN: 00067073), who was appointed as an Independent Director of the Company with the effect from October 23, 2019 and who holds office for the first term upto October 22, 2024 and being eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby re-appointed as an "Independent Director" of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) years commencing with effect from October 23, 2024 upto October 22, 2029.

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

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (the Act), Regulation 17 and any other applicable regulations of SEBI Listing Regulations [including any statutory modification(s) or re-enactment thereof for the time being in force], read with Schedule V to the Act and Articles of Association and based on the recommendation by the Nomination and Remuneration Committee of the Company, Mr Chandrasekar Ramaswamy (DIN: 09414564) be and is here by appointed as a "Whole-time Director" of the Company for a period of three years with effect from January 11, 2025, on the terms and conditions as set below:

a) Total Remuneration: No Remuneration shall be paid to Mr. Chandrasekar from the Company.

b) Other terms:

   i) Subject to the superintendence, control and direction of the Board, Mr. Chandrasekar shall perform such duties and functions as would be commensurate with his position as a Whole-time Director of the Company and as may be delegated to him by the Board from time to time.

   ii) As a Whole-time Director he shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.

   iii) His office as a Whole-time Director may be terminated by either party by giving three months' notice in writing, of such termination unless otherwise a shorter period is decided mutually between Mr. Chandrasekar and the Board of Directors.

iv) If, at any time, Mr Chandrasekar Ramaswamy ceases to be the Director of the Company for any reasons whatsoever, his office as a Whole-time Director shall forthwith be terminated.

v) He shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and to sign, execute and file and/or modify all such forms, papers and documents as may be considered necessary or expedient including appointing attorney(s) or authorised representatives to give effect to this Resolution.

By the Order of the Board
For **Fortis Malar Hospitals Limited**

Sd/-
Srishty
Company Secretary

Date: May 17, 2024
Place: Gurugram

NOTES:

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") for the matter included in the notice, which is unavoidable and therefore proposed for seeking approval at AGM, is enclosed herewith.

2. General instructions for accessing and participating in the 33rd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

   a. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos.14/2020, 17/2020, 20/2020, 21/2021, 10/2022 and 09/ 2023 dated April 08, 2020, April 13, 2020, May 05, 2020, December 14, 2021, December 28, 2022 and September 25, 2023 respectively, issued by the Ministry of Corporate Affairs ("**MCA Circulars**") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated May 12, 2020, January 15, 2021 and January 05, 2023 respectively, issued by the Securities and Exchange Board of India ("**SEBI Circulars**") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 33rd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 33rd 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 33rd AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in 33rd AGM through VC/OAVM Facility and e-Voting during 33rd AGM.

   c. In line with the MCA Circulars and SEBI Circular, the Notice of 33rd AGM will be available on the website of the Company at www.fortismalarhospital.com, on the website of BSE Limited at www.bseindia.com and also on the website of NSDL at www.evoting.nsdl.com.

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

   e. NSDL will be providing facility for voting through remote e-Voting, for participation at 33rd AGM through VC/OAVM Facility and e-Voting during 33rd 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 33rd 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 33rd AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 33rd 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, Nomination & Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend 33rd AGM without any restriction on account of first-come-first-served principle.

h. Attendance of the Members participating in 33rd AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at 33rd AGM and facility for those Members participating in 33rd AGM to cast vote through e-Voting system during 33rd 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 https://fortismalarhospital.com in investor section thereof.

3. The instructions for members for remote e-voting and joining AGM are as under: -

The remote e-voting period begins on July 27, 2024 at 9:00 A.M. and ends on July 30, 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 25, 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 25, 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 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are 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

NOTICE (Contd.)

Type of shareholders	Login Method
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. 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.com 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 eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

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

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

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

   c) How to retrieve your 'initial password'?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General Guidelines for shareholders

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

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre- Senior Manager at evoting@nsdl.com

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

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

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.malar@malarhospitals.in. 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.com for procuring user id and password for e-voting by providing above mentioned documents.

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

5. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

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

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

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

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

6. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

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

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

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

d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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 glitches.

e. Members, who would like to ask questions during 33rd AGM with regard to the financial statements or any other matter to be placed at the 33rd 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.malar@malarhospitals.in atleast 72 hours in advance before the start of the 33rd AGM i.e. by July 28, 2024 by 14:00 hours IST. Only those Members who have registered themselves as a speaker shall be allowed to ask questions during the 33rd 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 33rd AGM through VC/OAVM Facility.

7. Other Guidelines for Members:

a. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut- off date of July 25, 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 send through e-mail and holding shares as of the cut-off date i.e. July 25, 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 remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 25, 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 only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

d. Mr Mukesh Agarwal, Company Secretary in Whole time Practice (C.P. No. 3851), has been appointed as the 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 33rd 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 33rd 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 two working days from the conclusion of 33rd 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.fortismalarhospital.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.

8. The Notice of 33rd 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 33rd 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 License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address secretarial.malar@malarhospitals.in

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

9. Notice of 33rd AGM and Annual Report for the year 2023-24 including therein the Audited Financial Statements for the year, will be available on the website of the Company at fortismalarhospital.com and the website of Stock Exchange at BSE Limited at www.bseindia.com. The Notice of 33rd 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 33rd AGM and Explanatory Statement shall be available for inspection in the Investor Section of website of Company fortismalarhospital.com.

13. During 33rd AGM, members may access scan copy of Register of Director and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contract and Arrangements in which Directors are interested maintained under Section 189 of the Act, during the Annual General Meeting at the available link against the EVEN of the Company on NSDL website.

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

15. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliance by companies. Also, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, permits companies to send soft copies of Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiatives by registering / updating their e-mail address for receiving electronic communications. The Notice for Annual General Meeting along with the Annual Report of the Company will be made available on the Company's website – fortismalarhospital.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 19, 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.malar@malarhospitals.in.

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.malar@malarhospitals.in latest by July 19, 2024:

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 at Company's website at www.fortismalarhospital.com

23. The results on resolutions shall be declared on or before closing business hours i.e. 06:00 p.m. on Friday, August 2, 2024 at 3rd Floor, Tower A, Unitech Business Park, Block - F, South City 1, Sector – 41, Gurgaon, Haryana – 122001 and the same along with scrutinizer's report shall also be available on the website of the Company and on the website of NSDL and that of BSE. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favor of the resolutions.

EXPLANATORY STATEMENT

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

Item No.4

The Members at the Twenty Eighth (28th) 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 Eighth (28^{th}) Annual General Meeting until the conclusion of Thirty Third (33^{rd}) 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 re-appoint BSR, as the Statutory Auditors of the Company, for the second term who shall hold office from the conclusion of Thirty Third (33^{rd})AGM till the conclusion of Thirty Seventh (37^{th}) 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 27 March 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 14 October 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 ₹ 9.98 Lakhs plus fixed administrative charges of ₹ 49,812 of the fee. Out of pocket expenses based on actuals and taxes are additional.

- BSR was paid a fee of ₹ 9.98 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 fee for FY 2024-25 to the members of the Company.

  Note:

  a) The above fee is exclusive of fee ₹ 1.05 Lakhs paid for audit related services in relation to the subsidiary 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.

- 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. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.4 of the Notice for approval by the Members

Item No. 5

The members are informed that based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, had appointed Mr Ramesh L. Adige (DIN: 00101276) as Non-Executive Non-Independent Director of the Company w.e.f. May 06, 2024 for a period up to May 05, 2025.

Details of Mr Ramesh L. Adige are provided in the "**Annexure- I**" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. He shall be paid remuneration by way of fee for attending meeting(s) of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings.

Further, pursuant to provisions of Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of Mr Ramesh L. Adige.

Except Mr Ramesh L. Adige, being the appointee, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way financially or otherwise, concerned or interested, in the said resolution, except to the extent of their shareholding, if any.

Since the Company has recently sold its business & operations and various activities are in process such as distribution of dividend, finalization of accounts, audit etc. and Mr. Ramesh L. Adige is associated with the Company since long and therefore, the Board is desirous to continue him as a Non-Executive and Non-Independent Director till completion of aforesaid activities.

The Board of Directors of the Company recommends the resolution set out in **Item No. 5** in the accompanying Notice for approval by the Members as an Ordinary Resolution.

Item No. 6

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ended on March 31, 2024 as per the following details:

Name of the Cost Audit Firm	Amount (In ₹)
M/s Jitender, Navneet & Co, Cost Accountants	75,000/- (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 and Risk Management 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 passing an Ordinary Resolution as set out in this Notice 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 the resolution set out in this Notice except to the extent of their respective shareholding, (if any).

The Board recommends the Ordinary Resolution set out in the accompanying Notice for approval by the Members.

Item No. 7

Mr Ravi Rajagopal was appointed as Independent Directors on the Board of the Company w.e.f. October 23, 2019 for a period of 5 years, pursuant to the approval of the members by postal ballot on June 13, 2020, in accordance with the provisions of Section 149, 150, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). They hold office as Independent Directors of the Company up to October 23, 2024 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

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

Accordingly, the Board, based on the performance evaluation of Mr Ravi Rajagopal and as per the recommendation of the Nomination & Remuneration Committee, considers that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr Ravi Rajagopal, would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Therefore, the Board of Directors in its meeting held on May 17, 2024 considered & recommended the re-appointment of Mr Ravi Rajagopal as Independent Director for a second term of 5 consecutive years, not liable to retire by rotation, with effect from October 23, 2024 upto and including October 22, 2029, for your approval. The details of Mr. Ravi Rajagopal is given in this notice in **"Annexure-I"**.

Mr Ravi Rajagopal is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr Ravi Rajagopal for the office of Independent Directors of the Company. The Company has also received declarations from him that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, Mr Ravi Rajagopal fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations and is independent of the management.

He is not debarred from holding the office of Director by virtue of any SEBI, MCA order or any other such authority. Copy of draft letter of appointment of Mr Ravi Rajagopal setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

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

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

The Board recommends the resolution set out at item no. 7 of the Notice for approval by the members of the Company as Special Resolution.

Item No. 8

It is hereby informed that the members of the Company had appointed Mr Chandrasekar R. as Whole-time Director of the Company w.e.f. January 11, 2022 for a period of 3 consecutive years. Accordingly, his tenure as Whole-time Director will expire w.e.f. January 10, 2025.

Further, in terms of the provisions of Section 196, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (the Act) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Company is required to appoint a Whole-time Director and Key Managerial Personnel.

Mr Chandrasekar is a B. Pharma from Dr. MGR Education & Research Institute – Madurai and MBA in Marketing & Finance from Indian Institute of Management - Kozhikode and also holds a Post Graduate Program in Business Analytics & Business Intelligence from Great Lakes Institute of Management, Chennai. He has over 23 years of work experience across companies like Sanofi, GSK Pharmaceuticals, Medtronic and Dr. Lal Pathlabs. In his last assignment with SRM Institute of Medical Sciences, he was designated as General Manager – Operations.

Mr Chandrasekar Ramaswamy has given his consent to act as a Whole-time Director of the Company and is not dis-qualified to be appointed as Whole-time Director as per the provision of the Act and SEBI LODR.

The Company has also received a notice in writing under the provisions of Section 160 of the Act, from a member proposing his candidature.

NOTICE (Contd.)

The above may be treated as written memorandum setting out the terms of re-appointment of Mr Chandrasekar Ramaswamy under Section 190 of the Act.

Mr Chandrasekar R., being the proposed appointee, is interested in the above resolutions set out respectively at item no. 8 of the Notice with regard to his reappointment. The relatives of Mr Chandrasekar R. may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

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

The Board recommends the resolution set out at item no. 8 of the Notice for approval by the members of the Company as Special Resolution.

By the Order of the Board
For Fortis Malar Hospitals Limited

Sd/-
Srishty
Company Secretary

Date: May 17, 2024
Place: Gurugram

ANNEXURE- I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard-2]

Sr. No.	Particulars	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Ravi Rajagopal	Mr Chandrasekar R.
1)	Age	71 Years	73 Years	69 Years	49 Years
2)	Qualification	B. Tech, IIT Delhi 1974	B.E (Hons) from BITS Pilani & has a Post Graduate degree from the Faculty of Management Studies, Univ of Delhi.	Chartered Accountant from Institute of Chartered Accountants of India (ICAI), also Cost Accountant from Institute of Cost and Management Accountant of India Bachelor of Commerce - Madras University and completed the advanced Management Program at Harvard Business School.	B. Pharma from Dr. MGR Education & Research Institute - Madurai and MBA in Marketing & Finance from Indian Institute of Management - Kozhikode and also holds a Post Graduate Program in Business Analytics & Business Intelligence from Great Lakes Institute of Management, Chennai
3)	Brief Profile, Nature of Expertise and Capabilities for the Role	Daljit Singh is a Strategy Advisor, Management Consultant, Mentor to Start-ups, and a Life and Executive Coach. He is currently Chairman-Fortis Malar Hospitals Ltd and Sahyadri Hospitals Pvt Ltd; he is also an Advisor to a number of organizations. During his tenure of 17 years with Fortis Healthcare, he has held the office of President, Chief Executive Officer and has led the Company's Strategy, Organizational Development and Projects Functions.	Mr Ramesh Lakshman Adige, Non-Executive Non-Independent Director has almost five decades of wide & in depth experience, in the areas of Banking & Insurance, Marketing, Branding, Consumer durables, Automotive industry, Pharma, Global Corp Comm and Healthcare. In addition, Ramesh is adept at EHS and MDG/ESG administration, CSR, Sustainability reporting, Intellectual property policy, Public affairs, Public Policy, & Higher Education. He was Ind Dir on the Board of Syndicate Bank & SUD Life and Fortis Healthcare. Ramesh was member of the BOG of the Indian Institute of Corporate Affairs.	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.	He has over 24 years of work experience across companies like Sanofi, GSK Pharmaceuticals, Medtronic and Dr. Lal Pathlabs. In his last assignment with SRM Institute of Medical Sciences, he was designated as General Manager – Operations.

ANNEXURE- I (Contd.)

Sr. No.	Particulars	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Ravi Rajagopal	Mr Chandrasekar R.
		Prior to joining Fortis, he was on the Board of Directors of ICI India, a subsidiary of the British Multinational, Imperial Chemicals Industry plc, as the Executive Director in charge of Human Resources, Manufacturing, External Relations and Communications. Amongst key responsibilities held at ICI India, he was the Chief Executive for Pharmaceuticals, Specialties and Catalyst businesses. He was member of the ICI Global Manufacturing Group, SSHE Excellence Group and the Global HR Forum. His key experience and achievements have been in the areas of developing progressive HR strategies and ensuring their implementation, organizational restructuring, building high performance culture and leading teams to deliver business value. He has successfully planned and executed significant change programs. Daljit is an acknowledged expert and thought leader in the domain of Healthcare. He has represented Fortis at Industry forums like the World Economic Forum, Nathealth, CII and FICCI and led several healthcare related committees. He has held the office of President of Nathealth (Healthcare Federation of India) and has been an active participant on the World Economic Forum platform and was on the Steering Boards constituted by the Forum to guide a number of major Global projects, including "Scenarios for Sustainable Health Systems", "The Healthy Living Charter", and "Health Systems Leapfrogging". He was on the Forum's Advisory Board on "The Economic Burden of Non-Communicable Diseases in India"and on the Global Agenda Council on Ageing. He is a mentor to a number of start-ups in Healthcare and has been a speaker at Indian and International forums on themes related to Leadership, Strategy and Healthcare.	He was Executive Director on the Board of Fiat India, and Ranbaxy. He was Chairman of the PHD Rural Development Foundation. He was President of the Governing Council of ARAI, Pune, the premier institute for validation, homologation & certification of all automotive and allied industries. Ramesh was also a member of the Governing Council of TA Pai Management Institute Manipal for 15 years. He was a Member of the National Pharmacopeia Commission & National Formulary of India. After finishing his terms on various boards, he continues to be on the Board of LIC Housing Finance Ltd, Union Bank of India Services Ltd and Fortis Malar Hospital Ltd. He is also Founder Member of the Bio Diversity Foundation of NCT of Delhi chaired by the Lt Governor of Delhi. Ramesh has worked, in leadership roles in highly regulated & complex industries, and in challenging geographies such as India, USA, Europe and Africa, with a successful track record of building and managing the Brand and company reputation. The focus always being on value creation and positive outcome for stakeholders. His other interests are- Natural history, Ornithology & Tree Planting.	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.	

ANNEXURE- I (Contd.)

Sr. No.	Particulars	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Ravi Rajagopal	Mr Chandrasekar R.
		A certified Life and Executive Coach, he works with Top Management and Promoters to enhance personal performance, effectiveness and fulfillment. He also leads and facilitates workshops on Strategy, Business Planning & Leadership. He has mentored and coached several leaders across sectors. He has supported, guided and worked with high performers and leaders across MNCs and Indian organizations. He is a trustee on the Boards of Ananda Sangha and the Sai Aasra Charitable Trust. With an outstanding track record in the field of athletics, his current interests include athletics, high altitude trekking, adventure sports, spirituality, music and reading.			
4)	Experience	Over 45 Years	Almost five decades	Over 37 Years	Over 24 Years
5)	Directorships held in other Indian Companies as on date	Sahyadri Hospitals Private Limited	• LIC Housing Finance Ltd • UBI Services Limited	• Fortis Healthcare Limited • Agilus Diagnostics Limited • Fortis Hospitals Limited • Agilus Pathlabs Private Limited • Quoqo Technologies Private Limited	-
6)	Memberships/ Chairmanships of committees of as on date (includes only Audit Committee and Stakeholders Relationship Committee)	• Member of Stakeholder & Relationship Committee	• Member of Audit & Risk Management Committee	• Chairman of Audit & Risk Management Committee	Member of Stakeholder & Relationship committee
7)	Shareholding in the Company	Nil			
8)	Relationship with other Directors and KMP's	There is no inter-se relationship between the directors who are seeking re-appointment at this meeting and other Directors/ KMP's of the Company.			
9)	Date of Appointment (Original)	December 24, 2014	February 19, 2008	October 23, 2019	January 11, 2022

Sr. No.	Particulars	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Ravi Rajagopal	Mr Chandrasekar R.
10)	Terms and Conditions of Appointment	Pursuant to the provisions of Companies Act, 2013, Mr Daljit Singh is liable to retire by rotation	Pursuant to the provisions of Companies Act, 2013, Mr Ramesh L. Adige is appointed as Non Executive Non Independent Director liable to retire by rotation up to May 05, 2025	Pursuant to the provisions of Companies Act, 2013, Mr Ravi Rajagopal shall be re-appointed for second term of Five (5) years as Independent Directors of the Company. The terms and conditions of their appointment shall be governed by the letter of appointment to be issued by the Company.	Pursuant to the provisions of Companies Act, 2013, Mr Chandrasekar R. shall be re-appointed for second term of Three (3) years as Whole-Time Directors of the Company. The terms and conditions of their appointment shall be governed by the letter of appointment to be issued by the Company.
11)	Remuneration*	The Directors will be paid sitting fees for attending meeting of the Board of Directors and Committee thereof and/ or commission, if any approved by the shareholders from time to time.			As per letter of appointment to be issued by the Company.
12)	No. of Board Meetings Attended in FY 2023-24*	10	10	8	10

*Refer Report on Corporate Governance for more details.

Fortis MALAR HOSPITAL

INFORMATION AT A GLANCE

Particulars	Details
Day, Date and time of AGM	Wednesday, July 31, 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	Friday, July 19, 2024
Final Dividend Payment Date	On or before August 29, 2024
Cutoff Date for e-voting	Thursday, July 25, 2024
E-voting start date and time	Saturday July 27, 2024 at 9:00 A.M. (IST)
E-voting end date and time	Tuesday, July 30, 2024 at 5:00 P.M. (IST)
Speaker Registration start date and time	Wednesday, July 10, 2024 at 9:00 A.M. (IST)
Speaker Registration end date and time	Friday, July 26, 2024 at 2:00 P.M. (IST)
Last date of sending questions	Sunday, July 28, 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
MALAR
HOSPITAL

ANNUAL REPORT
2023-24

CONTENTS

Corporate Overview

Statutory Reports

Investor Information

BSE code: 523696

AGM date: July 31, 2024

AGM mode: Video Conferencing ("VC") / Other AudioVisual Means ("OAVM")

Financial Statements

Standalone

Consolidated

CORPORATE INFORMATION

Board of Directors

Mr Daljit Singh, Chairman

Mr Ravi Rajagopal

Mr Chandrasekar Ramaswamy

Ms Shailaja Chandra

Mr Ramesh Lakshman Adige

Ms Richa Singh Debgupta

Company Secretary and Compliance Officer

Ms Srishty

Chief Financial Officer

Mr Yogendra Kumar Kabra

Statutory Auditors

B S R & Co. LLP
Chartered Accountants
KRM Tower, 1st & 2nd Floor,
No 1, Harrington Road, Chetpet,
Chennai 600 031, India

Registered Office

Fortis Hospital, Sector 62, Phase VIII,
Mohali, Punjab - 160062
Ph.: +91-172-5096001
Fax: +91-172-5096002
Email Id: secretarial.malar@
malarhospitals.in
Website: www.fortismalarhospital.com

Registrar and Transfer Agent

KFin Technologies Private Limited
Selenium, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda,
Seilingampally Mandal
Hyderabad-500032
Phone No. - +91 40 6716 2222
Fax No. - +91 40 23431551.
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

BOARD OF DIRECTORS

Mr Daljit Singh
Non-Executive Director
and Chairman

Mr Ravi Rajagopal
Independent Director

Mr Chandrasekar Ramaswamy
Whole-time Director

Ms Shailaja Chandra
Independent Director

Mr Ramesh L Adlge
Non-Executive Director

Ms Richa Singh Debgupta
Non-Executive Director

CHAIRMAN'S MESSAGE

I would like to take this opportunity to thank all our stakeholders for their continued support, guidance, and good wishes over the years. I am also grateful to our erstwhile clinicians, nurses, and other staff, for their stellar contribution over the years.

Daljit Singh, Chairman

Dear Shareholders,

I am honoured to present the Annual Report of your Company, for the year ended March 31, 2024.

The year gone by has been a very eventful one in the history of this great organisation. As we speak, and as you are all well aware, the business operations of your Company have been transferred to MGM Healthcare Pvt Ltd with effect from February 01, 2024. Malar Hospital is now owned and managed by MGM Healthcare and neither Fortis Malar Hospitals Limited, nor any entity of its Group or affiliated companies, has any ownership or control over the management or operations of Malar Hospital.

Earlier during the financial year 2023-24, the Board of Directors, along with the management, applied themselves to charting out the most optimal course for the organisation. This was in the context of two compelling developments. The first was the strategic decision taken by our principal shareholder, Fortis Healthcare Limited, to exit Chennai, with the sale of its business operations at Fortis Hospital located at Arcot Road, Vadapalani and the second development was related to the challenges confronting the Fortis Malar Hospital from a regulatory compliance point of view. As shared with all of you, in the annual reports of the Company in the past couple of years, this hospital had been facing certain legacy issues, pertaining to fire non-compliances and building completion NOC for a prolonged period of time. The Board was cognisant of the issues and, under its directions, with support of several subject matter experts, the management made all possible efforts to overcome the challenges to make the hospital fully compliant to the fire safety and building completion norms. Whilst their efforts resolved most of the compliance related issues highlighted by the regulatory authorities, a few issues pertaining to the hospital infrastructure, critical for obtaining the fire NOC, could not be addressed without a complete shutdown of the facility, for a long period of time, and rebuilding large portions of the hospital. This situation had severely constrained further investments in the much-needed upgradation of the old facility and consequent development of new medical programs to serve the needs of our patients. Lack of such investments very adversely impacted our ability to retain and hire senior level clinical talent, leading to a steadily declining business performance reflected in the Company's revenue from operations declining from ₹ 111.87 Crores in FY20 to ₹ 59 Crores (till February 01, 2024) in FY24.

The management, under guidance of the Board of Directors, evaluated several options to tide over the challenges, whilst keeping the hospital operational and safe. However, after a detailed evaluation of all the options to tide over the significant challenges, and keeping the interests of all our stakeholders at the forefront, especially the safety of our patients in the unlikely event of a fire accident, the Board took the difficult decision to divest the operations of Fortis Malar Hospital. Consequently, the Board of Directors, in the discharge of their fiduciary duties, took due care and appointed merchant bankers to explore the possibility of business divestment as part of a comprehensive divestment plan, including the related land and building assets. Legal advisors were also appointed to complete the transaction in accordance with due process and in compliance with all applicable laws.

Eventually, the Board of Directors decided to sell the business operations pertaining to Fortis Malar Hospital to MGM Healthcare Private Limited ("MGM"), a prominent healthcare delivery service provider, for a sale consideration of ₹ 45.72 Crores (including Positive Net Current Asset adjustment of ₹ 0.22 Crores) The plan envisaged a seamless transition of the business operations and all staff, including the hospital's medical fraternity, to MGM. This plan was subsequently approved by our shareholders on January 03, 2024.

The sale proceeds, as per the terms and conditions of the agreement entered with MGM, were realised and the transaction was consummated on February 01, 2024. The transaction was in the form of a business transfer agreement in which the entire business operations of Fortis Malar Hospital (including the manpower, assets and liabilities related to the business) were transferred to MGM Healthcare Ltd. effective February 01, 2024.

Post the divestment, the company continues to exist as a listed entity but ceases to have any business operations. The Board, in discharge of its fiduciary duty to distribute the available surplus funds of Fortis Malar Hospitals Limited, post the divestment, in the most optimal and efficient manner, approved the distribution of an interim dividend of ₹ 40 per share on April 12, 2024.

Furthermore, after the transaction closure and the distribution of the interim dividend, there remained an additional surplus available for distribution as a dividend. In its meeting held on May 17, 2024, the Board declared a final dividend of ₹ 2.5 per share, subject to shareholder approval at the AGM on July 31, 2024. With this, the total dividend distributed to our shareholders will touch ₹ 42.5 per share for the period.

Consequent to the distribution of the final dividend (subject to shareholders approval), the remaining cash and cash equivalents would be used for the purposes of meeting the company's ongoing expenses in relation to running of the company, resolving pending medico legal case and managing any contingent liabilities associated with the sale of the company's business operations.

It is also noteworthy that, as per applicable rules, the pending open offer (MTO) by IHH Healthcare Berhad, the parent company of Northern TK Venture Pte. Limited (NTK – promoter of Fortis Healthcare Limited), for Fortis Malar shareholders, which was at ₹ 60.1 per share, now stands reduced to ₹ 20.1 per share. This was also duly shared in the stock exchange disclosure dated April 18, 2024, by Fortis Malar Hospitals Limited.

Further, the Board of Directors of the Company are continuously monitoring the disposal of pending medico legal, tax and civil cases and the functioning of the Company in due compliance with the applicable laws. The Board is also applying itself to examining the various strategic alternatives for the Company's future; whilst the future of the Company is all- important, no timeframe is presently foreseeable, given the need to safeguard stakeholders' interests and also ensure adherence to prescribed legal processes.

During the financial year under review, your Company achieved a consolidated total income of ₹ 65.96 Crores as against ₹ 92.59 Crores in the corresponding financial year ended March 31, 2023. EBITDA for the year stood at ₹ 5.75 Crores compared to ₹ 11.21 Crores for the corresponding previous year. The Profit/(Loss), after exceptional item and before tax, for the period stood at ₹ 50.01 Crores as against ₹ (7.01) Crores during the corresponding year. Profit/(Loss) for the year stood at ₹ 45.32 Crores in the current financial year compared to ₹ (15.48) Crores in the previous year.

Before I conclude, I would like to take this opportunity to thank all our stakeholders for their continued support, guidance, and good wishes over the years. I am also grateful to our erstwhile clinicians, nurses, and other staff, for their stellar contribution over the years and, on behalf of the Board, wish them much success in coming years.

Sincerely,

Daljit Singh
Chairman
Fortis Malar Hospitals Limited

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 33rd Annual Report of Fortis Malar Hospitals Limited ("the Company") along with Audited Standalone and Consolidated Financial Statements and Auditors' Report thereon for the Year ended March 31, 2024.

FINANCIAL RESULTS

The highlights of Consolidated Financial Performance of your Company are as follows:

(₹ in Lakhs)

Particulars	**Consolidated**	
	Year ended March 31, 2024	**Year ended March 31, 2023**
Revenue from Operations	5,900.88	8,595.08
Other Income	695.08	663.81
Total Income	**6,595.96**	**9,258.89**
Total Expenses	6,021.15	8,137.96
Profit before Finance Charges, Taxes, Depreciation & Amortisation (EBITDA)	**574.81**	**1,120.93**
Less: Finance Charges, Depreciation & Amortisation	1,366.47	1,821.72
Profit / (Loss) before exceptional item and tax	**(791.66)**	**(700.79)**
Exceptional items	5,792.63	-
Profit / (Loss) before tax	**5,000.97**	**(700.79)**
Less: Tax Expenses	468.49	847.32
Profit / (Loss) for the year	**4,532.48**	**(1,548.11)**
Other Comprehensive Income (Net of Taxes)	(2.77)	(47.80)
Total Comprehensive Income/(Loss) for the year	4,529.71	(1,595.91)

The highlights of Standalone financial Performance of your Company are as follows:

(₹ in Lakhs)

Particulars	**Standalone**	
	Year ended March 31, 2024	**Year ended March 31, 2023**
Revenue from Operations	5,900.88	8,595.08
Other Income	887.42	655.78
Total Income	**6,788.30**	**9,250.86**
Total Expenses	6,019.88	8136.89
Profit before Finance Charges, Taxes, Depreciation & Amortisation (EBITDA)	**768.42**	**1,113.97**
Less: Finance Charges, Depreciation & Amortisation	1,366.47	1,821.72
Profit / (Loss) before exceptional item and tax	**(598.05)**	**(707.75)**
Exceptional items	5,792.63	-
Profit / (Loss) before tax	**5,194.58**	**(707.75)**
Less: Tax Expenses	466.90	(845.57)
Profit / (Loss) for the year	**4,727.68**	**(1,553.32)**
Other Comprehensive Income (Net of Taxes)	(2.77)	(47.94)
Total Comprehensive Income/(Loss) for the year	4,724.91	(1,601.26)

STATE OF COMPANY'S AFFAIR, OPERATING RESULTS AND PROFITS

Your Company achieved a consolidated total income of ₹ 65.96 Crores during the current year as against ₹ 92.59 Crores in the corresponding financial year ended March 31, 2023. EBITDA for the year stood at ₹ 5.75 Crores compared to ₹ 11.21 Crores for the previous corresponding year. The Profit / (Loss) after exceptional item and before tax for the period stood at ₹ 50.01 Crores as against ₹ (7.01) Crores during the corresponding year. Profit/ (Loss) for the year stood at ₹ 45.32 Crores in the current financial year compared to ₹ (15.48) Crores in the previous year.

Regarding the key performance indicators, the Company's average revenue per occupied bed (ARPOB) for the current year stood at ₹ 183 Lakhs (for 10 months) as against ₹ 165 Lakhs (for 12 months) in the previous year. The average length of stay (ALOS) was at 3.42 days (for 10 months) in Financial Year 2023-24 compared to 3.85 (for 12 months) days in Financial Year 2022-23. Occupancy of the hospital during the year was at 29% (for 10 months) as compared to 38% (for 12 months) in the previous year.

SIGNIFICANT MATTERS DURING THE YEAR UNDER REVIEW

OPEN OFFER

Pursuant to execution of Share Subscription Agreement dated July 13, 2018 ("SSA"), Northern TK Venture Pte Limited ("NTK" or the "Acquirer"), a wholly owned subsidiary of IHH Healthcare Berhard ("IHH"), subscribed to 23,52,94,117 new equity shares of Fortis Healthcare Limited ("FHL") with a face value of ₹ 10 each ("Subscription Shares"), constituting approximately 31.1% of the total voting equity share capital of FHL on a fully diluted basis ("Expanded Voting Share Capital") for a total consideration of ₹ 4,000 Crores and FHL issued and allotted Subscription Shares by way of preferential allotment in accordance with the terms of SSA ("Subscription"). As a consequence of Subscription, the Acquirer together with IHH and Parkway Pantai Limited ("PPL"), collectively made a mandatory open offer, by filing a public announcement dated July 13, 2018 to carry out the following:

A. A mandatory open offer for acquisition of up to 19,70,25,660 equity shares of face value of ₹ 10 each in FHL, representing additional 26% the Expanded Voting Share Capital of FHL, at a price of not less than ₹ 170 per share ("Fortis Open Offer") or such higher price as required under the Securities and Exchange Board of India ("SEBI") (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations"); and

B. In light of the acquisition of the controlling stake of FHL, a mandatory open offer for acquisition of up to 48,94,308 fully paid up equity shares of face value of ₹ 10 each in Fortis Malar Hospitals Limited ("Malar"), representing 26% of the paid-up equity shares of Malar at a price of ₹ 60.10 per share ("Malar Open Offer"). Malar Open Offer is subject to the completion of the Fortis Open Offer. On April 12, 2024, Malar has declared interim dividend of ₹ 40 per equity share to its shareholders. Pursuant to such declaration and in terms of Regulation 8(9) of the SEBI (SAST) Regulations, Acquirer and Persons Acting in Concert ("PACs") have decided to adjust Malar Open Offer price from ₹ 60.10 per equity share to ₹ 20.10 per equity share.

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, FHL and directed its Registry to register a contempt petition regarding alleged violation of the Status Quo Order **("Contempt Petition")**.

Petitions before the Hon'ble Supreme Court including Contempt Petition have been disposed of vide judgement dated September 22, 2022 ("Judgement"). No finding of contempt has been made against FHL or its independent directors. Based on legal advice, FHL is of the clear view that the Status Quo Order dated December 14, 2018, no longer exists. IHH/ NTK is simultaneously seeking legal counsel for pursuing and securing the Open Offer.

In the Judgement, Hon'ble Supreme Court has passed certain directions, inter-alia, that the Hon'ble 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. The stated position of FHL is that these transactions were done in compliance with applicable laws, post requisite corporate and regulatory approvals and necessary disclosures/ announcements. Currently, it is vehemently opposing the application filed by Decree Holder before the Hon'ble High Court for appointment of forensic auditor.

BOARD'S REPORT (Contd.)

SALE OF BUSINESS OPERATIONS

The Fortis Malar Hospital situated at Gandhi Nagar, Adyar Chennai ("**Fortis Malar Hospital**"), had been facing certain legacy issues. Over the past few years, with continuous efforts, several of these issues were resolved. However, some of the legacy compliance issues continued to persist, giving rise to certain challenges and constraining further investments into renovating the facility which were essential to run the hospital optimally thus resulting in a deteriorating business performance. The Board of Directors evaluated the available options and concluded that the aforesaid issues accentuated the need for the Company to undertake divestment of its hospital business operations pertaining to Fortis Malar Hospital. It was further concluded that such divestment was in keeping with the strategy of Fortis Healthcare Limited (as the largest and majority shareholder of the Company) which had approved a policy on selected portfolio rationalisation to focus on selected geographic clusters where the parent company had a sizable presence.

- Accordingly, the divestment of the hospital business was considered the most prudent option after considering all options.This was only decided after the Board of Directors, had evaluated all potential options. In doing so, the Board in discharge of their fiduciary duties had undertaken due care and diligence, prior to arriving at its decision in respect of the divestment of the Company's business operations pertaining to the Fortis Malar Hospital. Further, the Board of Directors appointed financial advisors and legal advisors for the purposes of the transaction with a view to devise a composite divestment plan (including the related land and building assets of the Fortis Malar Hospital), and to complete the transaction in accordance with applicable law and by following due process.

  Against this backdrop, during the year under review, the Board of Directors of the Company decided to divest business operations pertaining to Fortis Malar Hospital to MGM Healthcare Private Limited ("MGM"), a prominent healthcare delivery service provider, for a sale consideration of ₹ 45.72 Crores (including Positive Net Current Asset adjustment of ₹ 0.22 Crores). MGM was selected as the acquirer pursuant to a bid process undertaken by the Company for the purposes of the divestment transaction. The Company and MGM entered into a business transfer agreement for the purposes of the divestment transaction on November 24, 2023. As part of this composite transaction, the remaining business operations related to the Fortis Malar Hospital (including the land and building) and the adjacent land parcels were also divested by two wholly owned subsidiaries of Fortis Healthcare Limited, viz. Fortis Health Management Limited and Hospitalia Eastern Private Limited to MGM – and accordingly the Fortis Malar Hospital stands fully divested in favour of MGM. The shareholders of the Company also accorded their approval for this transaction on January 4, 2024.

- The transaction was consummated on February 1, 2024 and the sale proceeds, as per the terms and conditions of the business transfer agreement entered with MGM, have been realized by the Company. Pursuant to the consummation of the transaction, the entire business operations of the Company pertaining to Fortis Malar Hospital (including manpower, assets and liabilities related to the business) were transferred to MGM effective February 1, 2024.

- Post the divestment, the Company continues to exist as a listed entity but has ceased to have any business operations. The Board of the Company, in discharge of its fiduciary duty and in furtherance of its assurance to its shareholders that available surplus funds of FMHL (post the divestment) would be distributed in the most optimal and efficient manner, had approved the distribution of an interim dividend of ₹ 40 per share on April 12, 2024.

  - Furthermore, post the transaction closure and the distribution of interim dividend, there remained a further available surplus for distribution as dividend. The Board in its meeting held on May 17, 2024, declared a final dividend of ₹ 2.5 per share subject to shareholders' approval in the AGM to be held on July 31, 2024. This would take the total dividend to ₹ 42.5 per share during the period.

    Post the distribution of such final dividend (subject to shareholders' approval), the remaining cash and cash equivalents would be used for the purposes of meeting the Company's general liquidity and to pay for undertaking legal/regulatory compliances in respect of the Company, including addressing any third-party claims and potential liabilities.

- It is also important to note that as per applicable law, the pending open offer by IHH Healthcare Berhad (parent company of Northern TK Venture Pte. Limited, which is the promoter of Fortis Healthcare Limited), to the Company's shareholders which was at ₹ 60.1 per share stands reduced to ₹ 20.1 per share. This was also duly disclosed in the stock exchange disclosure dated April 18, 2024 by the Company.

- The Board of Directors of the Company is continuously monitoring the disposal of pending medico legal, tax and civil cases and the functioning of the Company in due compliance with the applicable law. Having undertaken distributions to shareholders to the maximum extent feasible, and having accounted for the Company's general liquidity, payments for legal/regulatory compliances and potential liabilities – the Board of Directors will continuously evaluate legally permissible mechanisms with a view to ensure that the Company's and its subsidiary's future course is in the best interests of all stakeholders involved, in line with the highest standards of corporate governance, while taking into account relevant considerations including inter alia the ongoing open offer in respect of the Company.
- Upon recommendation of final dividend on May 17, 2024 by the Board, the Company had exhausted its free reserves for the purposes of distribution to the shareholders. For the purposes of meeting its ongoing expenses in relation to the running of the Company as well as for other contingencies, indemnification obligations (if any) that may arise vis-à-vis MGM, the balance cash and cash equivalent with the Company as on the date of declaration of final dividend is approx. ₹ 31 Crores.

DIVIDEND AND TRANSFER TO RESERVES

During the financial year, the Company has not transferred any amount to General Reserves.

Post divestment the Company doesn't have any business operations and the proceeds of the sale consideration would be distributed among the shareholders of the Company in such forms and manners, in compliance with the applicable laws as maybe amended from time to time, as the Board will consider necessary and in best interest of the shareholders of the Company.

In view of the above the Board has declared & paid an interim dividend of ₹ 40 per share on the fully paid up 1,87,41,759 equity shares amounting to ₹ 74,96,70,360 (Rupees Seventy Four Crores Ninety Six Lacs Seventy Thousand Three Hundred and Sixty Only) in the meeting of Board of Directors held on April 12, 2024 (adjourned from April 8, 2024).

Further, the Board in its meeting held on May 17, 2024 has also recommended a final dividend of ₹ 2.50 per share on the fully paid up 1,87,41,759 equity shares amounting to ₹ 4,68,54,397.50 (Rupees Four Crore Sixty Eight Lacs Fifty Four Thousand Three Hundred Ninety Seven and Fifty Paise) subject to the approval of the shareholders in the ensuing AGM and if approved, the same shall be paid within stipulated timelines.

Thereafter, upon the payment of this final dividend, the Company would exhaust its free reserves for the purposes of distribution to the shareholders and shall be utilizing the remaining funds to meet its ongoing expenses in relation to the running of the Company as well as for contingencies, if any.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of FY 2023-24 and date of this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintained an internal control system designed to commensurate with the nature of business and complexity of operations. It was monitored by the management to provide reasonable assurance on the achievement of objectives, effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. With the divestment of operations of the Company, Internal Control framework is now realigned to commensurate the residual operations of the Company.

DETAILS OF SUBSIDIARY

During the year under review, your Company has only one subsidiary Company i.e. Malar Stars Medicare Limited. Main object of the said wholly-owned subsidiary Company includes setting up, managing / administering hospital(s) and to provide Medicare and Healthcare services.

The Board of Directors has adopted a policy for determining "material subsidiary" pursuant to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents

Basis the Consolidated Audited Financial Statements of the Company for FY 2023-24, your Company has no "material subsidiary" in terms of the said policy and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD'S REPORT (Contd.)

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY COMPANY

Consolidated financial statements of your Company and its subsidiary, prepared in accordance with applicable Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, forms part of the Annual Report. In terms of Section 136 of the Companies Act, 2013, financial statements of the subsidiary Company will be provided to any shareholder of the Company who asks for it and said financial statements will also be kept open for inspection at the registered office of the Company and that of subsidiary. Performance and financial position along with contribution of the subsidiary to the overall performance of your Company which also included in the Consolidated Financial Statements of the Company is enclosed herewith as **"Annexure-I"** in the prescribed format in Form AOC-1.

LOANS / ADVANCES / INVESTMENTS / GUARANTEES

Particulars of loans / advances / investments / guarantees given and outstanding during FY 2023-24 are mentioned in notes to financial statements.

PUBLIC DEPOSITS

During the 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.

AUDITORS

1. STATUTORY AUDITORS

The Board of Directors, considering the size and requirement of the Company, approved the appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022), upon recommendations of Audit and Risk Management Committee, for a period of five years to conduct statutory audit of the Company for the Financial Years commencing from April 01, 2019 to March 31, 2024. The said appointment was approved by the shareholders at their 28th Annual General Meeting, accordingly they hold the office of statutory auditor from 28th Annual General Meeting until the conclusion of 33rd Annual General Meeting to be held in year 2024.

Further, the Board of Directors has recommended the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants, who shall hold office of the Statutory Auditors from the conclusion of Thirty Third (33rd) Annual General Meeting until the conclusion of Thirty Seventh (37th) Annual General Meeting to be held in the year 2028 and shall conduct the Statutory Audit for the financial years commencing from April 1, 2024 to 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 Auditors.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. However, Emphasis of matter is drawn to Note 2 (b) to the standalone financial statements which explains that consequent to sale of business operations through a slump sale transaction, the Company ceases to have any business operations. While there is no visibility of commencing any new business operations in the future, the Company's management and Board of Directors is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial requirements for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these standalone financial statements have been prepared on a going concern basis.

2. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the relevant rules made thereunder or any amendments thereof, the Company is required to maintain cost records and accordingly such accounts and records are made and maintained by the Company in respect of its hospital activity and the same is also required to be audited. Your Board had, upon the recommendation of the Audit & Risk Management Committee, appointed M/s Jitender, Navneet & Co., Cost Accountants to audit the cost accounts of the Company for FY 2023-24 at a remuneration up to ₹ 75,000 (Rupees Seventy Five Thousand) plus taxes and out-of-pocket expenses. As required under the Companies Act, 2013, the remuneration payable to the cost auditor 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 Notice convening ensuing Annual General Meeting.

3. **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Mukesh Agarwal & Co., Practicing Company Secretary to undertake the Secretarial Audit of the Company. It is hereby confirmed that the Company has complied with the provisions of SS-1 i.e. Secretarial Standard on meetings of Board of Directors and SS-2 i.e. Secretarial Standard on General Meetings. The Report of the Secretarial Auditor for the FY 2023-24 does not contain any qualification, reservation or adverse remark and it is annexed herewith as **"Annexure-II"**.

4. **INTERNAL AUDITORS**

Consequent to the resignation of Mr Rajiv Puri from the position of Chief Internal Audit and Risk Officer of the Company w.e.f. August 31, 2023. and upon the recommendation of the Audit & Risk Management Committee, the Board of Directors of the Company has appointed Mr Sanjay Baweja as Chief Internal Audit and Risk Officer of the Company w.e.f. May 17, 2024 and authorized him to engage independent firms for conducting the internal audit of the Company.

For FY 2023-24, Internal Audit(s) were performed in accordance with the Internal Audit plan approved by the Audit & Risk Management Committee. Taking cognizance of the disinvestment made by the Company with effective date of February 01, 2024, Internal Audit of the Company is realigned for carrying out an annual Internal Audit of the entity with the objective of evaluating internal controls over financial reporting and other residual transactions.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During FY 2023-24, there was no significant material order passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

CHANGE IN THE NATURE OF BUSINESS

During FY 2023-24 the Company has transferred its business operations to the MGM Healthcare Private Limited. Consequent to the sale of business operation, the Company ceases to have business operations.

STOCK OPTIONS AND CAPITAL STRUCTURE

During the year under review, the Company has not granted any options under "Malar Employees Stock Option Plan, 2008" ("ESOP Scheme").

Further, pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEBS) Regulations"), as amended from time to time, the Nomination & Remuneration Committee of the Company, inter-alia, administers and monitors the ESOP Scheme of the Company.

As on March 31, 2024 Company does not have any outstanding stock options as the same has already been unexercised and thereafter, lapsed in earlier financial years.

Pursuant to the provisions of the SEBI (SBEBS) Regulations, the details of stock options as on March 31, 2024 under the "Malar Employees Stock Option Plan 2008" is available at the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/agm-documents.

The certificate from the Secretarial Auditors of the Company stating that the Schemes have been implemented in accordance with the SEBI (SBEBS) Regulations would be placed at the Annual General Meeting for inspection by members. The details pertaining to shares in suspense account are specified in the report of Corporate Governance forming part of the Board 'Report.

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

During the FY 2023-24, there was no change in capital structure of the Company.

ANNUAL RETURN

The Annual Return of the Company in Form MGT- 7 in accordance with Section 92(3) of the Companies Act, 2013 is available on the website of the Company at Investor Relations - Fortismalarhospital.com

BOARD'S REPORT (Contd.)

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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, Technology Absorption and Foreign Exchange is given in **"Annexure-III"**, forming part of this Board's Report.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, your Company did not have any obligation to make CSR contribution, hence, no initiatives have been taken during the year. Further, the disclosure as required under Section 134(3)(o) of the Companies, Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is not applicable.

The policy as approved by the Board is available on the Company's website at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr Daljit Singh, Director is liable to retire by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment. On the recommendation from Nomination & Remuneration Committee, the Board has recommended his re-appointment as a director liable to retire by rotation. As required under Regulation 36 of Listing Regulations and Secretarial Standard information or details of Mr Daljit Singh are provided in the Notice convening the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Agreement and Disclosure Requirements) Regulations, 2015. Further, no director of the Company was disqualified to become/continue as Director of the Company, in terms of the provisions of the Companies Act, 2013 and the rules made thereunder.

Mr Ravi Rajagopal was appointed as Independent Directors on the Board of the Company w.e.f. October 23, 2019 for a period of 5 years, pursuant to the approval of the members by postal ballot on June 13, 2020, in accordance with the provisions of Section 149, 150, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). He holds office as Independent Director of the Company up to October 22, 2024 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Accordingly, the Board, based on the performance evaluation of Mr Ravi Rajagopal and as per the recommendation of the Nomination & Remuneration Committee, considering that, given his background, experience and contributions made by him during his first tenure, the continued association of Mr Ravi Rajagopal, would be beneficial to the Company and it is desirable to continue to avail his services as Independent Directors. Therefore, the Board of Directors in its meeting held on May 17, 2024 considered & recommended the re-appointment of Mr Ravi Rajagopal as Independent Director for a second term of 5 consecutive years, not liable to retire by rotation, with effect from October 23, 2024 upto and including October 22, 2029, which is forming part of the Notice of this AGM.

It is hereby informed that the members of the Company in terms of the provisions of Section 196, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (the Act) and Listing Regulations had appointed Mr. Chandrasekar R. as Whole-time Director of the Company w.e.f. January 11, 2022 for a period of 3 consecutive years. Accordingly, his tenure as Whole-time Director will expire w.e.f. January 10, 2025.

Accordingly, Board of Directors of the Company, based on recommendation of Nomination & Remuneration Committee and subject to the approval of shareholders of the Company has appointed and recommended the appointment of Mr Chandrasekar Ramaswamy (DIN: 09414564) as "Whole-time Director" of the Company for a period of three (3) years with effect from January 11, 2025, on the terms and conditions as set in the Notice of this AGM.

Further, after the closure of FY 2023-24 Mr Ramesh L. Adige was appointed as additional director designated as "Non-Executive Non-Independent Director" of the Company for a period of one (1) year w.e.f May 6, 2024 upto May 5, 2025 whose regularization at the ensuing AGM shall be forming part of the notice thereof for shareholders' approval.

There is no inter-se relationship between the Board Members.

During the year under review, Mr Sandeep Singh has resigned as the Company Secretary & Compliance Officer of the Company w.e.f. February 29, 2024. Post closure of the Financial year under review the Board has appointed Ms Srishty as Company Secretary & Compliance Officer of the Company w.e.f. May 17, 2024.

During the year under review, 10 (Ten) meetings were held by the Board of Directors. Details of Board/ Committee meetings held and attendance of Directors are provided in the Corporate Governance Report forming part of the Annual Report.

Disclosures regarding the following are also mentioned in report on Corporate Governance:

1. Composition of committee(s) of the Board of Directors 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 Whole-time Director, if any.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and its 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.

In view of the aforementioned provisions, a well structured questionnaire, covering various aspects of the functioning of the board and its committees, adequacy of the constitution and composition of the Board and its committees, matters addressed in the Board, processes followed at the meeting, frequency of meetings of the Board and its committees, long-range strategic thinking and planning etc., is in place.

Likewise, for evaluation of each individual Director's performance including the Independent Directors, a questionnaire covering various aspects like, Knowledge of key areas, effective interaction with others, competency to bring knowledge and experience, Quality and Value contribution, resolute in holding views and communication, etc., was circulated to the Board for the evaluation purpose of respective directors.

Accordingly, the Board members submitted their response for evaluating the entire Board, respective committees of which they are members and of their peer Board members, including Chairman of the Board.

Thereafter, the same was duly placed before the Board of Directors for noting.

MANAGERIAL REMUNERATION

Disclosures pursuant to Rule 5 of 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 FY 2023-24

(Amount in ₹)

Name of the Director	Remuneration of Director	Median Remuneration of employees	Ratio
Mr Chandrasekar Ramaswamy	47,32,896	4,30,965	10.98:1

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

Name of Director / KMP	Designation	% increase in Remuneration
Mr Chandrasekar Ramaswamy	Whole Time Director	6.95%
Mr Yogendra Kumar Kabra	Chief Financial Officer	NA
Mr Sandeep Singh*	Company Secretary & Compliance Officer	NA

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

BOARD'S REPORT (Contd.)

c) The percentage increase in the median remuneration of employees in FY 2023-24 is 8.13% (15.2% in the last year).

d) The number of permanent employees on the rolls of Company is 1 as on March 31, 2024.

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	FY 2023-24
(A) Average percentile increases already made in the salaries of employees other than the managerial personnel	9.37%
(B) Percentile increases in the managerial remuneration	6.95%
Comparison of (A) and (B)	1.35 : 1
Justification	
Any exceptional circumstances for increase in the managerial remuneration	NA

f) **Salary details along with the variable component and other benefits of the remuneration being paid to directors are detailed below:**

(Amount in ₹)

Name of the Director*	Salary, Allowances & Perquisites	Performance Incentives	Retiral Benefits	Service Contract (As Whole Time Director)	
				Tenure	Notice Period
Mr Chandrasekar Ramaswamy	41,32,896	6,00,000	21,600	3 years w.e.f. January 11, 2022	3 Months

** None of the other Directors was paid any remuneration, except sitting fees and the fees paid for services rendered in the professional capacity.*

g) **Remuneration has been paid to Directors and KMPs as per Board Governance Document / the Remuneration Policy of the Company:**

Remuneration Policy:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a remuneration policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director etc. and the same is also available on the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

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 the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Board 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 at the Registered Office and / or Corporate Office of the Company during business hours between 10.00 am to 12.00 noon on working days (Except Saturday) of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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.

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

The Company has formulated a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the same is available at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company, except to the extent of sitting fees and the fees paid for services rendered in the professional capacity and remuneration approved by the Board of Directors and as disclosed in this Annual Report.

RISK MANAGEMENT FRAMEWORK

The Company has designed a risk management framework for risk identification, assessment, mitigation plan development and monitoring of action to mitigate the risks. 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 framework promotes risk ownership, accountability, self-assessment and continuous improvement to minimize adverse impact on achievement of business objectives and enhance the Company's competitive advantage. The details thereof are covered under the Management and Discussion Analysis Report which forms part of the Annual Report.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT

Your Company has adopted a policy for Prevention, Prohibition and Redressal of sexual harassment. We have not received any complaint during the FY under review relating to sexual harassment hence there was no complaint pending as on March 31, 2024. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The same may also be read in terms of Companies (Accounts) Rules, 2014.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

CODE OF CONDUCT

Declaration by Mr Chandrasekar Ramaswamy, Whole-time Director, confirming compliance with the 'Code of Conduct' is enclosed with Corporate Governance Report.

REPORT ON CORPORATE GOVERNANCE

Your Company continues to place greatest emphasis on managing its affairs with diligence, transparency, responsibility and accountability. Your Company is committed to adopting and adhering to the best Corporate Governance practices recognized globally. Your Company understands and respects its fiduciary role and responsibility towards stakeholders and the society at large and strives hard to serve their interests, resulting in creation of value and wealth for all stakeholders at all times.

The report of Board of Directors of the Company on Corporate Governance is given in the section titled "Report on Corporate Governance" forming part of this Annual Report.

Certificate of M/s. Mukesh Agarwal & Co., Company Secretary in Whole-time Practice, regarding compliance with the Corporate Governance requirements as stipulated in Clause E, Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the Corporate Governance Report.

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 for the year ended March 31, 2024, the applicable accounting standards has been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for financial year ended March 31, 2024 and of the loss/profit of the Company for the said period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

BOARD'S REPORT (Contd.)

d) the directors had prepared the annual accounts on a going concern basis;

e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were 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 co- operation, patronage and trust reposed in the Company.

Your Directors also greatly appreciate the commitment and dedication of all the employees at all levels, that has contributed to the growth and success of the Company. Your Directors also thank all the strategic partners, business associates, Banks, financial institutions and our shareholders for their assistance, co-operation and encouragement to the Company during the year.

By the Order of the Board
For **Fortis Malar Hospitals Limited**

Daljit Singh
Chairman
DIN : 00135414

Date: May 17, 2024
Place: Gurugram

ANNEXURE – I

FORM NO. AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures Part A: Subsidiaries

(₹ in Lakhs)

S. No.	Particulars	Year ended March 31, 2024
1	Name of the subsidiary	MALAR STARS MEDICARE LIMITED
2	The date since when subsidiary was acquired	N.A.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period same as Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5	Share Capital	5.00
6	Reserves & Surplus	26.30
7	Total Assets	233.92
8	Total Liabilities	202.62
9	Investments	Nil
10	Turnover	6.52
11	Profit before Taxation	6.39
12	Provision for Taxation	1.59
13	Profit after Taxation	4.80
14	Proposed Dividend (Interim)	200.00
15	Extent of Shareholding (in percentage)	100%

Notes:

1. Name of subsidiaries which are yet to commence operation – None
2. Name of subsidiaries which have been liquidated or sold during the year – None

PART B: ASSOCIATES AND JOINT VENTURES

As on March 31, 2024, the Company does not have any associate Company and / or Joint Venture.

For and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited

Daljit Singh
Chairman
DIN 00135414

Chandrasekar R.
Whole Time Director
DIN 09414564

Yogendra Kumar Kabra
Chief Financial Officer

Srishty
Company Secretary & Compliance Officer
Membership No. A62933

ANNEXURE – II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Members,
Fortis Malar Hospitals Limited
Fortis Hospital Sector-62 Phase-VIII,
Mohali-160062

We, **M/s Mukesh Agarwal & Co.,** have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fortis Malar Hospitals Limited (hereinafter referred to as 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 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 Malar 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;

iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

iv. 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We have also examined compliance with the applicable Clauses/ Regulations of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (where the shares of the Companies are listed) and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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 Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent to the Directors at least seven days 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.

ANNEXURE – II (Contd.)

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

We further report that based on the information received and records maintained by the Company, 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

1. Approved entering into Business Transfer Agreement and related documents for sale/disposal/transfer of business operations of the Company pertaining to Fortis Malar Hospital;
2. Appointed Ms Richa Singh Debgupta (Din: 08891397) as a Director of the Company;
3. Mr Sandeep Singh has resigned from the position of Company Secretary and Key Managerial Personnel of the Company effective from February 29, 2024 (close of business hour).

For **Mukesh Agarwal & Company**

Mukesh Kumar Agarwal
M No-F5991
C P No.3851
UDIN: F005991F000388483

Place: Delhi
Date: May 17, 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.

ANNEXURE-A

To,
The Members,
Fortis Malar Hospitals 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. 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: F005991F000388483

Place: Delhi
Date: May 17, 2024

ANNEXURE – III

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as per Section 134(3)(m) read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2024 is as given below:

A. Conservation of Energy: Nil

B. Technology Absorption

1. Research & Development (R & D): - Nil
2. Technology Absorption, Adaptation & Innovation: - Nil

C. Foreign Exchange Earnings and Outgo

a) Activities relating to exports: Initiatives taken to increase exports, development of new export markets for products and services and export plans: Nil.

b) Total foreign exchange earned and used:

(i) Earnings: ₹ 200.11 Lakhs

(ii) Expenditure: CIF Value of Imports: Nil Others ₹ 3.11 Lakhs

By the Order of the Board
For **Fortis Malar Hospitals Limited**

Daljit Singh
Chairman

Date: May 17, 2024
Place: Gurugram

ANNEXURE – IV

CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company CSR Policy

The Board of Director has approved the CSR policy for the Company. The said policy approaches this area under the philosophy that the Company efforts should strive towards building and sustaining a healthier humanity.

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

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

However, during the year ended March 31, 2024 the Company had not make any contribution towards CSR as there were losses in the Company and was not eligible in terms of Section 135 of the Companies Act, 2013 and CSR rules framed thereunder.

2. Composition of the CSR Committee

The composition of the CSR committee as on March 31, 2024 is as follows:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr Daljit Singh	Non-Executive Non-Independent Director	1	1
2.	Mr Ramesh L Adige	Non-Executive Independent Director	1	1
3.	Dr. Nithya Ramamurthy*	Non-Executive Non-Independent Director	1	1
4.	Mr Chandrasekar R**	Whole-Time Director	0	0

**Dr. Nithya Ramamurthy was resigned from the directorship of the Company on July 20, 2023 and consequently step down from the committee*

***Mr Chandrasekar R. was appointed as member of the committee w.e.f. August 02, 2023.*

Note:- However, post closure of Financial Year under review, due to the non-applicability of constitution of CSR Committee pursuant to the provisions of Section 135 read with CSR Rules the CSR committee was dissolved w.e.f. May 04, 2024.

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

The Board has approved the constitution of CSR Committee with a delegated mandate. The current composition and mandate of the committee are available on the Company's website at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

The policy as approved by the Board is available on the Company's web site at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

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. (908.71) Lakhs

b) Two percent of average net profit of the Company as per sub-section (5) of section 135. Nil

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

ANNEXURE – IV (Contd.)

e) Total CSR obligation for the financial year [(b)+(c)-(d)]. Nil

6.

a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). Nil

b. Amount spent in Administrative Overheads. NA

c. Amount spent on Impact Assessment, if applicable. NA

d. Total amount spent for the Financial Year [(a)+(b)+(c)]. Nil

e. CSR amount spent or unspent for the Financial Year: NA

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
-	-	-	-	-	-

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	NIL
ii.	Total amount spent for the Financial Year	NIL
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							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☑ No

ANNEXURE – IV (Contd.)

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: Not Applicable

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/-
Chandrasekar Ramaswamy
Whole Time Director
DIN:09414564

Sd/-
Daljit Singh
Chairman of Board and Chairman of CSR Committee
DIN:00135414

ANNEXURE V

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 arrangements or transactions entered into during the year ended March 31, 2024, which are not at arm's length basis.

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

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 / Committee, if any	Amount paid in advance
Fortis Health Management Limited	Fellow Subsidiary	Availing of services	(upto October, 2027) Agreement Deemed Terminated effective 1st February, 2024	₹ 2,99,34,053/- per quarter fixed + 7.5% on Operating Income Note: Consequent to the sale of business operations pertaining to Fortis Malar Hospital situated at Adyar Chennai pursuant to Business Transfer Agreement with MGM Healthcare Private Limited this agreement deemed terminated.	April 16, 2018	-
Fortis Healthcare Limited	Intermediate Holding Company	Inter Corporate Loan given	Up to July 8, 2023 (Loan Fully settled during the year FY 23-24)	Loan Limit of ₹ 28,00,00,000 as per MoU. Interest @ 10.50% PA. Loan fully settled. Loan Closing Balance as on March 31, 2024 - ₹ Nil.	July 7, 2020	-
Fortis Healthcare Limited	Intermediate Holding Company	Inter Corporate Loan given	From February 22, 2022 to February 21, 2024 (Loan Fully settled during the year FY 23-24)	Loan Limit of ₹ 40,00,00,000 as per MoU. Interest @ 6.50% PA. Loan fully settled. Loan Closing Balance as on March 31, 2024 - ₹ Nil.	January11, 2022	-

By the Order of the Board
For **Fortis Malar Hospitals Limited**

Sd/-
Daljit Singh
Chairman
DIN:00135414

Date: May 17, 2024
Place: Gurugram

MANAGEMENT DISCUSSION & ANALYSIS

SECTION I

Indian Healthcare Sector

A. Overview

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.

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.

B. Current Landscape and Key Highlights

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.

India's healthcare industry comprises hospitals, medical devices and equipment, pharmaceuticals, health insurance, clinical trials, telemedicine and medical tourism.

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.

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 Indian Council of Medical Research (ICMR).

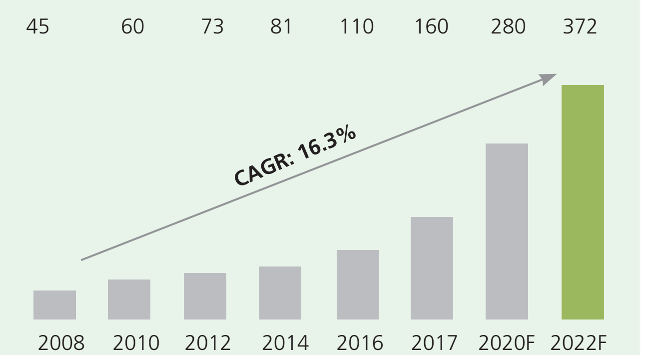
D. Key Growth Drivers of the Indian Healthcare Industry

a. **Government Policies to Improve Healthcare Coverage:** 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.

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.

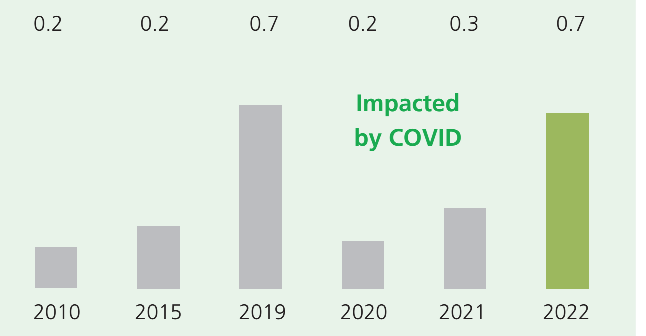
c. **Opportunity from Medical Tourism:** The government has set a target of achieving $12 billion in revenue from medical tourism by 2026 and has initiated several efforts through the 'Heal in India' program to establish India as a hub for medical tourism.

India's Healthcare Sector, USD Billion



Source: NITI Aayog

Medical Tourists, (in million)

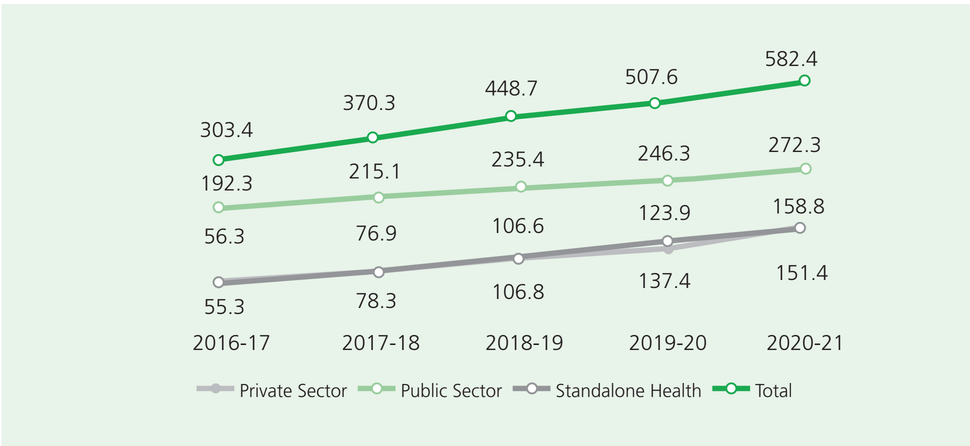


Source: Anand Rathi Research

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

d. **Growing Health Insurance Penetration:** Health insurance coverage has increased from 17% in FY12 to ~38% in FY22. As per the Insurance Regulatory and Development Authority, more than 520 million people have health insurance coverage in India (FY22), as against 212 million in FY12, but despite this growth, the penetration in FY22 stood at only 38%.

Increasing Trend in Health Insurance Premium (INR Bn)



Exclude Personal Accident and Travel Insurance

Source: IRDA 2020-21 Annual Report

e. **Increasing burden of Non-Communicable Diseases:** Non-communicable diseases (NCDs) such as cancer, diabetes & chronic respiratory diseases, 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 urbanization, which in turn has led to an overall economic rise, but with certain associated flipsides.

E. Digital 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: Healthcare organisations are putting 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 analyze 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.
- 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. Future Outlook

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 further innovations and investments.

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.

Please note that the company as on February 1st, 2024, had divested its business operations to MGM Healthcare Private Limited. Further details are available in the company section and the Director's report.

SECTION II

A. About Fortis Malar limited

a. About the Company

Malar Hospital was established in 1992 and over the years became a household name for tertiary care hospital services in Chennai. During 2007-08, Fortis Healthcare Limited (FHL) acquired a majority stake in Malar Hospital Limited.

Your Company in November 2023 announced the signing of definitive agreements for the sale of its business operations to MGM Healthcare Private Limited, a prominent healthcare delivery service provider in Chennai, for a consideration of ₹ 45.72 Crores (including Positive Net Current Asset adjustment of ₹ 0.22 Crores). The Board's guidance and oversight, the said transaction was successfully consummated on February 01, 2024, as per the terms and conditions contained in the Business Transfer Agreement entered into with MGM Healthcare and the Company in November 2023. Consequently, Malar Hospital is now owned and managed by MGM Healthcare, and neither Fortis Malar Hospitals Limited, nor any entity within its group or affiliated companies, retains ownership or control over the management or operations of Malar Hospital.

Additionally, the OPD and radio diagnostic business operations, along with the land and building of Malar Hospital and adjacent land parcels, were divested to MGM by two wholly-owned subsidiaries of our holding Company i.e. Fortis Health Management Limited (FHML) and Hospitalia Eastern Private Limited (HEPL).

B. Clinical Excellence

Clinical Outcomes are the globally agreed upon, evidence-based measurable changes in health or quality of life resulting from patient care. Reporting of outcomes and their continuous monitoring provides an opportunity for both assessing and improving the quality of patient health and care.

1. Fortis Malar Hospitals, one of the trusted healthcare service provider in Chennai, is the first hospital to implement and monitor clinical outcomes in Chennai. This initiative further strengthens our commitment to PATIENT CENTRICITY by striving towards continuous clinical excellence through improvement and enhancement of our clinical care services. Further, the introduction of Patient-Reported Outcomes Measurement [PROM] lends the voice of the patient to the entire process and helps enhance patient engagement and experience. Constant evaluation of our clinical outcomes against best available global standards motivates our medical workforce to continuously improve all aspects of our practice.
2. Fortis clinical outcomes are based on measurement of disease course and progression, quality of clinical care being provided, the success of the procedures/interventions carried out, and actual benefit perceived by the patient.
3. Details of individual procedure outcomes as measured using internationally accepted parameters and criteria, and further validated by our clinical experts.
4. We at Fortis Malar continuously monitor and evaluate our outcomes for the following procedures and specialities
   a) Coronary Artery Bypass Graft (CABG)
   b) Percutaneous Transluminal Coronary Angioplasty (PTCA)
   c) Kidney Transplant
   d) Caesarean Section
   e) Total Knee Replacement

MANAGEMENT DISCUSSION & ANALYSIS (Contd.)

C. Operational and Financial Performance

Ratio	FY 2024	FY 2023	Change %
Debtors Turnover (x)	37.06	31.93	16.07%
Inventory Turnover (x)	15.90	8.54	86.19%
Interest Coverage Ratio (x)	5.33	0.25	2051.91%
Current Ratio (x)	17.68	2.66	564.76%
Debt Equity Ratio (x)	-	0.72	(100.00%)
Operating Profit Margin (%)	(2.04%)	5.32%	(138.32%)
Net Profit Margin (%)	76.81%	(18.1%)	(526.45%)
Return on Net worth (%)	41.40%	(24.12%)	(271.63%)

D. Human Resource

The primary objective of any human resource management is to ensure the availability of competent and willing workforce to the organisation as well as to meet the needs, aspirations, values and dignity of individuals/employees and having due concern for the socio-economic problems of the community and the country.

During the year under review the Company divested its business operations and as such the employees were also transferred to MGM Healthcare. There is one employee on the payroll of the Company as on March 31, 2024.

E. Internal Control Systems and Their Adequacy

The internal control system at Fortis Malar has been designed to commensurate with the nature of business and complexity of operations. It is monitored by the management to provide reasonable assurance on the achievement of objectives, effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

The Company has 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

The internal audit program is managed by an Internal Audit function directly reporting to the Audit & Risk Management Committee of the Board.

FORWARD LOOKING STATEMENT

Except for the historical information contained herein, statements in this discussion which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-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
- IRDA Annual Report - 2020-21
- Anand Rathi Research Report, April 2024
- CRISIL Report, September 2023
- Market Research, Equity Reports, Web Articles, Press & Media Reports and Others

Fortis MALAR HOSPITAL

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE / CODE OF GOVERNANCE

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 Company is in compliance with the mandatory requirements stipulated under Regulation 17 to 27 read with para C, D and E of Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

A) Composition of the Board

The Board of Directors ("the Board") of the Company consists of an optimal combination of Executive, Non-Executive, Women and Independent Directors, representing a judicious mix of professionalism through knowledge and experience. Directors have in-depth knowledge of business in addition to the expertise in their respective areas of specialisation. The Board brings in strategic guidance, leadership and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that management adheres to high standards of ethics, transparency and disclosure.

As on March 31, 2024, the Board comprises of 6 (six) directors, of whom, 1 (One) is an Executive Director and 5 (five) are Non-Executive Directors (including two Woman Directors). Amongst the Non-Executive Directors, 3 (three) are Independent Directors. Non-Executive Directors bring an external and wider perspective in Board's deliberations and decisions. Size and composition of the Board conforms to the requirements of Regulation 17 of Listing Regulations, as on March 31, 2024. Other details relating to the directors as on March 31, 2024 are given as hereunder:

S. No.	Name of Director	Position held in the Company	Directorships in other companies[1]	Committees Membership in Other Companies[2]	Chairmanship in committees of other Companies[2]	Names of the listed entities where the person is a director and the category of directorship
1.	Mr Daljit Singh DIN – 00135414	Chairman and Non-Executive Non-Independent Director	1	0	0	-
2.	Mr Ramesh L. Adige DIN – 00101276	Non-Executive Independent Director	2^	2	0	-
3.	Mr Chandrasekar Ramaswamy DIN-09414564	Whole Time Director	0	0	0	-
4.	Mr Ravi Rajagopal DIN – 00067073	Non-Executive Independent Director	5	3	0	Fortis Healthcare Limited (Independent Director)

REPORT ON CORPORATE GOVERNANCE (Contd.)

S. No.	Name of Director	Position held in the Company	Directorships in other companies[1]	Committees Membership in Other Companies[2]	Chairmanship in committees of other Companies[2]	Names of the listed entities where the person is a director and the category of directorship
5.	Ms Shailaja Chandra DIN-03320688	Non-Executive Independent Director	3	4	1	• Fortis Healthcare Limited (Independent Director) • Birla Corporation Limited (Independent Director)
6.	Ms Richa Singh Debgupta DIN-08891397#	Non-Executive Non-Independent Director	4	0	0	-

Notes: *[1]The Directorships held by Directors as mentioned above, do not include directorships in Foreign Companies, Limited Liability Partnership, Companies registered under Section 8 of the Companies Act, 2013.*

[2]Represents Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

#Ms Richa Singh Debgupta was appointed in the Board of the Company w.e.f. October 10, 2023.

@The term of Mr. Ramesh L. Adige as Non-executive and Independent director has expired on May 05, 2024. Thereafter, the Board of Director of the Company has appointed Mr Ramesh L. Adige as additional director designated as "Non-Executive Non-Independent Director" of the Company w.e.f. May 6, 2024.

^Directorship of Mr. Adige has not been counted in Premier Limited since the powers of the Board are suspended as the Company is under CIRP/ IBC proceedings since January 29, 2021.

In accordance with Regulation 26 of Listing Regulations none of the Directors on the Board are members in more than ten (10) Committees and/or act as Chairperson of more than five (5) Committees across all the listed entities in which he / she is a Director. Further, none of the Independent Directors serves in more than seven (7) listed companies and also the Whole-time Director of the Company doesn't serve as an Independent Director in any other listed Company. Also, none of our directors are related to each other.

Further, the details of a matrix setting out the skills / expertise / competence of the board of directors specifying the list of core skills / expertise / competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board should be identified, following specifications should be considered for appointing directors. Following are desirable requirements and shall be considered on "best fit combination" basis across the board members instead of each individual along with naming directors who hold such skills / expertise / competence: -

Core skills / Expertise	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Chandrasekar Ramaswamy	Mr Ravi Rajagopal	Ms Shailaja Chandra	Ms Richa Singh Debgupta#
Educational Qualifications in respective functional domain.	✓	✓	✓	✓	✓	✓
Understanding of the corporate governance and stakeholder management frameworks.	✓	✓	✓	✓	✓	✓
Strong Financial Acumen and understanding of financial controls	✓	✓	✓	✓	✓	✓

Core skills / Expertise	Mr Daljit Singh	Mr Ramesh L. Adige	Mr Chandrasekar Ramaswamy	Mr Ravi Rajagopal	Ms Shailaja Chandra	Ms Richa Singh Debgupta#
Able to provide prudent insights on issues of strategy, performance, risk management & standards of conduct.	✓	✓	✓	✓	✓	✓
Experience / Exposure / association with healthcare industry.	✓	✓	✓	-	✓	✓
Understanding of a multi- faceted business operation.	✓	✓	✓	✓	✓	✓
Is well networked in the industry / Functional domain	✓	✓	✓	✓	✓	✓

 # Appointed w.e.f October 10, 2023

B) Independent Directors

Independent Directors fulfil all the conditions for being Independent to the Company, as stipulated under Regulation 16(1)(b) of SEBI Listing Regulation and the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and Regulation 25(2) of Listing Regulations. The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment are disclosed on the website of the Company viz.

https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents

Further, in compliance with Regulation 25(7) of Listing Regulations, the Company has made familiarisation programmes to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of such familiarisation programme is available at

https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents

Based on declaration received from independent directors, the Board is of the opinion that independent directors fulfil the conditions specified in these regulations and are independent of the management.

C) Disclosure regarding appointment or re-appointment of Directors

Pursuant to the provisions of Section 149 of the Companies Act, 2013, all the Independent Directors hold office for tenure of five consecutive years and are not liable to retire by rotation. Every appointment made to the Board is recommended by the Nomination and Remuneration Committee after considering various factors such as qualification, 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.

As per the provisions of the Companies Act, 2013, Mr Daljit Singh is liable to retire by rotation at the ensuing Annual General Meeting and offered himself for re-appointment. On the recommendation of Nomination and Remuneration Committee, the Board has recommended his re-appointment as a director liable to retire by rotation. As required under Regulation 36 of Listing Regulations, the information or details pertaining to the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting are provided in the Notice convening the ensuing Annual General Meeting.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Mr. Ravi Rajagopal was appointed as an Independent Director on the Board of the Company w.e.f. October 23, 2019 for a period of 5 years, pursuant to the approval of the members by postal ballot on June 13, 2020, in accordance with the provisions of Section 149, 150, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations. He holds office as Independent Director of the Company up to October 22, 2024 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Accordingly, the Board, based on the performance evaluation of Mr. Ravi Rajagopal and as per the recommendation of the Nomination & Remuneration Committee, considering his background, experience and contributions made by him during his first tenure, the continued association of Mr. Ravi Rajagopal, would be beneficial to the Company and it is desirable re-appoint him as an Independent Director of the Company. Therefore, the Board of Directors in its meeting held on May 17, 2024 considered & recommended the re-appointment of Mr. Ravi Rajagopal as an Independent Director for a second term of 5 consecutive years, not liable to retire by rotation, with effect from October 23, 2024 upto and including October 22, 2029, which is forming part of the Notice of this AGM.

Further, in terms of the provisions of Section 196, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (the Act) and Listing Regulations the members of the Company had appointed Mr. Chandrasekar Ramaswamy as Whole-time Director of the Company w.e.f. January 11, 2022 for a period of 3 consecutive years. Accordingly, his tenure as Whole-time Director will expire w.e.f. January 10, 2025.

Accordingly, Board of Directors of the Company, based on recommendation of Nomination & Remuneration Committee and subject to the approval of shareholders of the Company has appointed and recommended the appointment of Mr. Chandrasekar Ramaswamy (DIN: 09414564) as "Whole-time Director" of the Company for a period of three (3) years with effect from January 11, 2025, on the terms and conditions as set in the Notice of this AGM.

Further, after the closure of FY 2023-24 Mr. Ramesh L. Adige was appointed as additional director designated as "Non-Executive Non-Independent Director" of the Company for a period of one (1) year w.e.f from May 6, 2024 upto May 5, 2025 whose regularization at the ensuing AGM shall be forming part of the notice thereof for shareholders' approval.

Board Functioning & Procedure

The Board plays a pivotal role in ensuring good governance. In accordance with Companies Act, 2013 and Regulation 17(2) of Listing Regulations, the Board meets at least 4 (four) times a year, with a maximum time gap of one hundred and twenty (120) days between any two consecutive meetings and whenever necessary, additional meetings were held. The agenda for each Board Meeting is drafted in consultation with the Chairman and Whole-time Director and circulated in advance to the Board Members to facilitate meaningful discussion at the meeting.

The provisions and procedures relating to Performance Evaluation of the Directors and Familiarisations Program forms part of the Annual Report.

During the year ended March 31, 2024, 10 (Ten) Board Meetings were held on:-

(i) May 19, 2023
(ii) May 24, 2023,
(iii) July 14, 2023
(iv) August 02, 2023
(v) August 14, 2023
(vi) September 04, 2023
(vii) November 06, 2023
(viii) November 15, 2023
(ix) November 30, 2023 and
(x) February 05, 2024.

The gap between two meetings did not exceed one hundred and twenty (120) days.

Last Annual General Meeting of the Company was held on July 31, 2023. Attendance of each Director at the Board Meetings held during the year ended March 31, 2024 and at the last Annual General Meeting (AGM) is given as hereunder: -

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Mr Daljit Singh	10	Yes
Mr Chandrasekar Ramaswamy	10	Yes
Dr. Nithya Ramamurthy[1]	2	NA
Mr Ramesh Lakshman Adige	10	Yes
Mr Ravi Rajagopal	8	Yes
Ms Shailaja Chandra	10	Yes
Ms Richa Singh Debgupta[2]	4	NA

1. Dr. Nithya Ramamurthy resigned w.e.f July 20, 2023

2. Ms. Richa Singh Debgupta appointed w.e.f October 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 compliances with Laws and Regulations as may be applicable to the Company as well as 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 for all employees of the Company including Senior Management and Board Members which covers transparency, behavioural conduct, gender friendly work-place, legal compliance and protection of the Company's property and information.

Further, in terms of Schedule IV of the Companies Act, 2013, the Company has adopted a separate Code of Conduct for Independent Directors. In terms of Regulation 26 of Listing Regulations the Board Members have confirmed compliance with the Codes for FY 2023-24. The aforesaid code is also hosted on the website of the Company and a declaration to this effect signed by the Whole-time Director of the Company, forms part of this Report.

3. COMMITTEES OF THE BOARD

In terms of the provisions of Listing Regulations read with the Companies Act, 2013, the Board has formed four Committees viz. Audit & Risk Management Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

Keeping in view of the requirement of the Companies Act, 2013 as well as SEBI LODR, the Board decides the terms of reference of these Committees and assignments of members of various Committees. The recommendation, if any, of these Committees are submitted to the Board for approval.

A) AUDIT & RISK MANAGEMENT COMMITTEE

Composition of the Committee

As on March 31, 2024, Audit & Risk Management Committee comprised of the following members, namely:

S. No.	Name of Members	Designation	Category
1.	Mr Ramesh L. Adige	Chairman	Non-Executive Independent Director
2.	Mr Daljit Singh	Member	Non-Executive Non-Independent Director
3.	Mr Ravi Rajagopal	Member	Non-Executive Independent Director
4.	Ms Shailaja Chandra	Member	Non-Executive Independent Director

Further, post closure of Financial Year under review the Composition of the Committee has been changed w.e.f May 04, 2024 as given hereunder: -

S. No.	Name of Members	Designation	Category
1.	Mr Ravi Rajagopal	Chairperson	Non-Executive Independent Director
2.	Mr Ramesh L. Adige	Member	Non-Executive Non-Independent Director*
3.	Ms Shailaja Chandra	Member	Non-Executive Independent Director

REPORT ON CORPORATE GOVERNANCE (Contd.)

**Note :- The term of Mr. Adige as Non-Executive Independent Director was expired on May 05, 2024 and thereafter he was appointed as Additional Director designated as "Non-Executive Non-Independent Director" of the Company w.e.f May 06, 2024 for a term of one (1) year upto May 05, 2025.*

Members of the Committee are financially literate and also have requisite accounting and financial management expertise. Company Secretary of the Company acts as Secretary of the Committee.

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

- Oversight of the financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors;
- To review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv) Significant adjustments made in the financial statements arising out of audit findings.
  - v) Compliance with listing and other legal requirements relating to financial statements.
  - vi) Disclosure of any related party transactions.
  - vii) Modified opinion(s) in the draft audit report.
- To review with the management, the quarterly financial statements before submission to the board for approval;
- To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), 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 issue or rights issue or preferential issue or qualified instituitions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- To approve fresh or any subsequent modification of transactions of the Company with related parties;
- To scrutinize inter-corporate loans and investments;
- To do valuation of undertakings or assets of the Company, wherever it is necessary;
- To do evaluation of internal financial controls and risk management systems;
- To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- To discuss with internal auditors for any significant findings and follow up there on;
- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or

irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- To review utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loan/advances/investments existing as on date of coming into force of this provision; and
- To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- The committee shall also review the following information:

  a) management discussion and analysis of financial condition and results of operations;

  b) management letters / letters of internal control weaknesses issued by the statutory auditors;

  c) internal audit reports relating to internal control weaknesses; and

  d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

  e) statement of deviations:

  f) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

  g) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The above said roles, accountabilities and responsibilities reflect salient terms of reference of the Audit and Risk Management Committee. However, the detailed and exhaustive mandate / terms of reference of the Audit and Risk Management Committee are also available on the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents

Meetings and Attendance during the year

During the financial year ended March 31, 2024, 5 (Five) meetings of Audit & Risk Management Committee were held on:

i. May 19, 2023

ii. August 02, 2023

iii. November 06, 2023

iv. November 15, 2023

v. February 05, 2024

The attendance at the Audit and Risk Management Committee Meetings held during the year under review are as under:

S. No.	Name of Members	No. of Meetings attended
1.	Mr Ramesh Lakshman Adige, Chairman*	5
2.	Mr Daljit Singh	5
3.	Mr Ravi Rajagopal**	3
4.	Ms Shailaja Chandra	5

* Member of the Committee w.e.f May 4,2024

** Chairman of the Committee w.e.f May 4, 2024

B) NOMINATION & REMUNERATION COMMITTEE

Composition of the Committee

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

S. No.	Name of Members	Designation	Category
1.	Mr Ramesh Lakshman Adige	Chairman	Non-Executive Independent Director
2.	Mr Daljit Singh	Member	Non-Executive Non-Independent Director
3.	Mr Ravi Rajagopal	Member	Non-Executive Independent Director

Further, post closure of Financial Year under review the Composition of the Committee has been changed w.e.f May 04, 2024 as given hereunder:-

S. No.	Name of Members	Designation	Category
1	Ms Shailaja Chandra	Chairperson	Non-Executive Independent Director
2	Mr Daljit Singh	Member	Non-Executive Non-Independent Director
3	Mr Ravi Rajagopal	Member	Non-Executive Independent Director

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

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  a. use the services of an external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- To devise a policy on diversity of Board of Directors;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Whether to extend or continue the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors; and
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

The above said roles, accountabilities and responsibilities reflect salient terms of reference of the Nomination and Remuneration Committee. However, the detailed and exhaustive mandate / terms of reference of the said Committee are also available on the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

Meetings and Attendance

During the financial year ended March 31, 2024, 3 (Three) meetings of the Nomination & Remuneration Committee were held on:

i) April 26, 2023;

ii) May 24, 2023; and

iii) October 10, 2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Attendance at the Nomination & Remuneration Committee Meetings held during the year under review is given as hereunder: -

S. No.	Name of Members	No. of Meetings attended
1.	Mr Ramesh Lakshman Adige	3
2.	Mr Daljit Singh	3
3.	Mr Ravi Rajagopal	2

Company Secretary of the Company acted as Secretary of the Committee.

Remuneration policy and criteria of making payments to Executive and Non-Executive Directors

Remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on regular basis and is in consonance with the existing industry practice.

Directors' remuneration policy of your Company confirms to the provisions of the Companies Act, 2013 and this policy forms part of "Board Governance document" which is available at Company website on https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

Remuneration paid / payable to the Executive Director i.e. Whole-time Director is recommended by the Nomination and Remuneration Committee, decided by the Board and approved by the Shareholders.

Presently, the non-executive directors are being paid sitting fees for attending the meetings of Board of Directors and various Committees of the Board viz. Audit & Risk Management Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee.

Further, Independent Directors are also being paid sitting fees for their separate meeting.

Remuneration to Directors / Executive Director(s)

The details of remuneration paid to Executive Directors during the financial year ended March 31, 2024 are given as hereunder: -

Name of the Director	Salary, Allowances & Perquisites (₹)	Performance Incentives (₹)	Retiral Benefits (₹)	Service Contract	
				Tenure	Notice Period
Mr Chandrasekar Ramaswamy	41,32,896	6,00,000	21,600	3 years w.e.f. January 11, 2022	3 Months

Notes:

1) As on March 31, 2024, Mr Chandrasekar did not hold any equity shares in the Company.

2) No Stock options of the Company was granted to Mr Chandrasekar. Further, he was not paid any commission from the Company or its Holding / Subsidiary Company during the year.

Non – Executive Directors

Except the sitting fees being paid to Non-Executive Directors and the fees for services rendered in the professional capacity, there is no other pecuniary relationship or transaction between such Directors and the Company.

Details of sitting fees paid to the Non-executive Directors for the financial year ended March 31, 2024 and their shareholding as on that date are given as hereunder:-

Particulars of Director	Sitting Fee (Amount in ₹)	Shareholding in the Company as on March 31, 2024
Mr Daljit Singh	11,50,000	Nil
Ms Shailaja Chandra	8,00,000	Nil
Dr. Nithya Ramamurthy	2,00,000	8,59,377

REPORT ON CORPORATE GOVERNANCE (Contd.)

Particulars of Director	Sitting Fee (Amount in ₹)	Shareholding in the Company as on March 31, 2024
Mr Ramesh Lakshman Adige	12,00,000	Nil
Mr Ravi Rajagopal	7,00,000	Nil
Ms Richa Singh Debgupta	0	Nil

Except as stated above and as disclosed 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.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition of the Committee

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

S. No.	Name of Members	Designation	Category
1.	Mr Ramesh L. Adige	Chairman	Non-Executive Independent Director
2.	Mr Daljit Singh	Member	Non-Executive Non-Independent Director
3.	Dr. Nithya Ramamurthy*	Member	Non-Executive Non-Independent Director
4.	Mr Chandrasekar Ramaswamy#	Member	Executive Director

**resigned w.e.f. July 20, 2023*

#Appointed w.e.f. August 02, 2023.

Company Secretary of the Company acted as Secretary of the Committee.

Further, post closure of Financial Year under review the Composition of the Committee has been changed w.e.f May 04, 2024 as given hereunder:-

S. No.	Name of Members	Designation	Category
1	Ms Shailaja Chandra	Chairperson	Non-Executive Independent Director
2	Mr Daljit Singh	Member	Non-Executive Non-Independent Director
3	Mr Chandrasekar Ramaswamy	Member	Executive Director

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

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

The above said roles, accountabilities and responsibilities reflect salient terms of reference of the Stakeholders Relationship Committee. However, the detailed and exhaustive mandate / terms of reference of the said Committee are also available on the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

Meeting and Attendance

Stakeholders Relationship Committee meets as and when required. During the year under review, 4 (four) meetings were held on:

i) May 19, 2023;

ii) August 02, 2023;

iii) November 06, 2023; and

iv) February 05, 2024

Attendance of the members of Stakeholders Relationship Committee at the said meetings were as follows:

S. No.	Names of the Members	No. of Meetings attended
1.	Mr Ramesh L. Adige, Chairman	4
2.	Mr Daljit Singh	4
3.	Dr. Nithya Ramamurthy	1
4.	Mr Chandrasekar Ramaswamy	3

Status of Shareholders' Complaints during Financial Year 2023-24

Number of complaints pending from last year	:	Nil
Number of shareholders' complaints received during the year	:	32
Number of complaints resolved to the satisfaction of shareholders:	:	32
Number of pending complaints as on March 31, 2024	:	Nil

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of the Committee

The Committee as on March 31, 2024 comprised of the following members, namely: -

S. No.	Name of Members	Designation	Category
1.	Mr Daljit Singh	Chairman	Non-Executive Non-Independent Director
2.	Mr Ramesh L Adige	Member	Non-Executive Independent Director
3.	Dr. Nithya Ramamurthy*	Member	Non-Executive Non-Independent Director
4.	Mr Chandrasekar Ramaswamy#	Member	Executive Director

**resigned w.e.f. July 20, 2023;*

#Appointed w.e.f. August 02, 2023;

Company Secretary acted as the Secretary of the Committee.

However, post closure of Financial Year under review, due to the non-applicability of constitution of CSR Committee pursuant to the provisions of Section 135 read with CSR Rules the CSR committee was dissolved w.e.f. May 04, 2024.

Accountabilities, Roles and Responsibilities

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

- To review and make recommendations, as appropriate, with regard to the Company's Corporate Social Responsibility (CSR) policy indicating the activities to be undertaken by the Company;
- To review 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;
- To identify and appoint various eligible agencies / entities for execution of CSR programmes or projects of the Company;
- To recommend the amount of expenditure to be incurred on the CSR activities as per the framework of CSR Policy.
- To fix the schedule of implementation of CSR projects and programmes and supervise and review the same;
- To liaise with management on the Company's CSR program, including significant sustainable development, community relations and procedures;
- To satisfy itself that management of the Company monitor trends and emerging issues in the corporate social responsibility field and evaluates the impact on the Company;
- To schedule regular reports from CSR Department(s) and / or various eligible agencies or entities on the Company's CSR performance to assess the effectiveness of the CSR program;
- To identify the principal areas of risks and impacts relating to corporate social responsibility and ensuring that sufficient resources are allocated to address these liabilities;
- To review the annual budget for the Company's CSR activities to confirm that sufficient funding is provided for compliance with this mandate;
- To review the Company's CSR performance and to assess the effectiveness of the CSR program and to determine whether the Company is taking all appropriate actions in respect of those matters and has been duly diligent in carrying out its responsibilities and to make recommendations for improvement, wherever appropriate; and
- To open various bank account(s) and authorise the bank signatories, as may be required, for execution of various CSR programmes or projects of the Company and change, if any, of said signatories and closure of said bank account(s).

The above-mentioned roles and responsibilities reflect the salient terms of reference and responsibilities for the Corporate Social Responsibility Committee. The detailed and exhaustive mandate of the Corporate Social Responsibility Committee is available on the website of the Company at https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

Meetings and Attendance during the year

Corporate Social Responsibility Committee meets as and when required. During the year under review, 1 (One) meeting was held on May 19, 2023;

Sr. No.	Names of the Members	No. of Meetings attended
1.	Mr Ramesh L. Adige, Chairman	1
2.	Mr Daljit Singh	1
3.	Dr. Nithya Ramamurthy	1
4.	Mr Chandrasekar Ramaswamy	0

INDEPENDENT DIRECTORS MEETING

Independent Directors meets as and when required. During the year under review, 1 (one) meeting was held on March 29, 2024.

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.

4. PARTICULARS OF SENIOR MANAGEMENT:

Sr. No.	Name of Members	Designation
1.	Mr Chandrasekar R.	Whole-Time Director
2.	Mr Sandeep Singh*	Company Secretary
3.	Mr Yogendra Kumar Kabra	Chief Financial Officer
4.	Mr Rajiv Puri#	Chief Internal Auditor

**Mr. Sandeep Singh resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. February 29, 2024*

#Mr. Rajiv Puri has resigned from the post of Chief Internal Auditor of the Company w.e.f. August 31, 2023

Post closure of financial year under review, Mr. Sanjay Baweja has been appointed as Chief Internal Audit & Risk Officer and Ms. Srishty has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. May 17, 2024 respectively

5. SUBSIDIARY COMPANY

During the Financial Year under review, your Company has one unlisted subsidiary Company i.e. Malar Stars Medicare Limited. Audit & Risk Management Committee of your Company reviews financial statements and investments made by Malar Stars Medicare Limited. Minutes of the Board Meetings as well as statements of significant transactions and arrangements entered into by Malar Stars Medicare Limited were placed before the Board of Directors of the Company.

The Company has also formulated a policy for determining 'material' subsidiaries and such policy has also been disclosed on the Company's website and the web link of the same is https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

Basis the Consolidated Audited Annual Accounts of the Company for FY 2023-24, the Company has no "material subsidiary" in terms of the provisions of Listing Regulations.

6. WHOLE TIME DIRECTOR / CHIEF FINANCIAL OFFICER CERTIFICATION

Certificates of Whole-time Director and Chief Financial Officer as stipulated in Regulation 17(8) of Listing Regulations was placed before the Board along with financial statements for the year ended March 31, 2024. The Board reviewed and took the same on record. The said certificate forms part of the Annual Report.

7. GENERAL BODY MEETINGS

The location and time of the General Meetings held during the preceding three years are as under: -

Financial Year	Date	Time	Address	Special resolution passed
2022-23	July 31, 2023	2:00 P.M.	Through Video Conferencing / Other Audio - Visual Means	NIL
2021-22	July 27, 2022	2:00 P.M.	Through Video Conferencing / Other Audio - Visual Means	NIL
2020-21	July 29, 2021	2.00 P.M.	Through Video Conferencing / Other Audio - Visual Means	NIL

Details of resolution passed by way of Postal Ballot

Pursuant to Regulation 44 of Listing Regulations and Sections 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.

Postal Ballot notice dated November 30, 2023 (Result declared on January 3, 2024):

a) Approval for the sale/disposal/transfer of business operations of the Company pertaining to Fortis Malar hospital (Special Resolution).

b) Appointment of Ms Richa Singh Debgupta (DIN:08891397) as a Non-Executive Director of the Company (Ordinary Resolution).

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

REPORT ON CORPORATE GOVERNANCE (Contd.)

Summary of the results of aforementioned Postal Ballot/electronic voting process announced by the Company Secretary of the Company on 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
Approval for the sale/disposal/transfer of business operations of the Company pertaining to Fortis Malar hospital (Special Resolution)	1,43,81,235	1,32,68,588 (92.3005%)	11,06,835 (7.6995%)
Appointment of Ms Richa Singh Debgupta (DIN:08891397) as a Non-Executive Director of the Company	1,43,25,889	1,32,25,580 (92.3194%)	11,00,309 (7.6806%)

Procedure for 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 Resolution(s) explaining in detail, the material facts are sent to all the members, whose name appear on the register of members as on the cut-off date. 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 KFintech 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 displayed on the website of the Company https://fortismalarhospital.com/investor-relations/investorcatdetails/general-meeting-postal-ballot and the last date for voting is deemed to be the date of passing the resolution(s).

8. DISCLOSURES

Related party transactions

Details of transactions with related parties, as prescribed in SEBI Listing Regulations, are placed before the Audit & Risk Management Committee periodically. Further, details of all material transactions, if any, with related parties are also disclosed quarterly along with the compliance report on Corporate Governance. The Company has adopted a Policy on 'Materiality on Related Party Transactions' and the weblink for the same is https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

During the period under review, material related party transactions were entered with the related parties of the Company pursuant to the approval of the shareholders as received earlier.

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 statements in a true and fair manner.

Compliances by the 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 three (3) years, except, as disclosed from time to time.

During the year under review, there was no non-compliance of requirements of Corporate Governance Report of Sub para 2 to 10 of Clause C of Schedule V of Listing Regulations, 2015.

Management

During the year 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 placed before the Board of Directors on periodic basis.

Code of Conduct and Prevention of Insider Trading

Code of Conduct for Prevention of Insider Trading of Fortis Malar Hospitals Limited, as approved by the Board of Directors, inter- alia, prohibits purchase or sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The said Code is available on the Company's website https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

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 their 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 & Risk Management Committee, in exceptional cases. It protects employees, officers, directors and stakeholders who in good faith raise a concern about irregularities within the Company. It is hereby confirmed that no personnel were denied access to the Audit & Risk Management Committee.

The Company has adopted a Whistle Blower Policy in line with the requirements laid down under the Companies Act, 2013 and and Listing Regulations. The same is available at the weblink: https://fortismalarhospital.com/investor-relations/investorcatdetails/corporate-governance/policies-and-other-documents.

9. MEANS OF COMMUNICATION

i) **Results:** The financial results are generally published in Business Standard/Financial Express (English - all editions across the Country) and Rozana Spokesman (Punjabi – Regional Editions).

ii) **Website:** The financial results hosted on the Company's website viz. https://fortismalarhospital.com.

iii) **News Release, Presentations:** The press releases/ official news, detailed presentation made to media, analysts, institutional investors etc., if any, are displayed on the Company's website. Official Media Releases, if any, are also sent to the stock exchange before dissemination to the media.

iv) **Intimation to the Stock Exchange:** The Company also intimates the Stock Exchange all price sensitive information or such other matters, if any, which in its opinion are material and of relevance to the Shareholders and are statutorily required to be informed.

v) **BSE Corporate Compliance and the Listing Centre:** BSE Listing Centre 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 SEBI LODR are filed electronically.

vi) **SEBI Complaints Redress System (SCORES 2.0):** Investor complaints are processed in a centralised web-based complaints redress system. The salient

REPORT ON CORPORATE GOVERNANCE (Contd.)

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.

vii) **Designated Exclusive email-id:** The Company has designated the following email-id for investor servicing: secretarial.malar@malarhospitals.in. Investors can also mail their queries to Registrar and Transfer Agent at einward.ris@kfintech.com.

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting: Wednesday, July 31, 2024 at 2.00 P.M. (IST) through OAVM/VC.

b) The Financial Year of the Company - April 01 to March 31

Financial Calendar 2024-25 (tentative & subject to change)

S. No.	Tentative Schedule	Tentative Date (On or before)
1.	Financial Reporting for the quarter ending 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 ending March 31, 2025	May 30, 2025
5.	Annual General Meeting for the year ending March 31, 2025	On or before September 30, 2025

c) Listing on Stock Exchanges

The Equity shares of the Company are listed on BSE Limited (BSE), Phiroze Jeejeebhoy Tower, Dalal, Street, Mumbai – 400001.

The Company has paid the listing fee of BSE Limited for FY 2023-24.

d) Stock Code

Stock / Scrip Code at BSE Limited is 523696

ISIN for Equity is INE842B01015.

e) Market Price Data

The Equity shares of the Company are listed on BSE Limited.

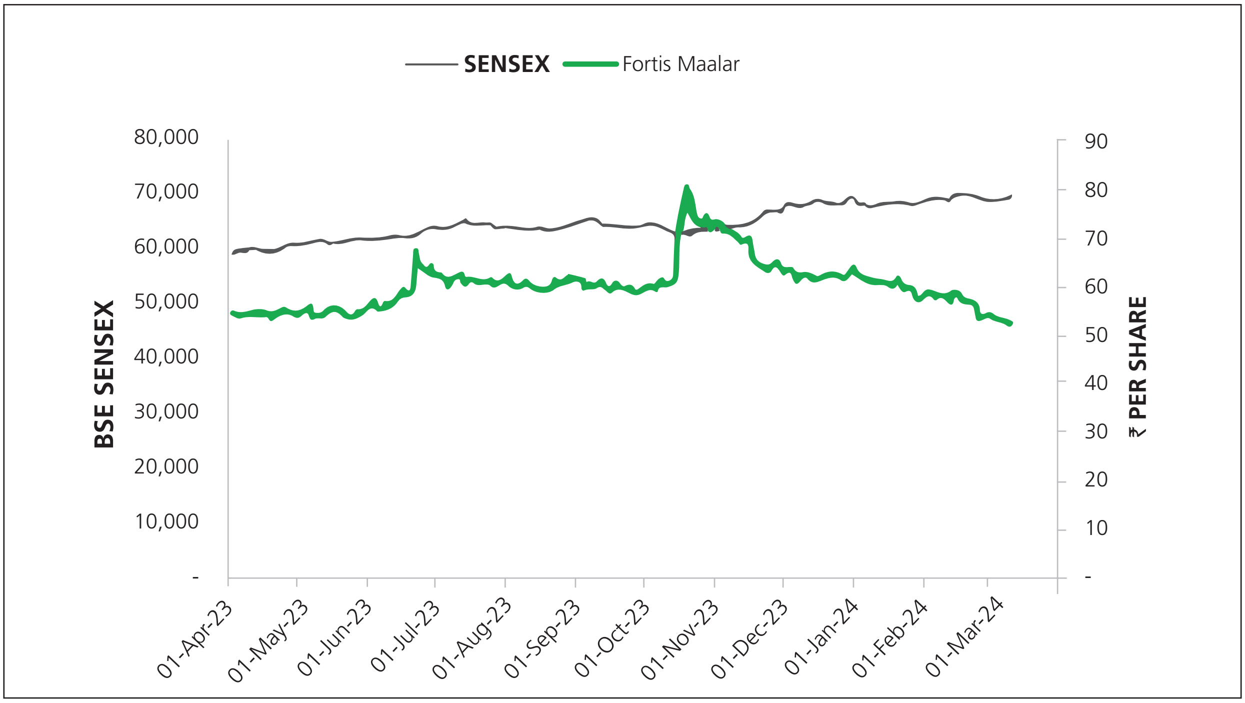
Monthly High and Low Quotations of Shares traded on BSE

Month	Share Price on BSE (₹)	
	High	Low
Apr-23	51	48
May-23	51	48
Jun-23	67	49
Jul-23	63	57
Aug-23	60	56
Sep-23	60	56
Oct-23	85	55
Nov-23	83	64
Dec-23	64	59
Jan-24	63	58
Feb-24	59	53
Mar-24	56	46

Based on monthly High/ Low data of Fortis Malar Stock Price (Rupee per share)

f) **Performance in comparison to broad based indices (BSE Sensex)**

Based on monthly closing data of BSE Sensex (Value) and Fortis Malar (Rupee per share)



g) **Details of commodity price risk or foreign exchange risk and hedging activities (commodity or otherwise), as applicable, during financial year under review -** Details of commodity price, risk on 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.

h) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)** – Not Applicable

i) **The Company is in receipt of a certificate from M/s Mukesh Agarwal & Co., Practicing Company Secretaries certifying 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 Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority. The said certificate is enclosed with this report.**

(j) **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.**

(k) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:**

Particular of Services	Name of Auditor	(Amount in ₹)
Statutory Audit Fees	B S R & Co. LLP	6,30,000
Tax Audit Fees	B S R & Co. LLP	57,500
Other Services Limited Review / OPE & GST	B S R & Co. LLP	9,52,138
TOTAL		**16,39,638**

REPORT ON CORPORATE GOVERNANCE (Contd.)

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013:

a. number of complaints filed during the financial year – Nil

b. number of complaints disposed of during the financial year – Nil

c. number of complaints pending as on end of the financial year – Nil

m) Registrar and Transfer Agent

KFin Technologies Limited

Selenium, Tower B, Plot No. 31 & 32,

Financial District,

Nanakramguda, Seilingampally Mandal

Hyderabad-500032

Phone No. - +91 40 6716 2222

Fax No. - +91 40 23431551.

E-mail: einward.ris@kfintech.com

Website: www.kfintech.com

n) Share Transfer System

The Board has delegated the authority for approving transposition, transmission, etc. of the Company's securities to the Whole- time Director and/or Company Secretary. A summary of transposition/ transmission of securities of the Company so approved by the Whole-time Director / Company Secretary was placed at every Board meeting / Stakeholders' Relationship Committee.

The Company has obtained annual certificate of compliance from the Compliance Officer and the authorised representative of Registrar and share transfer Agent pertaining to compliance with share transfer formalities as required under Listing Regulations.

o) Distribution of Shareholding as on March 31, 2024

S. no.	Category (Shares)	No.of Holders	% to Holders	No.of Shares	% To Equity
1	1-5000	15,220	99.33	23,40,716	12.49
2	5001- 10000	50	0.33	3,90,163	2.08
3	10001- 20000	25	0.16	3,56,283	1.90
4	20001- 30000	6	0.04	1,65,086	0.88
5	30001- 40000	5	0.03	1,61,642	0.86
6	40001- 50000	3	0.02	1,44,003	0.77
7	50001- 100000	2	0.01	1,72,248	0.92
8	100001& Above	11	0.07	1,50,11,618	80.10
	Total:	**15,322**	**100.00**	**1,87,41,759**	**100.00**

p) Shareholding Pattern as on March 31, 2024

S. no.	Description	No. of Cases	Total Shares	% Equity
1	EMPLOYEES	7	74,850	0.40
2	H U F	183	1,10,455	0.59
3	I E P F	1	9,36,656	5.00

S. no.	Description	No. of Cases	Total Shares	% Equity
4	BODIES CORPORATES	62	4,05,295	2.16
5	MUTUAL FUNDS	1	13,500	0.07
6	NON RESIDENT INDIANS	39	2,08,111	1.11
7	NON RESIDENT INDIAN NON REPATRIABLE	42	16,657	0.09
8	PROMOTERS BODIES CORPORATE	1	1,17,52,402	62.71
9	RESIDENT INDIVIDUALS	14,985	52,23,733	27.87
10	TRUSTS	1	100	0.00
	Total:	**15,322**	**1,87,41,759**	**100.00**

q) Dematerialisation of Shares and Liquidity

Requests for dematerialisation of shares are processed by RTA expeditiously and confirmation in respect of dematerialization is entered by RTA in depository system of respective depositories, by way of electronic entries for dematerialisation of shares generally on weekly basis. In case of rejections, documents are returned under objection to Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System.

As on March 31, 2024, 1,82,61,830 Equity shares representing 97.44% of the paid-up Equity Capital of the Company had been dematerialised.

The Company's Equity shares have been allotted ISIN (INE842B01015) by depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

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. Further, w.e.f. April 1, 2019, as per the circular issued by SEBI, no transfer can be effected in physical form.

Equity shares are actively traded on BSE Limited.

r) As on March 31, 2024, the Company has not issued any GDRs, ADRs, FCCBs, Warrants or any other convertible instruments.

s) Hospital Location

During the year under review, the Company has divested its operations to MGM Healthcare Private Limited and therefore, the Company doesn't have any hospital locations as at the end of the financial year on March 31, 2024.

t) Lock-in of Equity shares

As on March 31, 2024 none of the shares of the Company are under Lock-in.

u) 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 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/codes of the Company.

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

KFin Technologies Limited
Selenium, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Seilingampally Mandal
Hyderabad-500032
Phone No. - +91 40 6716 2222
Fax No. - +91 40 23431551.
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

REPORT ON CORPORATE GOVERNANCE (Contd.)

For Investor Assistance
Secretarial Department
Fortis Malar Hospitals Limited,
3rd Floor, Tower A, Unitech Business Park,
Block – F, South City 1, Sector – 41,
Gurgaon, Haryana 122001, India
Tel: +91 124 4921083
E-Mail: - secretarial.malar@malarhospitals.in

v) It is confirmed that the Company has not obtained any credit rating during the year under review, for any debt instruments or fixed deposit programme or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad

w) Nomination Facility

Shareholders who hold shares in the physical form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company, should submit the nomination Form SH-13 of the Companies (Share Capital and Debentures) Rules, 2014, available with the Company's RTA. Those holding shares in dematerialised form may contact their respective Depository Participant (DP) to avail the nomination facility. The shareholders may refer below link to detailed procedure in this regard https://fortismalarhospital.com/investor_services_nomination/investor-services-nomination

Further, SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN (Aadhar seeded) or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024, upon furnishing all the aforesaid details in entirety. Therefore, the Company has also sent an intimation in this regard to the shareholders of the Company.

x) 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.

y) Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit Report as stipulated under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 was carried out by a Practicing Company Secretary in each of the quarter in 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 Report confirm that the total issued/paid up capital agrees with the total number of shares in physical form and the total number of dematerialised shares held with the depositories. The Reconciliation of Share Capital Audit Reports for each quarter of the Financial Year ended March 31, 2024 has been filed with the Stock Exchange within 30 days from the end of the respective quarter.

z) Demat Suspense Account

The Company has opened a Demat Suspense Account - "Fortis Malar Hospitals Limited - Unclaimed Shares Demat Suspense Account" and other information as required under Listing Regulations is as follows:

- Aggregate Number of the Shareholders and the outstanding lying in the Unclaimed Suspense Account at the beginning of the year (April 01, 2023): 24 Shareholders and 19,600 shares.
- Number of shareholders who approached issuer for transfer of shares from suspense account during the year: Nil
- Number of shareholders to whom shares were transferred from suspense account during the year: Nil

- Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. March 31, 2024: 24 Shareholders and 19,600 shares.

The voting rights of these shares shall remain frozen till the rightful owners claims such shares.

aa) During the period under review, the securities of the Company have not been suspended from trading.

ab) Dividend payment date: Within 30 days from the date of approval by shareholders in the ensuing AGM to be held on July 31, 2024.

ac) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; Not Applicable

ad) Adoption of Mandatory and Non-Mandatory Requirements

Apart from complying with all the mandatory requirements, the Company has adopted following non-mandatory requirements as specified in Regulation 27(1) of Listing Regulations:

A. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit & Risk Management Committee.

B. Un-modified opinion(s) in audit report

For the Financial Year ended March 31, 2024, your Company published financial statements with unmodified audit opinion.

ae) GO GREEN INITIATIVE

- The shareholders having shares in physical form are requested to register their e-mail IDs with us or our Registrar, at the address given elsewhere in this report, to enable us to serve any document, notice, communication annual report, etc. through e-mail.
- The shareholders holding shares in Demat form are requested to register their e-mail id with their respective Depository Participant for the above purpose.

af) The Company and its subsidiary has not granted any loans and advances in the nature of loans to firms/ companies in which directors are interested.

ag) The Company has no material subsidiary therefore the requirement as specified Para 10(n) of Part B of Schedule V is not applicable on the Company

ah) Disclosure of certain types of agreements binding listed entities (1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations. Not applicable

ai) M/s Mukesh Agarwal & Co., Practicing Company Secretaries has audited the conditions of the Corporate Governance and after being satisfied with the compliance of the same, a certificate on compliance of the same has been issued to the Company, which forms part of this report.

M/s Mukesh Agarwal & Co., Practicing Company Secretaries has audited the conditions of the Corporate Governance and after being satisfied with the compliance of the same, a certificate on compliance of the same has been issued to the Company, which forms part of this report.

Declaration as required under Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

aj) Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management has been received, which forms part of this report.

Chandrasekar Ramaswamy
Date: May 17, 2024 **Whole-time Director**
Place: Bengaluru **DIN: 09414564**

REPORT ON CORPORATE GOVERNANCE (Contd.)

COMPLIANCE CERTIFICATE

[For Financial Year ended on March 31, 2024]
[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

To

The Members

Audit & Risk Management Committee / Board of Directors

Fortis Malar Hospitals Limited

Dear Sir(s) / Madam(s),

We, Chandrasekar Ramasamy, Whole-Time Director and Yogendra Kumar Kabra, 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 violate 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 & Risk Management Committee that:

    (1) There have been no significant changes in internal control over financial reporting during the year under review;

    (2) There has 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 Malar Hospitals Limited

Chandrasekar Ramasamy	**Yogendra Kumar Kabra**
Whole Time Director	Chief Financial Officer
DIN: 09414564	
Place: Bengaluru	Place: Chennai
Date: May 17, 2024	Date: May 17, 2024

CORPORATE GOVERNANCE CERTIFICATE

To

The Members

Fortis Malar Hospitals Limited

Fortis Hospital, Sector-62, Phase-VIII,

Mohali-160062

We, M/s **Mukesh Agarwal & Co.,** have examined the compliance of conditions of Corporate Governance by Fortis Malar Hospitals Limited ("the Company") for the year ended March 31, 2024, as stipulated under regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C, D, and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of above-referred conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mukesh Agarwal & Co.

Mukesh Kumar Agarwal
Proprietor
C.P. No. 3851
UDIN: F005991F000388472

Place: New Delhi
Dated: May 17, 2024

REPORT ON CORPORATE GOVERNANCE (Contd.)

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 Malar Hospitals Limited ("the Company")
Fortis Hospital, Sector-62, Phase-VIII,
Mohali -160062

We, M/s Mukesh Agarwal & Co., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Fortis Malar Hospitals Limited, having CIN L85110PB1989PLC045948 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 31st March, 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 Ramesh Lakshman Adige	00101276	February 19, 2008
2.	Mr Daljit Singh	00135414	December 24, 2014
3.	Mr Chandrasekar Ramasamy	09414564	January 11, 2022
4.	Mr Ravi Rajagopal	00067073	October 23, 2019
5.	Ms Shailaja Chandra	03320688	March 10, 2021
6.	Ms Richa Singh Debgupta	08891397	October 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 & Co.

Mukesh Kumar Agarwal
Proprietor
C P No.3851
UDIN: F005991F000388441

Place: Delhi
Date: May 17, 2024

STANDALONE FINANCIAL STATEMENTS

Contents | Pages

INDEPENDENT AUDITOR'S REPORT

To the Members of Fortis Malar Hospitals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Fortis Malar Hospitals Limited** (the "Company") which comprise the standalone balance sheet as at March 31, 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 March 31, 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 Matter

We draw attention to Note 2(b) to the standalone financial statements which explains that consequent to sale of business operations through a slump sale transaction, the Company ceases to have any business operations. While there is no visibility of commencing any new business operations in the future, the Company's management and Board of Directors is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial requirements for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these standalone financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Related party transactions

See Note 32 and 43 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific compliance and disclosures of related parties and transactions with them to be made in the standalone financial statements.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtain an understanding of the Company's related party relationships and transactions. • Obtained a list of related party relationships and significant related party transactions from the management. Made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions.

The key audit matter	How the matter was addressed in our audit
We have identified the related party transactions as a key audit matter due to the significance of risk of non-compliance with various regulations. Also, a material portion of expenses (lease expenses, clinical establishment expenses, pathological expenses, etc.) are paid to related parties and material interest income is received from related parties.	• Evaluated the design and implementation of key internal financial controls with respect to identification and authorization of significant related party transactions and tested the operating effectiveness of such controls on a sample basis. • Obtained confirmation from related party with respect to transactions and balances. Performed substantive procedures to check the completeness of expenditure and interest income. • Evaluated compliance of such related party transactions with the relevant accounting standard and applicable laws and regulations. • Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

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 Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

Independent Auditor's Report (Contd.)

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.

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 matters stated in the paragraph 2B(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. On the basis of the written representations received from the directors as on April 01, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its standalone financial statements - Refer Note 34 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 has been no delay in transferring amounts, 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 its knowledge and belief, as disclosed in the Note 47 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 its knowledge and belief, as disclosed in the Note 47 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 interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 17(c)(B) 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,

Independent Auditor's Report (Contd.)

the Company has used accounting softwares 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 softwares:

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 April 01, 2023 to May 22, 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 April 01, 2023 to August 15, 2023), in the absence of supporting evidence on account of deactivation post August 15, 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 softwares, 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/payable 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/payable 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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 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 in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Certain discrepancies noticed on such verification were material and have been properly dealt with in the books of account.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to 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 loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the loans given by the Company, in our opinion the provisions of Section 185 and 186 of 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 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 July 01, 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.

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 March 31, 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 (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	5,789,269*	FY 2019-20	Commisioner of Income Tax (Appeals)	None
Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	25,493,296	FY 2008-09 to FY 2011-12	Honourable High Court of Madras	None

*amount has been adjusted against refund due to the Company.

(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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

(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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet 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 subsidiary 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 subsidiary (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.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the 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.

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(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) We draw attention to Note 2(b) to the standalone financial statements, which indicates that, consequent to sale of business operations through a slump sale transaction, the Company ceases to have any business operations and is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial obligations in the foreseeable future.

On the basis of the above and 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, 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the annual report is expected to be made available to us after the date of this auditor's report.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. 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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 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)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **Fortis Malar Hospitals Limited** ("the Company") as of March 31, 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 March 31, 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.

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

Independent Auditor's Report (Contd.)

Annexure B to the Independent Auditor's Report on the Standalone Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (Contd.)

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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEB8226

Place: Chennai
Date: May 17, 2024

Fortis MALAR HOSPITAL

STANDALONE BALANCE SHEET

as at March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	-	1,147.48
Right of use assets	37	-	3,576.45
Other Intangible assets	4(b)	-	17.25
Financial assets			
Investment in subsidiary	5	5.00	5.00
Other financial assets	6	-	45.64
Other tax assets (net)	7	236.57	541.80
Other non-current assets	8	-	2.11
Total non-current assets		**241.57**	**5,335.73**
Current assets			
Inventories	9	-	110.34
Financial assets			
Trade receivables	10	-	318.44
Cash and cash equivalents	11	10,528.78	372.97
Bank balances other than above	12	81.74	357.65
Loans	13	-	6,800.00
Other financial assets	14	327.82	199.24
Other tax assets (net)	7	358.77	-
Other current assets	15	-	74.75
Total current assets		**11,297.11**	**8,233.39**
Total assets		**11,538.68**	**13,569.12**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,875.70	1,875.70
Other equity	17	9,044.95	4,320.04
Total equity		**10,920.65**	**6,195.74**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	18	-	3,818.14
Provisions	21	-	387.81
Total non-current liabilities		**-**	**4,205.95**
Current liabilities			
Financial liabilities			
Lease liabilities	18	-	821.62
Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises		519.06	1,991.12
Other financial liabilities	20	42.67	23.62
Provisions	21	3.23	80.09
Other current liabilities	22	53.07	216.57
Total current liabilities		**618.03**	**3,167.43**
Total liabilities		**618.03**	**7,373.38**
Total equity and liabilities		**11,538.68**	**13,569.12**
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	23	5,900.88	8,595.08
Other income	24	887.42	655.78
Total income		**6,788.30**	**9,250.86**
Expenses			
Purchases of medical consumables and drugs		870.24	1,190.47
Changes in inventories of medical consumables and drugs	25	6.70	76.02
Employee benefits expense	26	1,510.71	1,933.27
Finance costs	27	430.46	607.06
Depreciation and amortisation expense	28	936.01	1,214.66
Other expenses	29	3,632.23	4,937.13
Total expenses		**7,386.35**	**9,958.61**
Loss before exceptional item and tax		**(598.05)**	**(707.75)**
Exceptional item	45	5,792.63	-
Profit/ (loss) before tax		**5,194.58**	**(707.75)**
Tax expense:	30		
Current tax		466.90	-
Deferred tax		-	845.57
Total tax expense		**466.90**	**845.57**
Profit/ (loss) for the year		**4,727.68**	**(1,553.32)**
Other comprehensive income/ (loss)	31		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability		(2.77)	(47.94)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive loss for the year, net of tax		**(2.77)**	**(47.94)**
Total comprehensive income/ (loss) for the year		**4,724.91**	**(1,601.26)**
Earnings per equity share	41		
Basic (in ₹)		25.23	(8.29)
Diluted (in ₹)		25.23	(8.29)
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Place : Gurugram
Date : May 17, 2024

Yogendra Kumar Kabra
Chief Financial Officer

Place : Chennai

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit/ (loss) before tax for the year		5,194.58	(707.75)
Adjustments for:			
Exceptional item		(5,792.63)	-
Interest income		(551.71)	(620.81)
Dividend income		(200.00)	-
Depreciation and amortisation expense		936.01	1,214.66
Interest expense on lease liability		406.20	563.47
Allowance for credit losses (including bad debts written off)		(47.25)	48.67
Liabilities/ provisions no longer required written back		(88.46)	(34.97)
Operating (loss) / profit before working capital changes		**(143.26)**	**463.27**
Movements in working capital:			
Decrease in other current and non current financial assets		34.22	122.59
Decrease in other current and non-current assets		54.18	44.59
Decrease / (increase) in trade and other receivables		29.69	(147.18)
Decrease in inventories		6.70	76.02
Increase in provisions		60.72	41.30
(Decrease) / increase in trade payables		(269.10)	61.16
Increase / (decrease) in financial liabilities		19.05	(81.90)
(Decrease) in other current liabilities		(13.13)	(28.51)
Cash (used in)/ generated from operations		**(220.93)**	**551.34**
Income taxes (paid) / refund (net)		(500.44)	9.89
Net cash (used in)/ generated from operating activities		**(721.37)**	**561.23**
Cash flows from investing activities			
Payments for purchase of property, plant and equipment, intangible assets, capital work-in-progress and intangibles asset under development		(229.93)	(187.80)
Inter-corporate deposits repaid by related parties		6,800.00	-
Purchase consideration received from slump sale of business		4,426.00	-
Bank balances not considered as cash and cash equivalents		275.91	(342.60)
Interest received		690.39	573.85
Net cash generated from investing activities		**11,962.37**	**43.45**
Cash flows from financing activities			
Repayment of lease liabilities including interest thereon		(1,085.19)	(1,265.18)
Net cash generated from / (used in) financing activities		**(1,085.19)**	**(1,265.18)**
Net increase / (decrease) in cash and cash equivalent		**10,155.81**	**(660.50)**
Cash and cash equivalents at the beginning of the year		372.97	1,033.47
Cash and cash equivalents at the end of the year	11	**10,528.78**	**372.97**
Material accounting policies	3		

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

STANDALONE STATEMENT OF CHANGE IN EQUITY

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

		Note	As at March 31, 2024	As at March 31, 2023
A	**Equity share capital**	16		
	Balance at the beginning of year		1,875.70	1,875.70
	Changes in equity share capital during the year		-	-
	Closing balance		**1,875.70**	**1,875.70**

B **Other equity** 17

Particulars	Reserves and surplus		Total
	Securities Preimium	Retained Earnings	
Balance as at March 31, 2022	**957.23**	**4,964.07**	**5,921.30**
Loss for the year	-	(1,553.32)	(1,553.32)
Other comprehensive loss for the year, net of taxes	-	(47.94)	(47.94)
Total comprehensive loss for the year	**-**	**(1,601.26)**	**(1,601.26)**
Balance as at March 31, 2023	**957.23**	**3,362.81**	**4,320.04**
Profit for the year	-	4,727.68	4,727.68
Other comprehensive income for the year, net of taxes	-	(2.77)	(2.77)
Total comprehensive income for the year	**-**	**4,724.91**	**4,724.91**
Balance as at March 31, 2024	**957.23**	**8,087.72**	**9,044.95**

Loss of ₹ 2.77 Lakhs and ₹ 47.94 Lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2024 and March 31, 2023 respectively.

Material accounting policies 3

The notes referred to above form an integral part of standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1. Nature of operations

Fortis Malar Hospitals Limited (the 'Company') was incorporated in the year 1989 to set up, manage and operate a multi-specialty hospital and the Company is a subsidiary of Fortis Hospitals Limited and Fortis Healthcare Limited is the Intermediate Holding Company and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Company operated its state of the art Hospital facility in Chennai. The Hospital building was owned by a fellow subsidiary, Fortis Health Management Limited ("FHML"). The Company had entered into "Hospital and Medical Services Agreement" with FHML w.r.t. rendering of medical and healthcare services at the hospital building (also refer note 35).

2. Basis of preparation

a) 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 notified under Section 133 of Companies Act, 2013, (the 'Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the previous year.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 17, 2024.

b) Going concern assumptions

During the current year, the Company has sold its business operations pertaining to Malar Hospital, on a slump sale basis on February 01, 2024 (also refer note 35). Post this sale, the Company ceases to have any business operations. Currently, the Company has no visibility of commencing any new business operations in the future, and the Company's management and Board of Directors, in consultation with its legal advisors/ merchant bankers, is evaluating various corporate restructuring options for the future possible course of actions for the Company.

Further, subsequent to the year end, the Company has declared interim dividend amounting to ₹ 40 per share, resulting in significant cash outflows of ₹ 7,496.70 Lakhs. However, the Company has sufficient cash and cash equivalent balance to settle its obligations as and when they fall due and the Company believes that it would be able to meet its financial obligations for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these standalone financial statements have been prepared on a going concern basis.

c) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees ('INR'/'₹'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

d) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit assets/ (liability)	Fair value of plan assets, less present value of defined benefit obligations

e) Use of estimates and judgements

In preparing these standalone financial statements, management/directors have made the following judgements and estimates 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 prospectively.

Judgements

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

a. fair valuation of financial assets (refer note 39)

b. lease arrangement- classification (refer note 37)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

a. Useful lives of Property, plant and equipment and intangible assets (refer note 3.3)

Notes forming part of the Standalone Financial Statements (Contd.)

b. Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.7 and note 36)

c. Recognition and estimation of tax expenses including deferred tax: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; (refer note 3.12 and note 40)

d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; (refer note 3.8, 3.15 and 34)

e. Measurement of expected credit loss (ECL) allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; (refer note 3.6)

f. lease arrangement- accounting (refer note 37)

g. Estimated impairment of financial assets and nonfinancial assets (refer note 3.6)

f) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When measuring the fair values 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 transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 38 and 39 – financial instruments.

g) Current and non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3. Material accounting polices

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the equity investments at fair value through OCI (FVOCI).

3.2 Financial instruments

i) Recognition and initial measurement

Trade receivables 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.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Notes forming part of the Standalone Financial Statements (Contd.)

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

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

3.3 Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is 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.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

iii. **Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management Useful life	Useful life as per Schedule II
Plant and machinery	15 years	15 years
Medical equipment	13 years	13 years
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on leasehold improvements is provided over the primary period of lease or over the useful lives of the respective fixed assets, whichever is shorter.

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

iv. **Derecognition**

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

3.4 Intangible assets

i. **Recognition and measurement**

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from de-recognition of an intangible 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 when the asset is de-recognised.

ii. **Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. **Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Cost of software and licenses, which are acquired, are capitalised and amortised on a straight line basis over a period of 3 to 6 years or the license period, whichever is lower.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.5 Inventories

Inventories of medical consumables and drugs are valued at lower of cost or net releasable value. The cost of inventories is determined based on weighted average basis. 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 the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

Notes forming part of the Standalone Financial Statements (Contd.)

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience of the Company and such allowances are adjusted against the carrying inventory value.

3.6 Impairment

i) Impairment of financial instruments

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.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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.

ii) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU 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.

3.7 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii) Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

iv) Defined contribution plan - Provident fund

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes.The Company makes specified monthly contributions towards Government administered provident fund scheme for eligible employees.

Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts 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

Notes forming part of the Standalone Financial Statements (Contd.)

contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract (also see Note 3.6(ii)).

3.9 Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Company assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Company expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as Goods and Service Tax (GST) and applicable discounts and allowances including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from hospital services is recognised as and when services are performed.

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 maintenance agreements and academic services. The revenue in respect of such arrangements is recognised 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.

3.10 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.11 Leases

The Company has applied Ind AS 116 using the modified retrospective approach from April 01, 2019. Accordingly, the Company has recognised a lease liability at the date of initial application, at the present value of the remaining lease payments discounted using the incremental borrowings rate at the date of initial application, recognised right-of-use asset at the date of initial application equals to the lease liability recognised.

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 of an identified asset, the Company uses the definition of a lease in Ind AS 116.

(i) Company as a lessee:

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises 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 incentives 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, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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 the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in –substance fixed lease payment.

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. The Company presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

(ii) Short term leases

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering

Notes forming part of the Standalone Financial Statements (Contd.)

the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding 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 that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries 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;

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

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.

Diluted earnings per share

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

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.15 Contingent liabilities

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.

Contingent assets

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.17 Cash flow statement

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.

3.18 Discontinued operation

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative year.

3.19 Standards issued but not yet effective:

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 that are applicable to the Company.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and machinery	Medical equipments	Furniture and fittings	Computers	Office equipments	Total
Gross carrying amount						
As at March 31, 2022	**194.33**	**2,846.73**	**229.96**	**222.75**	**69.58**	**3,563.35**
Additions	-	163.18	2.12	17.05	3.77	186.12
Disposals	-	-	-	-	-	-
As at March 31, 2023	**194.33**	**3,009.91**	**232.08**	**239.80**	**73.35**	**3,749.47**
Additions	-	224.31	1.35	1.22	3.73	230.61
Disposals / transfers*	194.33	3,234.22	233.43	241.02	77.08	3,980.08
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation						
As at March 31, 2022	**114.17**	**1,791.60**	**149.65**	**147.39**	**58.04**	**2,260.85**
Depreciation (refer note 28)	18.79	261.28	19.87	35.81	5.39	341.14
Disposals	-	-	-	-	-	-
As at March 31, 2023	**132.96**	**2,052.88**	**169.52**	**183.20**	**63.43**	**2,601.99**
Depreciation (refer note 28)	10.95	173.74	15.17	29.31	2.82	231.99
Disposals / transfers*	**143.91**	**2,226.62**	**184.69**	**212.51**	**66.25**	**2,833.98**
As at March 31, 2024	-	-	-	-	-	-
Net carrying amounts						
As at March 31, 2023	**61.37**	**957.03**	**62.56**	**56.60**	**9.92**	**1,147.48**
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**

*Refer note 35 for Property, plant and equipment transferred on slump sale of business

Note:

1. There are no immovable properties for which title deeds are not in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
2. The Company has not revalued its Property, Plant and Equipment during the year.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(b) OTHER INTANGIBLE ASSETS

	Software
Gross carrying amount	
As at March 31, 2022	**617.95**
Additions	7.44
Disposals	-
As at March 31, 2023	**625.39**
Additions	-
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Accumulated amortisation	
As at March 31, 2022	**557.58**
Amortisation (refer note 28)	50.56
Disposals	-
As at March 31, 2023	**608.14**
Amortisation (refer note 28)	17.25
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Net carrying amount	
As at March 31, 2023	**17.25**
As at March 31, 2024	**-**

5. INVESTMENTS IN SUBSIDIARY - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unquoted investments (fully paid)		
Investments in equity instruments- at cost		
Malar Stars Medicare Limited [50,000 (March 31, 2023: 50,000) equity shares of ₹ 10 each]	5.00	5.00
Total	**5.00**	**5.00**
Aggregate value of unquoted investments	5.00	5.00

6. OTHER FINANCIAL ASSETS - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	-	40.33
Advance to related parties (refer note 32)	-	5.31
Total	**-**	**45.64**

Refer note 35 for other financial assets (non-current) transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

7. OTHER TAX ASSETS

	As at March 31, 2024	As at March 31, 2023
Income tax assets		
Non-current		
Advance income tax (net of provision for taxation)	236.57	541.80
Total	**236.57**	**541.80**
Current		
Advance income tax (net of provision for taxation)	358.77	-
Total	**358.77**	**-**

8. OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital advances	-	2.11
Total	**-**	**2.11**

9. INVENTORIES

	As at March 31, 2024	As at March 31, 2023
Medical consumables and drugs	-	110.34
Total	**-**	**110.34**

Refer note 35 for inventories transferred on slump sale of business

10. TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Trade receivables considered good - Unsecured	-	318.44
Trade receivables which have significant increase in credit risk- Unsecured	-	8.38
Credit impaired - Unsecured	-	533.33
	-	**860.15**
Less: Allowance for expected credit loss	-	(541.71)
Total	**-**	**318.44**

Refer note 35 for trade receivables transferred on slump sale of business

The movement in allownace for expected credit loss is as follow:

	As at March 31, 2024	As at March 31, 2023
Balances at the beginning of the year	541.71	524.03
Provision recorded/ (reversed) during the year (net)	(47.25)	17.68
Amount written-off during the year	(482.38)	-
Amount transferred as part of slump sale transaction (refer note 35)	(12.08)	-
Balance at the end of the year	**-**	**541.71**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(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	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	193.78	124.66	-	-	-	-	318.44
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	8.38	-	-	-	-	8.38
(iii)	Undisputed Trade Receivables - Credit Impaired	-	22.81	28.64	69.34	8.78	403.76	533.33
(iv)	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total		**193.78**	**155.84**	**28.64**	**69.34**	**8.78**	**403.76**	**860.15**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

11. CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	1.51
Balances with banks:		
- On Current accounts	66.69	72.46
- Deposits with original maturity of less than three months*	10,456.62	299.00
Demand drafts on hand	5.47	-
Total	**10,528.78**	**372.97**

*Includes interest accrued on deposits amounting to ₹ 86.61 Lakhs (March 31, 2023 - ₹ Nil)

12. BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts	-	6.31
Deposits with original maturity of more than 3 months but less than 12 months*	81.74	351.34
Total	**81.74**	**357.65**

*Includes interest accrued on deposits amounting to ₹ 0.33 Lakhs (March 31, 2023 - ₹ Nil)

13. LOANS

	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good		
Inter-corporate deposits to related party (refer note 32 and 43)	-	6,800.00
Total	**-**	**6,800.00**

14. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest accrued but not due		
(i) Inter-corporate deposits (refer note 32)	-	136.60
(ii) Deposit with banks	-	2.08
Advances to related parties (refer note 32)	2.24	5.11
Loans and advances to employees	-	9.60
Dividend receivable (refer note 32)	180.00	-
Unbilled revenue from undischarged patients	-	45.85
Consideration receivable in relation to slump sale to business (refer note 35)	145.58	-
Total	**327.82**	**199.24**

Refer note 35 for other financial assets transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

15. OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advance to vendors	-	30.00
Prepaid expenses	-	44.75
Total	**-**	**74.75**

Refer note 35 for other current assets transferred on slump sale of business

16. EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
Authorised		
30,000,000 (March 31, 2023: 30,000,000) equity shares of ₹ 10/- each	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued		
18,772,259 (March 31, 2023: 18,772,259) equity shares of ₹ 10/- each	1,874.17	1,874.17
	1,874.17	**1,874.17**
Subscribed and Paid Up		
18,741,759 (March 31, 2023: 18,741,759) equity shares of ₹ 10/- each fully paid up*	1,875.70	1,875.70
	1,875.70	**1,875.70**

*Includes amount received on forfeited shares amounting to ₹ 1.53 Lakhs

Notes :

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

Equity shares

	Year ended March 31, 2024		Year ended March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	1,87,41,759	1,875.70	1,87,41,759	1,875.70
Outstanding at the end of the year	**1,87,41,759**	**1,875.70**	**1,87,41,759**	**1,875.70**

(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. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

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 amounts. 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/associates

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
Fortis Hospitals Limited, the Holding Company (Equity Shares of ₹ 10/- each)	1,17,52,402	1,175.24	1,17,52,402	1,175.24

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Details of shares held by each shareholder holding more than 5% shares:

Equty Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Hospitals Limited, the Holding Company	1,17,52,402	62.71%	1,17,52,402	62.71%
Rajasthan Global Securities Private Limited	-	-	13,42,159	7.16%

(e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five financial year ended March 31, 2024, no shares have been bought back by the Company and the Company has also not alloted any equity shares as full paid up without payment being received in cash.

(f) Details of shares held by promoters

As at March 31, 2024:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

As at March 31, 2023:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

17. OTHER EQUITY

		As at March 31, 2024	As at March 31, 2023
a	**Reserve and surplus**		
	Securities premium		
	Opening balance	957.23	957.23
	Closing balance	**957.23**	**957.23**
	Retained earnings		
	Opening balance	3,362.81	4,964.07
	Add: Profit / (loss) for the year	4,727.68	(1,553.32)
	Add: Remeasurement (loss) of defined employee benefit plans (net of taxes)	(2.77)	(47.94)
	Closing balance	**8,087.72**	**3,362.81**
	Total	**9,044.95**	**4,320.04**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

b Nature and purpose of the reserve

i. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

ii. Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders. It also includes remeasurements of defined benefit liability /(asset) which comprises actuarial gains and losses and return on plan assets (excluding interest income).

c Dividends

The Company has neither declared nor paid any dividend during the current and previous year.

A The board of directors of the Company in its meeting held on April 12, 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 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). The interim dividend has not been accounted as liability in this standalone financial statements.

B The Board of Directors of the Company at its meeting held on May 17, 2024, has proposed a final dividend of ₹ 2.50 per equity share.

18. LEASE LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Non-current		
Lease liabilities (refer note 3.11 and note 37)	-	3,818.14
Total	**-**	**3,818.14**
Current		
Lease liabilities (refer note 3.11 and note 37)	-	821.62
Total	**-**	**821.62**

19. TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 42)	-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises*	519.06	1,991.12
Total	**519.06**	**2,025.53**
*Includes payable to related parties (refer note 32)	0.17	543.61

Refer note 35 for trade payables transferred on slump sale of business

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	5.41	1.34	3.79	3.87	14.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**-**	**5.41**	**1.34**	**3.79**	**3.87**	**14.41**
Accrued expenses/ unbilled dues (b)						504.65
Total (a+b)						**519.06**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	25.55	6.97	1.43	0.30	0.16	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	374.34	704.96	71.04	26.65	75.45	1,252.44
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**399.89**	**711.93**	**72.47**	**26.95**	**75.61**	**1,286.85**
Accrued expenses/ unbilled dues (b)						738.68
Total (a+b)						**2,025.53**

20. OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Currrent		
Unpaid equity dividend	-	6.31
Capital creditors**	1.22	17.31
Others	41.45	-
Total	**42.67**	**23.62**

**Includes outstanding dues of micro enterprises and small enterprises of Nil (March 31, 2023 - ₹ 1.35 Lakhs)

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

21. PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Non-current		
Provision for gratuity	-	377.37
Provision for compensated absences	-	10.44
Total	**-**	**387.81**
Current		
Provision for gratuity	1.61	-
Provision for compensated absences	1.62	80.09
Total	**3.23**	**80.09**

Refer note 35 for provisions transferred on slump sale of business

22. OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Advance from patients/Amounts unclaimed by patients	-	20.91
Employee benefits payable	6.34	109.47
Statutory dues payables	46.73	86.19
Total	**53.07**	**216.57**

Refer note 35 for other current liabilities transferred on slump sale of business

23. REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of services (refer notes below)		
In-Patient	4,894.45	7,232.98
Out-Patient	990.82	1,348.46
Total revenue from contracts with customers (A)	**5,885.27**	**8,581.44**

Notes:

a) The revenue recognised during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenues (contract assets) and contract liabilities.

b) Discounts and deductions amounting to ₹ 110.52 Lakhs (March 31, 2023 - ₹ 202.99 Lakhs) are netted against Sale of In-Patient and Out-Patient services.

Timing of revenue recognition	5,885.27	8,581.44
Services transferred over time	**5,885.27**	**8,581.44**

Contract assets and liabilities

The following disclosure provide information about receivables, contract assets and liabilities from contract with customer:

	Year ended March 31, 2024	Year ended March 31, 2023
Receivable which are included in trade receivable (refer note 10)	-	318.44
Unbilled revenue from undischarged patients (refer note 14)	-	45.85
Advance from patients / amounts unclaimed by patients (refer note 22)	-	20.91

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
(b) Other operating revenue		
Income from Service Export from India Scheme	-	2.06
Others	15.61	11.58
Total other operating revenues (B)	**15.61**	**13.64**
Total revenue from operations (A+B)	**5,900.88**	**8,595.08**

24. OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income		
Interest income on financial assets carried at amortised cost:		
Bank deposits	213.45	32.78
Inter-corporate deposits (refer note 32)	312.39	554.00
Others	10.42	3.77
Interest income on income tax refund	15.45	30.26
(b) Other non-operating income		
Dividend Income (refer note 32)	200.00	-
Liabilities/ provisions no longer required written back	135.71	34.97
Total other income (a+b)	**887.42**	**655.78**

25. CHANGE IN INVENTORIES OF MEDICAL CONSUMABLES AND DRUGS

	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	110.34	186.36
Less: Inventory transferred on slump sale of business (refer note 35)	(103.64)	-
Less: Inventory at the end of the year	-	(110.34)
Changes in inventories	**6.70**	**76.02**

26. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,279.22	1,659.18
Contribution to provident and other funds (refer note 36)	136.17	146.51
Staff welfare expenses	95.32	127.58
Total	**1,510.71**	**1,933.27**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

27. FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on:		
- lease liabilities (refer note 37)	406.20	563.47
- others	24.26	43.59
Total	**430.46**	**607.06**

28. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4(a))	231.99	341.14
Depreciation of right of use assets (refer note 37)	686.77	822.96
Amortisation of other intangible assets (refer note 4(b))	17.25	50.56
Total	**936.01**	**1,214.66**

29. OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Contractual manpower	85.70	95.79
Power, fuel and water	246.57	292.74
Housekeeping expenses including consumables	31.71	40.86
Patient food and beverages	64.63	68.62
Pathology laboratory expenses (refer note 32)	240.96	342.31
Consultation fees to doctors	938.71	1,183.19
Professional charges to doctors	848.96	1,304.06
Clinical establishment fee (refer note 29.2 below)	445.28	643.61
Repairs and maintenance		
- Building	19.55	16.66
- Plant and machinery	205.86	302.32
- Others	89.83	109.36
Rent		
- Equipments	33.07	36.84
Legal and professional fee	158.19	134.15
Subscription fee	0.65	-
Travel and conveyance	37.48	51.17
Rates and taxes	0.26	1.54
Printing and stationery	41.81	41.47
Communication expenses	11.96	11.61
Directors' sitting fees	47.79	35.40

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Insurance	22.77	46.08
Marketing and business promotion	27.31	62.12
Advances written off	16.24	26.97
Auditors' remuneration (refer note 29.1 below)	14.84	13.11
Allowance for credit losses (including bad debts written off)	-	48.67
Miscellaneous expenses	2.10	28.48
Total	**3,632.23**	**4,937.13**

29.1 Payments to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory audit	5.25	5.25
Tax audit	0.58	0.58
Limited review of quarterly results	4.73	4.73
For GST on professional services	2.26	2.00
Reimbursement of expenses	2.02	0.55
Total	**14.84**	**13.11**

29.2 Clinical establishment fees:

Represents amount paid towards various services such as providing, maintaining and operating the Clinical Establishment (including infrastructure, fixtures and fittings etc.), out-patient department services, radio diagnostic services and other ancillary services provided by Fortis Health Management Limited to the Company in accordance with the agreement. Also refer note 32 and 45.

30. TAX EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current year	466.90	-
Total	**466.90**	**-**
Deferred tax		
Reversal of temporary differences	-	845.57
Total	**-**	**845.57**
Total tax expense	**466.90**	**845.57**

31. OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans [refer note 36(II)(a)]	(2.77)	(47.94)
Total	**(2.77)**	**(47.94)**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

32. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Description of Relationship

Ultimate Holding Company	IHH Healthcare Berhad, Malaysia
Intermediate Holding Company	Integrated Healthcare Holdings Limited, Malaysia
	Parkway Pantai Limited, Singapore
	Northern TK Venture Pte Ltd, Singapore
	Fortis Healthcare Limited, India
Holding Company	Fortis Hospitals Limited, India
Subsidiary Company	Malar Stars Medicare Limited, India
Fellow Subsidiary or Entities Under Common Control	Agilus Diagnostics Limited, India (formerly known as SRL Limited)
	Escorts Heart Institute and Research Centre Limited, India
	Fortis Health Management Limited, India
	Mitsui & Co India Pvt Limited, India
Key Management Personnel	Mr Daljit Singh (Non-Executive Director)
	Mr Chandrasekar R (Whote-time Director)
	Ms Shailaja Chandra (Independent Director)
	Mrs. Nithya Ramamurthy (Non-Executive Director till July 20, 2023)
	Mr Ramesh L Adige (Independent Director till May 05, 2024 and Non-executive Director from May 06, 2024)
	Mr Ravi Rajagopal (Independent Director)
	Mr Sandeep Singh (Company Secretary) (till February 29, 2024)
	Mr Yogendra Kumar Kabra (Chief Financial Officer)
	Ms Srishty (Company Secretary) (from May 17, 2024)
Relatives of Key Management Personnel	Dr. Radhi Malar (till July 20, 2023)
	Dr. M. Anand (till July 20, 2023)

The schedule of related party transactions:

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Sale of Service	Fortis Healthcare Limited	-	0.36
	Fortis Hospitals Limited	-	1.32
	Mitsui & Co India Pvt Limited	0.98	0.34
Interest income on Inter-corporate deposits	Fortis Healthcare Limited	312.39	554.00
Mediclaim reimbursement and transfer of accumulated balance in retirement benefit	Fortis Hospitals Limited	-	1.86
Interim dividend	Malar Stars Medicare Limited	200.00	-

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of related party transactions (Contd.)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Expenses			
Clinical establishment fee	Fortis Health Management Limited	445.28	643.61
Interest expense on lease liabilities	Fortis Health Management Limited	390.38	536.66
Contractual manpower	Agilus Diagnostics Limited (formerly SRL Limited)	11.39	16.04
Pathology laboratory expenses	Agilus Diagnostics Limited (formerly SRL Limited)	228.38	329.95
	Fortis Healthcare Limited	-	0.96
Professional charges to doctors	Malar Stars Medicare Limited	6.52	8.28
	Mrs Nithya Ramamurthy	49.21	162.00
	Dr. Radhi Malar	5.64	19.96
	Dr. M. Anand	17.11	49.29
Travelling Expenses	Fortis Hospitals Limited	-	0.20
Recovery of Expenses incurred on behalf of other companies	Fortis Hospitals Limited	-	0.78
Reimbursement of expenses incurred by other companies on behalf of the Company	Fortis Health Management Limited	240.49	287.59
Mediclaim reimbursement and transfer of accumulated balance in retirement benefits	Fortis Healthcare Limited	-	4.54
	Fortis Health Management Limited	0.03	-
	Fortis Hospitals Limited	0.01	-
Collection done by Company on behalf of the related parties	Fortis Hospitals Limited	-	0.46
Reimbursement of Expenses incurred by Other Companies on behalf of the Company (Refund of advance received from patients)	Fortis Hospitals Limited	2.79	-
Inter Corporate Loan repaid	Fortis Healthcare Limited	6,800	-
Managerial remuneration - Director sitting fees	Mr Ramesh L Adige	12.00	9.00
	Mrs. Nithya Ramamurthy	2.00	5.00
	Mr Daljit Singh	11.50	8.50
	Mr Ravi Rajagopal	7.00	2.00
	Ms Shailaja Chandra	8.00	5.50
Managerial remuneration - Short-term employee benefits*	Mr Chandrasekar R	47.33	40.95

*Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of year end balances of related parties:

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Financial liabilities-non current	Fortis Health Management Limited	-	3,703.22
Trade payables / Other financial liabilities-current	Agilus Diagnostics Limited (Formerly SRL Limited)	-	29.03
	Fortis Health Management Limited	-	1,244.70
	Fortis Hospitals Limited	0.17	-
	Fortis Healthcare Limited	-	4.49
Other financial assets - current	Fortis Hospitals Limited	-	2.64
	Escorts Heart Institute and Research Centre Limited	2.24	2.24
	Malar Stars Medicare Limited	180.00	-
	Mitsui & Co India Pvt Limited	-	0.23
Other financial assets - non-current	Fortis Health Management Limited	-	5.31
Inter corporate loan placed - Current	Fortis Healthcare Limited	-	6,800.00
Interest accrued but not due	Fortis Healthcare Limited	-	136.60

Notes:

1. The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at March 31, 2024 and March 31, 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.
2. All transactions with these related parties are priced on an arm's length basis and are carried out in the course of business.

33. COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account, net of advances with regard to tangible and intangible assets	-	153.45

34. CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBTS

	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts (in respect of compensation claims by the patients / their relatives). (refer note 2 below)	670.99	1,020.36
Sales tax related matters (refer note 1 below)	254.93	254.93

The Company has given certain warranties/ indemnities pursuant to Business Transfer Agreement ("BTA") entered with MGM Healthcare Private Limited ("MGM") for slump sale transaction (also refer note 35) wherein all the claim against such warranties/ indemnities under BTA shall not exceed 100% of the final purchase consideration. As at March 31, 2024 the Company has not received any claim against such warranties/indemnities from MGM. Management believes that it has fulfilled all the obligations and accordingly there are no claims against such warranties/indemnities from MGM in relation to the BTA as on the date of signing of these financial statements.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

In earlier year, Supreme Court vide their judgment dated February 28, 2019 on Provident fund has interpreted that basic wages would include certain allowances. The Company has evaluated implications arising out of the Supreme Court judgment. Based on legal advice, the Company believes that retrospective application of the above judgement by PF authorities is remote. Accordingly, no provision has been recorded in the standalone financial statements. The Company would continue to evaluate the provision required in the books based on further clarifications from the authorities.

Note:

1. On May 28, 2020, the High Court of Judicature at Madras ("High Court") has pronounced a common order on the liability to pay Value Added Tax (VAT) under the provisions of Tamil Nadu Value Added Tax Act, 2006 on the stents, valve, x-ray etc. (except medicine) used while treating their in-house patients. High Court directed reply to be filed to notice, on the other hand has concluded on VAT applicability on prosthetics and implants. The said order pronounced disposes the writ petitions filed by the Company in 2012 against notices for proposal of revising the assessment order for assessment years from 2008-09 to 2011-12 issued by the Assistant Commissioner (CT) wherein an amount of ₹ 254.93 Lakhs (₹ 73.37 Lakhs pertaining to implants) has been proposed to demanded on January 31, 2012. Against the said order, the Company has filed Writ Appeals with the Division Bench of the Madras High Court on October 16, 2020. The Company, based on legal advice, believes that the possibility of negative outcome is remote and accordingly, no adjustments are made in the standalone financial statements.

2. These claims are pending with various Consumer Disputes Redressal Commissions and the Company has been advised by the legal counsel that there may not be any likely liability in respect of these matters and accordingly no provision has been recognised in these standalone financial statements.

35. SLUMP SALE TRANSACTION

The Company operated its healthcare business from Fortis Malar Hospital situated at Adyar Chennai ("Malar Hospital / undertaking"). It had "Hospital and Medical Services Agreement" ("HMSA") with Fortis Health Management Limited ("FHML") w.r.t. rendering of certain medical and healthcare services in the hospital premises (including right to use of the hospital building). The hospital building owned by FHML has certain ongoing litigations and issues pertaining to regularisation. These legacy issues gave rise to certain challenges for the Company 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, the Company entered into Business Transfer Agreement ("BTA") with MGM Healthcare Private Limited ("MGM") for the sale of its business operations pertaining to Malar Hospital, as a going concern, on a slump sale basis, for a sale consideration of ₹ 4,571.58 Lakhs, on such terms and conditions as contained in BTA ("slump sale transaction"). The transaction was an all-cash deal.

As per BTA, the undertaking along with all related assets and liabilities (refer table below) stands transferred and vested in MGM from February 01, 2024. Further, the HMSA with FHML was automatically terminated post this transaction. Accordingly, the Company is no longer associated with the hospital building and related uncertainties such as pending regularisation and ongoing litigations related thereto.

Malar hospital which used to provide healthcare services was the only cash generating units (CGU) for the Company and it does not qualify as a component of the Company as per Ind AS 105, and therefore it is not been classified as a discontinued operation on disposal.

The Company has recorded net gain of ₹ 4,721.54 Lakhs which is shown as an exceptional item in the Statement of Profit and Loss for the year ended March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Following assets and liabilities were transferred as part of the slump sale transaction:

Particulars	Amount
Assets:	
Property, plant and equipment	1,146.10
Other financial assets	69.74
Inventories	103.64
Trade receivables (net of allownace for expected credit loss of ₹ 12.08 Lakhs)	336.00
Other current assets	22.68
Total assets (A)	**1,678.16**
Liabilities:	
Provisions	528.17
Trade payables	1,451.20
Other current liabilities	150.37
Total liabilities (B)	**2,129.74**
Net assets/ (liabilities) transferred (C = A-B)	**(451.58)**
Consideration received/ receivable (D)	**4,571.58**
Gross gain on slump sale transaction (E=D-C)	**5,023.16**
Less: Expenses in nature of 'Legal and professional fee' in relation to slump sale transaction (F)	(301.62)
Net gain on slump sale transaction presented under 'Exceptional items' (refer note 45) (G = F-E)	**4,721.54**

36. EMPLOYEE BENEFITS

(I) Defined contribution plan

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme. The Company's contribution to Provident Fund aggregating ₹ 73.19 Lakhs (Previous year: ₹ 92.70 Lakhs) has been recognised in the Standalone Statement of Profit and Loss under the head Employee Benefits Expense

(II) Defined benefit plans

The Company has a defined benefit gratuity plan, where under 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 and is not subjected to limit in terms of the provisions of Payment of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

(a) Amount recognised in the standalone statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amounts recognised in Standalone Statement of Profit and Loss in respect of these defined benefit plans are as follows:		
Service cost		
- Current service cost	35.99	33.76
Net interest expense	26.99	20.05
Components of defined benefit costs recognised in profit or loss	**62.98**	**53.81**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	10.01	(0.28)
Actuarial gains and loss arising from changes in financial assumptions	0.04	(9.55)
Actuarial gains and loss arising from experience adjustments	(7.28)	57.77
Components of defined benefit costs recognised in other comprehensive income	**2.77**	**47.94**
Total	**65.75**	**101.75**

(i) The current service cost and interest expense for the year are included in "Employee benefits expense" in the standalone statement of profit and loss under the line item "Contribution to provident and other funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
(Net Asset)/Liability recognised in the Balance Sheet		
1. Present value of defined benefit obligation as at March 31,	1.61	486.89
2. Fair value of plan assets as at March 31,	-	109.52
3. Deficit	1.61	377.37
4. Current portion of the above	1.61	-
5. Non current portion of the above	-	377.37

(c) Movement in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in the obligation during the year ended March 31		
Present value of defined benefit obligation at the beginning of the year	486.89	412.35
Expenses Recognised in Standalone Statement of Profit and Loss:		
- Current Service Cost	35.99	33.76
- Interest Expense / (Income)	33.90	27.69
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	0.04	(9.55)
ii. Experience Adjustments	(7.28)	57.77
Benefit payments (including directly paid by the Company)	(38.74)	(33.45)
Transferred out (refer note 35 for provision transferred on slump sale of business)	(509.19)	(1.68)
Present value of defined benefit obligation at the end of the year	**1.61**	**486.89**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Movement in fair value of plan assets are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in fair value of assets during the year ended March 31		
Fair value of plan assets at the beginning of the year	109.52	117.32
Expenses Recognised in Statement of Profit and Loss:		
- Expected return on plan assets	6.91	7.64
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Return on plan assets (excluding amount included in net interest expense)	(10.01)	0.28
Transferred out (refer note 35 for provision transferred on slump sale of business)	(78.60)	-
Contributions by employer	1.93	15.64
Benefit payments	(29.75)	(31.36)
Fair value of plan assets at the end of the year	**-**	**109.52**

(e) The fair value of plan assets at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	-	109.52

(f) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.00%	7.25%
Expected rate of salary increase	7.50%	7.50%
Withdrawal Rate		
Ages From 20 - 30	18.00%	18.00%
Ages From 31 - 44	6.00%	6.00%
Ages From 45 - 58	2.00%	2.00%
Expected average remaining working life*	9 years	9 years
Mortality	IALM 2006-08(Ult)	IALM 2006-08(Ult)

*Based on India's standard mortality table with modification to reflect the expected changes in mortality / others

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

(i) If the discount rate is 50 basis point higher / (lower) the defined benefit obligation would decrease by ₹ 0.08 Lakhs (increase by ₹ 0.08 Lakhs) (As at March 31, 2023; decrease by ₹ 18.20 Lakhs (increase by ₹ 19.41 Lakhs)).

(ii) If the expected salary growth rate increase / (decreases) by 1% the defined benefit obligation would increase by ₹ 0.16 Lakhs (decrease by ₹ 0.15 Lakhs) (As at March 31, 2023 ; increase by ₹ 39.66 Lakhs (decrease by ₹ 35.66 Lakhs)).

(iii) If the withdrawal rate increases/(decreases) by 5% the defined benefit obligation would decrease by ₹ 0.24 Lakhs (increase by ₹ 0.10 Lakhs) (As at March 31, 2023 ; decrease by ₹ 4.22 Lakhs (increase by ₹ 3.98 Lakhs).

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

37. LEASES

37.1 Leases as lessee (Ind AS 116)

The leased assets of the Company include hospital building , nurse hostel building and medical equipments which are taken on lease for providing healthcare services to the patients.

The summary of the movement of right-of-use assets for the year is given below:

	Building	Medical equipments	Total
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2022	4,393.02	6.39	4,399.41
Less: Depreciation charge for the year	(817.48)	(5.48)	(822.96)
Balance as at March 31, 2023	**3,575.54**	**0.91**	**3,576.45**
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2023	3,575.54	0.91	3,576.45
Less: Depreciation charge for the year	(685.86)	(0.91)	(686.77)
Less: Derecognition*	(2,889.68)	-	(2,889.68)
Balance as at March 31, 2024	**-**	**-**	**-**

The following is the movement in lease liabilities during the year:

	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at April 01,	4,639.76	5,341.47
Finance cost accrued during the year	406.20	563.47
Payment of lease liabilities	(1,085.19)	(1,265.18)
Derecognition of lease liabilities*	(3,960.77)	-
Balance as at March 31	**-**	**4,639.76**

*Consequent to the slump sale transaction (refer note 35), the HMSA with FHML has been deemed to be terminated. Also, the lease agreement for nurse hostel has been terminated. Accordingly, Company has recognised net gain on derecognition of such leases amounting to ₹ 1,071.09 Lakhs (derecognition of right of use assets amounting to ₹ 2,889.68 Lakhs and derecognition of lease liabilities amounting to ₹ 3,960.77 Lakhs) as 'Exceptional item' (refer note 45).

	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current lease liabilities	-	821.62
Non-current lease liabilities	-	3,818.14
	-	**4,639.76**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The following table sets out a maturity analysis of lease payments, showing the discounted lease payments to be paid after the reporting date:

	As at March 31, 2024	As at March 31, 2023
Lease liabilities under Ind AS 116		
Less than one year	-	821.62
One to five years	-	3,818.14
More than five years	-	-
Total lease liabilities as at March 31,	**-**	**4,639.76**

Amount of recognised in standalone statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on derecognition of leases presented under 'Exceptional items' (refer note 45)	1,071.09	-
Interest expense on lease liabilities	406.20	563.47
Depreciation expense on right of use assets	686.77	822.96
Expenses relating to short-term leases	33.07	36.84
Expenses relating to leases of low-value assets	-	-

38. FINANCIAL INSTRUMENTS

(I) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through equity. Also refer note 46.

(II) Categories of financial instruments

(a) Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at cost		
Investment in subsidiary	5.00	5.00
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Security deposits	-	40.33
- Advance to related parties	2.24	10.42
- Trade receivables	-	318.44
- Cash and bank balances	10,610.52	730.62
- Loans	-	6,800.00
- Other financial assets	325.58	194.13

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(b) Financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Trade payables	519.06	2,025.53
- Lease liabilities	-	4,639.76
- Other financial liabilities	42.67	23.62

(III) Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The focus of the chief operating decision maker (CODM) is to assess the unpredictability of the financial environment and to mitigate potential adverse effects, if any, on the financial performance of the Company.

The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of patients to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several patients that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about patients. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The average credit period is ranging from 30 to 90 days. No overdue interest is charged. However, the Company has transferred its trade receivables balance as part of the slump sale transaction (refer note 35) and does not have any receivables balance outstanding as at March 31, 2024. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The ageing of trade receivables as at the reporting date was:

As at March 31, 2024

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	-	0%	-	No
1-30 days past due	-	0%	-	No
31-60 days past due	-	0%	-	No
61-90 days past due	-	0%	-	No
More than 90 days past due	-	0%	-	No
	-		**-**	

As at March 31, 2023

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	193.78	0%	-	No
1-30 days past due	28.07	0%	-	No
31-60 days past due	32.50	0%	-	No
61-90 days past due	20.92	17%	3.48	No
More than 90 days past due	584.88	92%	538.23	Yes*
	860.15		**541.71**	

b. Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)

The Company holds cash and bank balances of ₹ 10,610.52 Lakhs at March 31, 2024 (March 31, 2023: ₹ 730.62 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

c. Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties. Further, the Company has transferred its security deposit balance as part of the slump sale transaction (refer note 35) and does not have any amount outstanding as at March 31, 2024.

d. Advance to employees

This balance is primarily constituted by advances given to the employees. The Company does not expect any losses from non-performance by these counter-parties as the amounts are recoverable by salary deductions. Further, the Company has transferred its advance to employees balance as part of the slump sale transaction (refer note 35) and does not have any amount outstanding as at March 31, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(V) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Particulars	With in 1 Year	1 to 2 Years	More than 2 Years	Total
	(₹)	(₹)	(₹)	(₹)
As at March 31, 2024				
- Trade Payables	519.06	-	-	519.06
- Other financial liabilities	42.67	-	-	42.67
Total	**561.73**	**-**	**-**	**561.73**
As at March 31, 2023				
- Trade Payables	2,025.53	-	-	2,025.53
- Lease liabilities	821.62	1,966.77	1,851.37	4,639.76
- Other financial liabilities	23.62	-	-	23.62
Total	**2,870.77**	**1,966.77**	**1,851.37**	**6,688.91**

39. FAIR VALUE MEASUREMENT

There are no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the standalone financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

40. CURRENT TAX AND DEFERRED TAX

(i) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax:		
Current income tax charge	466.90	-
Total	**466.90**	**-**
Deferred tax		
Reversal of temporary difference	-	845.57
Total	**-**	**845.57**
Total tax expense recognised in standalone statement of profit and loss	**466.90**	**845.57**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(ii) The income tax expense for the year can be reconciled to the accounting loss as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	Tax Amount	Amount	Tax Amount
Profit/ (loss) before tax from operations	5,194.58		(707.75)	
Income tax using the Company's domestic tax rate at 25.17% (March 31, 2023 : 27.82%)		1,307.37		(196.90)
Tax effect of :				
Dividend income exempt under section 80M of Income Tax Act, 1961		(50.34)		-
Long-term capital gain on slump sale of business		(172.89)		-
Deferred tax assets not recognised during the year		-		196.90
Changes in estimates relating to previous years		(617.24)		-
Reversal of temporary difference		-		845.57
Total tax expense		**466.90**		**845.57**

The Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 01, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2024.

(iii) Income tax on other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Remeasurements of defined benefit plans	-	-
Total	**-**	**-**

(iv) Following is the analysis of the deferred tax asset / (liabilities) presented in the Balance Sheet

Particulars	Year ended March 31, 2024			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	-	-	-	-
Allowance for credit losses/Others	-	-	-	-
Lease liability	-	-	-	-
Carried forward of business and depreciation losses	-	-	-	-
Property, plant and equipment	-	-	-	-
	-	**-**	**-**	**-**
Net deferred tax asset / (liability)	**-**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Year ended March 31, 2023			
	Opening Balance	Recognised in profit and Loss*	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	113.61	(113.61)	-	-
Allowance for credit losses/Others	145.20	(145.20)	-	-
Lease liability	198.61	(198.61)	-	-
Carried forward of business and depreciation losses	380.63	(380.63)	-	-
Property, plant and equipment	7.51	(7.51)	-	-
	845.57	**(845.57)**	**-**	**-**
Net deferred tax asset / (liability)	**845.57**	**(845.57)**	**-**	**-**

(v) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Company can use the benefits therefrom:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross amount*	Unrecognised tax effect	Gross amount*	Unrecognised tax effect
Deductible temporary differences	12.56	3.16	2,516.14	699.99
Tax losses	860.64	216.60	2,028.90	564.44
Total	**873.20**	**219.76**	**4,545.04**	**1,264.43**

Tax losses carried forward

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Expiry date	Amount	Expiry date
Expire	860.64	2028-32	848.68	2028-32
Never expire	-		1,180.22	

*Note - In the previous year, the Company has revised its estimate of future taxable profits and taking conservative approach, has reversed the deferred tax assets recognised in the earlier years for the deductible temporary differences and tax losses amounting to ₹ 845.57 Lakhs.

41. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (loss) after tax - ₹	4,727.68	(1,553.32)
Weighted average number of equity shares outstanding	1,87,41,759	1,87,41,759
Earnings Per Share - in ₹		
- Basic - in ₹	25.23	(8.29)
- Diluted - in ₹	25.23	(8.29)
Face value per share - in ₹	10.00	10.00

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

As per the requirement of the MSMED Act, 2006, the following disclosure have been provided. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 has been made in the standalone financial statements based on information received and available with the Company.

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	35.76
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

43. DETAILS OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The particulars of loans given as required to be disclosed by Section 186 (4) of Companies Act 2013 are as below:

Name of the party	Rate of Interest	Due date for Interest	Secured/ unsecured	As at March 31, 2024	As at March 31, 2023
Fortis Healthcare Limited	10.50%	Quarterly	Unsecured	-	2,800.00
Fortis Healthcare Limited	6.50%	Quarterly	Unsecured	-	4,000.00

Particulars	Relation	Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023
Fortis Healthcare Limited*	Intermediate Holding	6,800.00	6,800.00

* There are two inter corporate deposits placed with Fortis Healthcare Limited:

a) ₹ 2,800 Lakhs was given for meeting its working capital/ general corporate requirements. This loan was repayable on or before July 08, 2023 and the Company has an option to recall this loan at any time after six months from drawdown, i.e. any time after February 09, 2021. This loan was repaid on 10 July 2023.

b) ₹ 4,000 Lakhs was given for meeting its working capital / corporate requirement . This loan was repayable on or before 2 years from the date of drawdown i.e., February 22, 2024 and the Company has option to recall this loan post disbursement after giving one month prior written notice to the borrower. This loan was repaid on February 22, 2024.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

44. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a Company, meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on CSR activities. The Company does not meet the applicable thresholds both in the year ended March 31, 2024 and March 31, 2023, accordingly, the Company has not spent any such amounts in both these years.

45. EXCEPTIONAL ITEMS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on slump sale transaction (refer note 35)	4,721.54	-
Net gain on derecognition of leases (refer note 37)	1,071.09	-
Total	**5,792.63**	**-**

46. RATIO ANALYSIS AND ITS ELEMENTS

<table>
<tr><th>Particulars</th><th>Numerator</th><th>Denominator</th><th>Current year</th><th>Previous year</th><th>% of variance</th><th>Explanation for change in the ratio by more than 25%</th></tr>
<tr><td>Current Ratio (times)</td><td>Total Current Assets</td><td>Total Current Liabilities</td><td>18.28</td><td>2.60</td><td>603%</td><td>The current ratio has increased in the current year due to increase in current assets and decrease in current liabilities. The current assets have increased majorly due to increase in cash and cash equivalent balance on account of receipt of consideration for slump sale transaction. While the current liabilities have decreased majorly due to transfer of liabilities as part of slump sale transaction (also refer note 35).</td></tr>
<tr><td>Debt-Equity Ratio (times)</td><td>Debt consists of borrowings and lease liabilities</td><td>Total equity</td><td>-</td><td>0.75</td><td>(100%)</td><td>The debt-equity ratio has decreased due to decrease in lease liabilities in the current year (also refer note 37 and 45).</td></tr>
<tr><td>Debt Service Coverage Ratio (times)</td><td>Earning for debt service = Net Profit/ loss after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments</td><td>Debt service = Interest and Lease Payments + Principal Repayments</td><td>5.51</td><td>0.25</td><td>2065%</td><td rowspan="4">These ratios have improved in the current year on account of increase in net profit for the year majorly due to gain on slump sale transaction and gain on termination of leases.</td></tr>
<tr><td>Net Profit Ratio (%)</td><td>Profit / loss for the year</td><td>Revenue from operations</td><td>80.1%</td><td>(18.1%)</td><td>543%</td></tr>
<tr><td>Return on Equity Ratio (%)</td><td>Profit / loss for the year</td><td>Average Equity</td><td>43.3%</td><td>(25.1%)</td><td>273%</td></tr>
<tr><td>Return on Capital employed (%)</td><td>Profit / loss before taxes and finance costs</td><td>Capital employed = Net worth + Lease liabilities + Deferred tax liabilities</td><td>51.5%</td><td>(0.9%)</td><td>5643%</td></tr>
<tr><td>Return on Investment (%)</td><td>Income generated from invested funds</td><td>Average invested funds in treasury investments</td><td>5.8%</td><td>7.8%</td><td>(25%)</td><td>The decrease in return on investment is majorly on account of lower interest earned during the year on fixed deposts and inter-corporate loans.</td></tr>
</table>

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Numerator	Denominator	Current year	Previous year	% of variance	Explanation for change in the ratio by more than 25%
Trade Receivables turnover ratio (times)	Revenue from operations	Average trade receivables	37.1	31.9	16%	Not applicable
Inventory turnover ratio (times)	Cost of goods sold	Average Inventory	16	8.5	86%	The increase in inventory turnover ratio is due to transfer of inventory on account of slump sale transaction (refer note 35).
Trade payables turnover ratio (times)	Net purchases	Average Trade Payables	0.7	0.6	16%	Not applicable
Net capital turnover ratio (times)	Revenue from operations	Average working capital (i.e., Total Current assets less Total current liabilities)	0.7	2.6	(71%)	The decrease in net capital turnover ratio is majorly on account of increase in average working capital in the current year due to consideration received for slump sale transactions (refer note 35).

47. ADDITIONAL REGULATORY INFORMATION

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

(ii) The Company does not have any transactions with companies struck off.

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

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

(v) 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

(vi) 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,

(vii) 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).

(viii) The Company had been sanctioned working capital limits in excess of five Crores rupees in aggregate from banks and financial institutions on the basis of security of current assets. Accordingly, it filed quarterly returns or statements of current assets with banks and financial institutions.

(ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes forming part of the Standalone Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

48. In light of the acquisition of the controlling stake of FHL by Northern TK Venture Pte Limited ("NTK") a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, a mandatory open offer got triggered for acquisition by NTK of up to 4,894,308 fully paid up equity shares of face value of ₹ 10 each in the Company, representing 26% of the paid-up equity shares of the Company at a price of ₹ 60.10 per share ("Malar Open Offer") in December 2018. 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 IHH Healthcare Berhad, Malaysia be maintained, the Mandatory Open offer was kept in abeyance. The Hon'ble Supreme Court has disposed of the petitions with certain directions to the Hon'ble High Court of Delhi. Malar Open offer continues to be in abeyance an on date. From publicly available information, it is learnt that SEBI had advised NTK to proceed with the Fortis Open Offer and the Malar Open Offer after obtaining an appropriate order from the Hon'ble High Court of Delhi. In view of the same, NTK is obtaining advice from legal counsel.

During the current year, the Company has declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) on April 12, 2024. Pursuant to such declaration of dividend and in terms of Regulation 8(9) of the SEBI (SAST) Regulations, NTK and Persons Acting in Concert (PACs) have decided to adjust the Malar Open offer price from ₹ 60.1 to ₹ 20.1 per share ("Adjusted Malar offer price").

49. SEGMENT REPORTING

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. All operating segments' operating results are reviewed regularly by the Company's Director to make decisions about resources to be allocated to the segments and assess their performance.

The Company has been primarily engaged in only one business namely in the health care services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these standalone financial statements are reflective of the information required by the Ind AS 108 . The Company's operations are entirely domiciled in India and as such all its non-current assets are located in India. Also refer note 35 for the slump sale of business during the year.

50. SUBSEQUENT EVENTS

There are no subsequent events other than those disclosed in the standalone financial statements that have occurred after the reporting period till the date of approval of these standalone financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date: May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date: May 17, 2024

Place : Chennai

CONSOLIDATED FINANCIAL STATEMENTS

Contents Pages

INDEPENDENT AUDITOR'S REPORT

To the Members of Fortis Malar Hospitals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Fortis Malar Hospitals Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 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 March 31, 2024, 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, 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 as at March 31, 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 2(b) to the consolidated financial statements which explains that consequent to sale of business operations through a slump sale transaction, the Holding Company ceases to have any business operations. While there is no visibility of commencing any new business operations in the future, the Holding Company's management and Board of Directors is currently evaluating various corporate restructuring options for the future possible course of actions for the Company. However, the Holding Company believes that it has sufficient cash and cash equivalent to settle its obligations as and when they fall due, and it believes that it would be able to meet its financial requirements for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Related party transactions

See Note 31 and 42 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific compliance and disclosures of related parties and transactions with them to be made in the consolidated financial statements. We have identified the related party transactions as a key audit matter due to the significance of risk of non-compliance with various regulations. Also, a material portion of expenses (lease expenses, clinical establishment expenses, pathological expenses, etc.) are paid to related parties and material interest income is received from related parties.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Obtain an understanding of the Group's related party relationships and transactions. • Obtained a list of related party relationships and significant related party transactions from the management. Made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions. • Evaluated the design and implementation of key internal financial controls with respect to identification and authorization of significant related party transactions and tested the operating effectiveness of such controls on a sample basis. • Obtained confirmation from related party with respect to transactions and balances. Performed substantive procedures to check the completeness of expenditure and interest income. • Evaluated compliance of such related party transactions with the relevant accounting standard and applicable laws and regulations. • Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

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 Annual report, but does not include the financial statements and auditor's report(s) thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

Independent Auditor's Report (Contd.)

equity and consolidated cash flows of the Group 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 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 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 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 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.

We communicate with those charged with governance of the Holding Company and such other entity 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, 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 except for the matters 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. On the basis of the written representations received from the directors of the Holding Company as on April 01, 2024 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary 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 consolidated financial statements disclose the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.

   b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2024.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by

Independent Auditor's Report (Contd.)

the Holding Company or its subsidiary company incorporated in India during the year ended March 31, 2024.

d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited have represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary 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 Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited have represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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 interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

As stated in Note 16(c)(B) to the consolidated financial statements, the Board of Directors of the Holding Company has 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 Holding Company has used accounting softwares 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 softwares:

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 April 01, 2023 to May 22, 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 April 01, 2023 to August 15, 2023), in the absence of supporting evidence on account of deactivation post August 15, 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 softwares, we did not come across any instance of the audit trail feature being tampered with.

A. 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/payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary company 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

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 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, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

Annexure B to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 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)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of **Fortis Malar Hospitals Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024 we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 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.)

Annexure B to the Independent Auditor's Report on the Consolidated Financial Statements of Fortis Malar Hospitals Limited for the year ended March 31, 2024 (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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432
ICAI UDIN:24222432BKGUEC2974

Place: Chennai
Date: May 17, 2024

CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	-	1,147.48
Right of use assets	36	-	3,576.45
Other Intangible assets	4(b)	-	17.25
Financial assets			
Other financial assets	5	-	45.64
Deferred tax assets (net)	39	-	0.49
Other tax assets (net)	6	258.39	563.05
Other non-current assets	7	-	2.11
Total non-current assets		**258.39**	**5,352.47**
Current assets			
Inventories	8	-	110.34
Financial assets			
Trade receivables	9	-	318.44
Cash and cash equivalents	10	10,740.88	586.07
Bank balances other than above	11	81.74	357.65
Loans	12	-	6,800.00
Other financial assets	13	147.82	200.27
Other tax assets (net)	6	358.77	-
Other current assets	14	-	74.75
Total current assets		**11,329.21**	**8,447.52**
Total assets		**11,587.60**	**13,799.99**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,875.70	1,875.70
Other equity	16	9,071.25	4,541.54
Total equity		**10,946.95**	**6,417.24**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	17	-	3,818.14
Provisions	20	-	389.09
Total non-current liabilities		**-**	**4,207.23**
Current liabilities			
Financial liabilities			
Lease liabilities	17	-	821.62
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises		520.29	1,992.91
Other financial liabilities	19	42.67	23.62
Provisions	20	3.23	80.76
Income tax liabilities (net)	39	-	0.33
Other current liabilities	21	74.46	221.87
Total current liabilities		**640.65**	**3,175.52**
Total liabilities		**640.65**	**7,382.75**
Total equity and liabilities		**11,587.60**	**13,799.99**
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	22	5,900.88	8,595.08
Other income	23	695.08	663.81
Total income		**6,595.96**	**9,258.89**
EXPENSES			
Purchases of medical consumables and drugs		870.24	1,190.47
Changes in inventories of medical consumables and drugs	24	6.70	76.02
Employee benefits expense	25	1,516.27	1,940.57
Finance costs	26	430.46	607.06
Depreciation and amortisation expense	27	936.01	1,214.66
Other expenses	28	3,627.94	4,930.90
Total expenses		**7,387.62**	**9,959.68**
Loss before exceptional items and tax		**(791.66)**	**(700.79)**
Exceptional items	44	5,792.63	-
Profit/ (loss) before tax		**5,000.97**	**(700.79)**
Tax expense:	29		
Current tax		468.00	1.81
Deferred tax		0.49	845.51
Total tax expense		**468.49**	**847.32**
Profit/ (loss) for the year		**4,532.48**	**(1,548.11)**
Other comprehensive income/ (loss)	30		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability		(2.77)	(47.75)
Income tax relating to items that will not be reclassified to profit or loss		-	(0.05)
Other comprehensive loss for the year, net of tax		**(2.77)**	**(47.80)**
Total comprehensive income/ (loss) for the year		**4,529.71**	**(1,595.91)**
Earnings per equity share	40		
Basic (in ₹)		24.18	(8.26)
Diluted (in ₹)		24.18	(8.26)
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities			
Profit/ (loss) before tax for the year		5,000.97	(700.79)
Adjustments for:			
Exceptional items		(5,792.63)	-
Interest income		(559.37)	(627.68)
Depreciation and amortisation expense		936.01	1,214.66
Interest expense on lease liability		406.20	563.47
Allowance for credit losses (including bad debts written off)		(47.25)	48.67
Liabilities/ provisions no longer required written back		(88.46)	(36.13)
Operating (loss) / profit before working capital changes		**(144.53)**	**462.20**
Movements in working capital:			
Decrease in other current and non current financial assets		36.18	124.45
Decrease in other current and non-current assets		54.18	44.59
Decrease / (increase) in trade and other receivables		29.69	(147.18)
Decrease in inventories		6.70	76.02
Increase in provisions		58.77	41.54
(Decrease) / increase in trade payables		(270.85)	61.45
Increase / (decrease) in financial liabilities		19.05	(81.90)
(Decrease) in other current liabilities		(17.04)	(28.59)
Cash (used in)/ generated from operations		**(227.85)**	**552.58**
Income taxes (paid) / refund (net)		(502.44)	8.41
Net cash (used in)/ generated from operating activities		**(730.29)**	**560.99**
Cash flows from investing activities			
Payments for purchase of property, plant and equipment, intangible assets, capital work-in-progress and intangibles asset under development		(229.93)	(187.80)
Inter-corporate deposits repaid by related parties		6,800.00	-
Purchase consideration received from slump sale of business		4,426.00	-
Bank balances not considered as cash and cash equivalents		275.91	(342.60)
Interest received		698.31	580.37
Net cash generated from investing activities		**11,970.29**	**49.97**
Cash flows from financing activities			
Repayment of lease liabilities including interest thereon		(1,085.19)	(1,265.18)
Net cash generated from / (used in) financing activities		**(1,085.19)**	**(1,265.18)**
Net increase / (decrease) in cash and cash equivalent		**10,154.81**	**(654.22)**
Cash and cash equivalents at the beginning of the year		586.07	1,240.29
Cash and cash equivalents at the end of the year	10	**10,740.88**	**586.07**
Material accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended March 31, 2024

(All amounts are in Indian ₹ Lakhs except share data and as stated)

		Note	As at March 31, 2024	As at March 31, 2023
A	**Equity share capital**	15		
	Balance at the beginning of year		1,875.70	1,875.70
	Changes in equity share capital during the year		-	-
	Closing balance		**1,875.70**	**1,875.70**

B Other equity 16

Particulars	Reserves and surplus		Total
	Securities Preimium	Retained Earnings	
Balance as at March 31, 2022	**957.23**	**5,180.22**	**6,137.45**
Loss for the year	-	(1,548.11)	(1,548.11)
Other comprehensive loss for the year, net of taxes	-	(47.80)	(47.80)
Total comprehensive loss for the year	**-**	**(1,595.91)**	**(1,595.91)**
Balance as at March 31, 2023	**957.23**	**3,584.31**	**4,541.54**
Profit for the year	-	4,532.48	4,532.48
Other comprehensive income for the year, net of taxes	-	(2.77)	(2.77)
Total comprehensive income for the year	**-**	**4,529.71**	**4,529.71**
Balance as at March 31, 2024	**957.23**	**8,114.02**	**9,071.25**

Loss of ₹ 2.77 Lakhs and ₹ 47.80 Lakhs on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2024 and March 31, 2023 respectively.

Material accounting policies 3

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

Fortis Malar Hospitals Limited (the 'Parent Company') was incorporated in the year 1989 to set up, manage and operate a multi-specialty hospital and the Company is a subsidiary of Fortis Hospitals Limited and Fortis Healthcare Limited is the Intermediate Holding Company and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Parent Company operated its state of the art Hospital facility in Chennai. The Hospital building was owned by a fellow subsidiary, Fortis Health Management Limited ("FHML"). The Parent Company had entered into "Hospital and Medical Services Agreement" with FHML w.r.t. rendering of medical and healthcare services at the hospital building (also refer note 34).

The Parent Company has one wholly owned subsidiary company, Malar Stars Medicare Limited ('Malar Stars' or 'the subsidiary'), which was incorporated on July 07, 2009 in Chennai and is engaged in providing medical and surgical and consultancy services to the Parent Company. The Parent Company and the subsidiary are hereinafter collectively referred to as "the Group".

2. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Group and other provisions of the Act. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

The consolidated financial statements were authorised for issue by the Parent Company's Board of Directors on May 17, 2024.

b) Going concern assumptions

During the current year, the Parent Company has sold its business operations pertaining to Malar Hospital, on a slump sale basis on February 01, 2024 (also refer note 34). Post this sale, the Parent Company ceases to have any business operations. Currently, the Parent Company has no visibility of commencing any new business operations in the future, and the Parent Company's management and Board of Directors, in consultation with its legal advisors/ merchant bankers, is evaluating various corporate restructuring options for the future possible course of actions for the Parent Company.

Further, subsequent to the year end, the Parent Company has declared interim dividend amounting to ₹ 40 per share, resulting in significant cash outflows of ₹ 7,496.70 Lakhs. However, the Parent Company has sufficient cash and cash equivalent balance to settle its obligations as and when they fall due and the Parent Company believes that it would be able to meet its financial obligations for the foreseeable future based on the current cash position and projected cash flows. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

c) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees ('₹'/'₹'), which is also the Group's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

d) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit assets/ (liability)	Fair value of plan assets, less present value of defined benefit obligations

e) Principles of consolidation:

The consolidated financial statements relate to the Parent Company and its subsidiary. The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the Parent Company and its subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating material intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

Notes forming part of the Consolidated Financial Statements (Contd.)

The details of the subsidiary considered in the preparation of these consolidated financial statements are given below:

Name of the subsidiary	Country of incorporation	Relationship	Effective ownership as at	
			March 31, 2024	March 31, 2023
Malar Stars Medicare Limited	India	Subsidiary	100%	100%

f) Use of estimates and judgements

In preparing these consolidated financial statements, management/directors have made the following judgements and estimates 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 prospectively.

Judgements

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

a. fair valuation of financial assets (refer note 38)

b. lease arrangement- classification (refer note 36)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

a. Useful lives of Property, plant and equipment and intangible assets (refer note 3.3)

b. Measurement of defined benefit obligations: key actuarial assumptions; (refer note 3.7 and note 35)

c. Recognition and estimation of tax expenses including deferred tax: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; (refer note 3.12 and note 39)

d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; (refer note 3.8, 3.15 and 33)

e. Measurement of expected credit loss (ECL) allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; (refer note 3.6)

f. lease arrangement- accounting (refer note 36)

g. Estimated impairment of financial assets and nonfinancial assets (refer note 3.6)

g) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

When measuring the fair values 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 transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 37 and 38 – financial instruments.

h) Current and non-current classification

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

3. MATERIAL ACCOUNTING POLICES

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the equity investments at fair value through OCI (FVOCI).

3.2 Financial instruments

i) Recognition and initial measurement

Trade receivables 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.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Notes forming part of the Consolidated Financial Statements (Contd.)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

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

3.3 Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment is 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.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

All other expenditure related to existing assets including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the period during which such expenditure is incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management Useful life	Useful life as per Schedule II
Plant and machinery	15 years	15 years
Medical equipment	13 years	13 years
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on leasehold improvements is provided over the primary period of lease or over the useful lives of the respective fixed assets, whichever is shorter.

The useful life of PPE are reviewed at the end of each reporting period if the expected useful life of the asset changes significantly from previous estimates, the effect of such change in estimates are accounted for prospectively.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed off).

iv. Derecognition

Property, plant and equipment is derecognised on disposal or when no future economic benefits are

Notes forming part of the Consolidated Financial Statements (Contd.)

expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

3.4 Intangible assets

i. Recognition and measurement

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from de-recognition of an intangible 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 when the asset is de-recognised.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Cost of software and licenses, which are acquired, are capitalised and amortised on a straight line basis over a period of 3 to 6 years or the license period, whichever is lower.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.5 Inventories

Inventories of medical consumables and drugs are valued at lower of cost or net releasable value. The cost of inventories is determined based on weighted average basis. 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 the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-Item basis.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience of the Group and such allowances are adjusted against the carrying inventory value.

3.6 Impairment

i) Impairment of financial instruments

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 and Loss.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. 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.

ii) Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU 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.

3.7 Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined benefit plans - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group

Notes forming part of the Consolidated Financial Statements (Contd.)

recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii) Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The Group presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

iv) Defined contribution plan - Provident fund

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes.The Group makes specified monthly contributions towards Government administered provident fund scheme for eligible employees. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts 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, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (also see Note 3.6(ii)).

3.9 Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Group assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Group expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as Goods and Service Tax (GST) and applicable discounts and allowances including claims. Further, the Group also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from hospital services is recognised as and when services are performed and from sale of products is recognised upon transfer of control of products to customers at the time of delivery of goods to the customers.

Revenue includes only those sales for which the 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.

Other operating revenue comprises revenue from various ancillary revenue generating activities like maintenance agreements and academic services. The revenue in respect of such arrangements is recognised 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.

3.10 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.11 Leases

The Group has applied Ind AS 116 using the modified retrospective approach from April 01, 2019. Accordingly, the Group has recognised a lease liability at the date of initial application, at the present value of the remaining lease payments discounted using the incremental borrowings rate at the date of initial application, recognised right-of-use asset at the date of initial application equals to the lease liability recognised.

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 of an identified asset, the Group uses the definition of a lease in Ind AS 116.

(i) Group as a lessee:

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises 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 incentives 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, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if

Notes forming part of the Consolidated Financial Statements (Contd.)

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 Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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 the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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. The Group presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

(ii) Short term leases

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding 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 that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries 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; Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease

are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/ (loss) 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.

Diluted earnings per share

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

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

3.15 Contingent liabilities

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.

Contingent assets

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Notes forming part of the Consolidated Financial Statements (Contd.)

3.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.17 Cash flow statement

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.

3.18 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative year.

3.19 Standards issued but not yet effective:

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 that are applicable to the Group.

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and machinery	Medical equipments	Furniture and fittings	Computers	Office equipments	Total
Gross carrying amount						
As at March 31, 2022	**194.33**	**2,846.73**	**229.96**	**222.75**	**69.58**	**3,563.35**
Additions	-	163.18	2.12	17.05	3.77	186.12
Disposals	-	-	-	-	-	-
As at March 31, 2023	**194.33**	**3,009.91**	**232.08**	**239.80**	**73.35**	**3,749.47**
Additions	-	224.31	1.35	1.22	3.73	230.61
Disposals / transfers*	194.33	3,234.22	233.43	241.02	77.08	3,980.08
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation						
As at March 31, 2022	**114.17**	**1,791.60**	**149.65**	**147.39**	**58.04**	**2,260.85**
Depreciation (refer note 27)	18.79	261.28	19.87	35.81	5.39	341.14
Disposals	-	-	-	-	-	-
As at March 31, 2023	**132.96**	**2,052.88**	**169.52**	**183.20**	**63.43**	**2,601.99**
Depreciation (refer note 27)	10.95	173.74	15.17	29.31	2.82	231.99
Disposals / transfers*	143.91	2,226.62	184.69	212.51	66.25	2,833.98
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amounts						
As at March 31, 2023	**61.37**	**957.03**	**62.56**	**56.60**	**9.92**	**1,147.48**
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**

* Refer note 34 for Property, plant and equipment transferred on slump sale of business

Note:

1. There are no immovable properties for which title deeds are not in the name of the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee).
2. The Group has not revalued its Property, Plant and Equipment during the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

4(b) OTHER INTANGIBLE ASSETS

	Software
Gross carrying amount	
As at March 31, 2022	**617.95**
Additions	7.44
Disposals	-
As at March 31, 2023	**625.39**
Additions	-
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Accumulated amortisation	
As at March 31, 2022	557.58
Amortisation (refer note 27)	50.56
Disposals	-
As at March 31, 2023	**608.14**
Amortisation (refer note 27)	17.25
Disposals/ adjustments	(625.39)
As at March 31, 2024	**-**
Net carrying amount	
As at March 31, 2023	**17.25**
As at March 31, 2024	**-**

5. OTHER FINANCIAL ASSETS - NON-CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	-	40.33
Advance to related parties (refer note 31)	-	5.31
Total	**-**	**45.64**

Refer note 34 for other financial assets (non-current) transferred on slump sale of business

6. OTHER TAX ASSETS

	As at March 31, 2024	As at March 31, 2023
Income tax assets		
Non-current		
Advance income tax (net of provision for taxation)	258.39	563.05
Total	**258.39**	**563.05**
Current		
Advance income tax (net of provision for taxation)	358.77	-
Total	**358.77**	**-**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

7. OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital advances	-	2.11
Total	**-**	**2.11**

8. INVENTORIES

	As at March 31, 2024	As at March 31, 2023
Medical consumables and drugs	-	110.34
Total	**-**	**110.34**

Refer note 34 for inventories transferred on slump sale of business

9. TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Trade receivables considered good - Unsecured	-	318.44
Trade receivables which have significant increase in credit risk- Unsecured	-	8.38
Credit impaired - Unsecured	-	533.33
	-	**860.15**
Less: Allowance for expected credit loss	-	(541.71)
Total	**-**	**318.44**

Refer note 34 for trade receivables transferred on slump sale of business

The movement in allownace for expected credit loss is as follow:

	As at March 31, 2024	As at March 31, 2023
Balances at the beginning of the year	541.71	524.03
Provision recorded/ (reversed) during the year (net)	(47.25)	17.68
Amount written-off during the year	(482.38)	-
Amount transferred as part of slump sale transaction (refer note 34)	(12.08)	-
Balance at the end of the year	**-**	**541.71**

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

	Particulars	Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(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	-	-	-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing for trade receivables outstanding as at March 31, 2023 is as follows:

Particulars		Not due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	193.78	124.66	-	-	-	-	318.44
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	-	8.38	-	-	-	-	8.38
(iii)	Undisputed Trade Receivables - Credit Impaired	-	22.81	28.64	69.34	8.78	403.76	533.33
(iv)	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total		**193.78**	**155.84**	**28.64**	**69.34**	**8.78**	**403.76**	**860.15**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

10. CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	1.51
Balances with banks:		
- On Current accounts	68.02	74.03
- Deposits with original maturity of less than three months*	10,667.39	510.53
Demand drafts on hand	5.47	-
Total	**10,740.88**	**586.07**

*Includes interest accrued on deposits amounting to ₹ 87.38 Lakhs (March 31, 2023 - ₹ Nil)

11. BANK BALANCES OTHER THAN ABOVE

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend accounts	-	6.31
Deposits with original maturity of more than 3 months but less than 12 months*	81.74	351.34
Total	**81.74**	**357.65**

*Includes interest accrued on deposits amounting to ₹ 0.33 Lakhs (March 31, 2023 - ₹ Nil)

12. LOANS

	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good		
Inter-corporate deposits to related party (refer note 31 and 42)	-	6,800.00
Total	**-**	**6,800.00**

13. OTHER FINANCIAL ASSETS - CURRENT

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest accrued but not due		
(i) Inter-corporate deposits (refer note 31)	-	136.60
(ii) Deposit with banks	-	3.11
Advances to related parties (refer note 31)	2.24	5.11
Loans and advances to employees	-	9.60
Unbilled revenue from undischarged patients	-	45.85
Consideration receivable in relation to slump sale to business (refer note 34)	145.58	-
Total	**147.82**	**200.27**

Refer note 34 for other financial assets transferred on slump sale of business

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

14. OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Advance to vendors	-	30.00
Prepaid expenses	-	44.75
Total	**-**	**74.75**

Refer note 34 for other current assets transferred on slump sale of business

15. EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
Authorised		
30,000,000 (March 31, 2023: 30,000,000) equity shares of ₹ 10/- each	3,000.00	3,000.00
	3,000.00	**3,000.00**
Issued		
18,772,259 (March 31, 2023: 18,772,259) equity shares of ₹ 10/- each	1,874.17	1,874.17
	1,874.17	**1,874.17**
Subscribed and Paid Up		
18,741,759 (March 31, 2023: 18,741,759) equity shares of ₹ 10/- each fully paid up*	1,875.70	1,875.70
	1,875.70	**1,875.70**

*Includes amount received on forfeited shares amounting to ₹ 1.53 Lakhs

Notes :

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

Equity shares

	Year ended March 31, 2024		Year ended March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	1,87,41,759	1,875.70	1,87,41,759	1,875.70
Outstanding at the end of the year	**1,87,41,759**	**1,875.70**	**1,87,41,759**	**1,875.70**

(b) Terms/rights attached to equity shares

The Parent 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. The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number	Amount in ₹	Number	Amount in ₹
Fortis Hospitals Limited, the Holding Company (Equity Shares of ₹ 10/- each)	1,17,52,402	1,175.24	1,17,52,402	1,175.24

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(d) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Hospitals Limited, the Holding Company	1,17,52,402	62.71%	1,17,52,402	62.71%
Rajasthan Global Securities Private Limited	-	-	13,42,159	7.16%

(e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

During the five financial year ended March 31, 2024, no shares have been bought back by the Parent Company and the Parent Company has also not alloted any equity shares as full paid up without payment being received in cash.

(f) Details of shares held by promoters

As at March 31, 2024:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

As at March 31, 2023:

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Fortis Hospitals Limited, the Holding Company	Equity shares of ₹ 10/- each fully paid up	1,17,52,402	62.71%	1,17,52,402	62.71%	-

16. OTHER EQUITY

		As at March 31, 2024	As at March 31, 2023
a	**Reserve and surplus**		
	Securities premium		
	Opening balance	957.23	957.23
	Closing balance	**957.23**	**957.23**
	Retained earnings		
	Opening balance	3,584.31	5,180.22
	Add: Profit / (loss) for the year	4,532.48	(1,548.11)
	Add: Remeasurement (loss) of defined employee benefit plans (net of taxes)	(2.77)	(47.80)
	Closing balance	**8,114.02**	**3,584.31**
	Total	**9,071.25**	**4,541.54**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

b Nature and purpose of the reserve

i. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

ii. Retained earnings

The amount that can be distributed by the Group as dividends to its equity shareholders. It also includes remeasurements of defined benefit liability /(asset) which comprises actuarial gains and losses and return on plan assets (excluding interest income).

c Dividends

The Parent Company has neither declared nor paid any dividend during the current and previous year.

A The Board of Directors of the Parent Company in its meeting held on April 12, 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). The interim dividend has not been accounted as liability in this consolidated financial statements.

B The Board of Directors of the Parent Company at its meeting held on May 17, 2024, has proposed a final dividend of ₹ 2.50 per equity share.

C The Board of Directors of the Subsidiary Company at its meeting held on March 29, 2024 have delared an interim dividend of ₹ 400 per equity share (4000% on face value of ₹ 10 per share).

17. LEASE LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Non-current		
Lease liabilities (refer note 3.11 and note 36)	-	3,818.14
Total	**-**	**3,818.14**
Current		
Lease liabilities (refer note 3.11 and note 36)	-	821.62
Total	**-**	**821.62**

18. TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 41)	-	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises*	520.29	1,992.91
Total	**520.29**	**2,027.32**
*Includes payable to related parties (refer note 31)	0.17	543.61

Refer note 34 for trade payables transferred on slump sale of business

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	5.41	1.34	3.79	3.87	14.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**-**	**5.41**	**1.34**	**3.79**	**3.87**	**14.41**
Accrued expenses/ unbilled dues (b)						505.88
Total (a+b)						**520.29**

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Not due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	25.55	6.97	1.43	0.30	0.16	34.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	374.34	704.96	71.04	26.65	75.45	1,252.44
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Sub-total (a)	**399.89**	**711.93**	**72.47**	**26.95**	**75.61**	**1,286.85**
Accrued expenses/ unbilled dues (b)						740.47
Total (a+b)						**2,027.32**

19. OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Currrent		
Unpaid equity dividend	-	6.31
Capital creditors**	1.22	17.31
Others	41.45	-
Total	**42.67**	**23.62**

**Includes outstanding dues of micro enterprises and small enterprises of Nil (March 31, 2023 - ₹ 1.35 Lakhs)

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

20. PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Non-current		
Provision for gratuity	-	378.65
Provision for compensated absences	-	10.44
Total	**-**	**389.09**
Current		
Provision for gratuity	1.61	0.67
Provision for compensated absences	1.62	80.09
Total	**3.23**	**80.76**

Refer note 34 for provisions transferred on slump sale of business

21. OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Advance from patients/Amounts unclaimed by patients	-	20.91
Employee benefits payable	6.34	114.77
Statutory dues payables	68.12	86.19
Total	**74.46**	**221.87**

Refer note 34 for other current liabilities transferred on slump sale of business

22. REVENUE FROM OPERATIONS

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of services (refer notes below)		
In-Patient	4,894.45	7,232.98
Out-Patient	990.82	1,348.46
Total revenue from contracts with customers (A)	**5,885.27**	**8,581.44**

Notes:

a) The revenue recognised during the current year is the balancing number for transactions with customers after adjusting opening and closing balances of unbilled revenues (contract assets) and contract liabilities.

b) Discounts and deductions amounting to ₹ 110.52 Lakhs (March 31, 2023 - ₹ 202.99 Lakhs) are netted against Sale of In-Patient and Out-Patient services.

Timing of revenue recognition	5,885.27	8,581.44
Services transferred over time	**5,885.27**	**8,581.44**

Contract assets and liabilities

The following disclosure provide information about receivables, contract assets and liabilities from contract with customer:

	Year ended March 31, 2024	Year ended March 31, 2023
Receivable which are included in trade receivable (refer note 9)	-	318.44
Unbilled revenue from undischarged patients (refer note 13)	-	45.85
Advance from patients / amounts unclaimed by patients (refer note 21)	-	20.91

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

	Year ended March 31, 2024	Year ended March 31, 2023
(b) Other operating revenue		
Income from Service Export from India Scheme	-	2.06
Others	15.61	11.58
Total other operating revenues (B)	**15.61**	**13.64**
Total revenue from operations (A+B)	**5,900.88**	**8,595.08**

23. OTHER INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest income		
Interest income on financial assets carried at amortised cost:		
Bank deposits	221.11	39.65
Inter-corporate deposits (refer note 31)	312.39	554.00
Others	10.42	3.77
Interest on income tax refund	15.45	30.26
(b) Other non-operating income		
Liabilities/ provisions no longer required written back	135.71	36.13
Total other income (a+b)	**695.08**	**663.81**

24. CHANGE IN INVENTORIES OF MEDICAL CONSUMABLES AND DRUGS

	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	110.34	186.36
Less: Inventory transferred on slump sale of business (refer note 34)	(103.64)	-
Less: Inventory at the end of the year	-	(110.34)
Changes in inventories	**6.70**	**76.02**

25. EMPLOYEE BENEFITS EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	1,284.78	1,666.24
Contribution to provident and other funds (refer note 35)	136.17	146.75
Staff welfare expenses	95.32	127.58
Total	**1,516.27**	**1,940.57**

26. FINANCE COSTS

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on:		
- lease liabilities (refer note 36)	406.20	563.47
- others	24.26	43.59
Total	**430.46**	**607.06**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

27. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4(a))	231.99	341.14
Depreciation of right of use assets (refer note 36)	686.77	822.96
Amortisation of other intangible assets (refer note 4(b))	17.25	50.56
Total	**936.01**	**1,214.66**

28. OTHER EXPENSES

	Year ended March 31, 2024	Year ended March 31, 2023
Contractual manpower	85.70	95.79
Power, fuel and water	246.57	292.74
Housekeeping expenses including consumables	31.71	40.86
Patient food and beverages	64.63	68.62
Pathology laboratory expenses (refer note 31)	240.96	342.31
Consultation fees to doctors	938.71	1,183.19
Professional charges to doctors	842.44	1,295.78
Clinical establishment fee (refer note 28.2 below)	445.28	643.61
Repairs and maintenance		
- Building	19.55	16.66
- Plant and machinery	205.86	302.32
- Others	89.83	109.36
Rent		
- Equipments	33.07	36.84
Legal and professional fee	158.80	134.69
Subscription fee	0.65	-
Travel and conveyance	37.48	51.17
Rates and taxes	0.26	1.54
Printing and stationery	41.81	41.47
Communication expenses	11.96	11.61
Directors' sitting fees	47.79	35.40
Insurance	22.77	46.08
Marketing and business promotion	27.31	62.12
Advances written off	16.24	26.97
Auditors' remuneration (refer note 28.1 below)	16.40	14.56
Allowance for credit losses (including bad debts written off)	-	48.67
Miscellaneous expenses	2.16	28.54
Total	**3,627.94**	**4,930.90**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

28.1 Payments to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Statutory audit	6.30	6.30
Tax audit	0.58	0.58
Limited review of quarterly results	4.73	4.73
For GST on professional services	2.50	2.22
Reimbursement of expenses	2.29	0.73
Total	**16.40**	**14.56**

28.2 Clinical establishment fees:

Represents amount paid towards various services such as providing, maintaining and operating the Clinical Establishment (including infrastructure, fixtures and fittings etc.), out-patient department services, radio diagnostic services and other ancillary services provided by Fortis Health Management Limited to the Group in accordance with the agreement. Also refer note 31 and 44.

29. TAX EXPENSE

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
In respect of the current year	468.02	1.81
In respect of prior year	(0.02)	-
Total	**468.00**	**1.81**
Deferred tax		
In respect of current year	0.49	(0.06)
Reversal of temporary differences	-	845.57
Total	**0.49**	**845.51**
Total tax expense	**468.49**	**847.32**

30. OTHER COMPREHENSIVE INCOME

	Year ended March 31, 2024	Year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans [refer note 35(II)(a)]	(2.77)	(47.75)
Total	**(2.77)**	**(47.75)**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

31. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

Description of Relationship

Ultimate Holding Group	IHH Healthcare Berhad, Malaysia
Intermediate Holding Group	Integrated Healthcare Holdings Limited, Malaysia
	Parkway Pantai Limited, Singapore
	Northern TK Venture Pte Ltd, Singapore
	Fortis Healthcare Limited, India
Holding Company	Fortis Hospitals Limited, India
Fellow Subsidiary or Entities Under Common Control	Agilus Diagnostics Limited, India (formerly known as SRL Limited)
	Escorts Heart Institute and Research Centre Limited, India
	Fortis Health Management Limited, India
	Mitsui & Co India Pvt Limited, India
Key Management Personnel	Mr Daljit Singh (Non-Executive Director)
	Mr Chandrasekar R (Whote-time Director)
	Ms Shailaja Chandra (Independent Director)
	Mrs. Nithya Ramamurthy (Non-Executive Director till July 20, 2023)
	Mr Ramesh L Adige (Independent Director till May 05, 2024 and Non-executive Director from May 06, 2024)
	Mr Ravi Rajagopal (Independent Director)
	Mr Sandeep Singh (Company Secretary) (till February 29, 2024)
	Mr Yogendra Kumar Kabra (Chief Financial Officer)
	Mr.Srishty (Company Secretary) (from May 17, 2024)
	Mr Prabhat Kumar (Director) (effective from May 17, 2022)
	Mr Ajay Maharaj (Director)
	Mr Ranjan Bihari Pandey (Director)
Relatives of Key Management Personnel	Dr. Radhi Malar (till July 20, 2023)
	Dr. M. Anand (till July 20, 2023)

The schedule of related party transactions:

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Sale of Service	Fortis Healthcare Limited	-	0.36
	Fortis Hospitals Limited	-	1.32
	Mitsui & Co India Pvt Limited	0.98	0.34
Interest income on Inter-corporate deposits	Fortis Healthcare Limited	312.39	554.00
Mediclaim reimbursement and transfer of accumulated balance in retirement benefit	Fortis Hospitals Limited	-	1.86

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The schedule of related party transactions (Contd.)

Particulars	Name of the related party	Year ended March 31, 2024	Year ended March 31, 2023
Expenses			
Clinical establishment fee	Fortis Health Management Limited	445.28	643.61
Interest expense on lease liabilities	Fortis Health Management Limited	390.38	536.66
Contractual manpower	Agilus Diagnostics Limited (formerly SRL Limited)	11.39	16.04
Pathology laboratory expenses	Agilus Diagnostics Limited (formerly SRL Limited)	228.38	329.95
	Fortis Healthcare Limited	-	0.96
Professional charges to doctors	Mrs. Nithya Ramamurthy	49.21	162.00
	Dr. Radhi Malar	5.64	19.96
	Dr. M. Anand	17.11	49.29
Travelling Expenses	Fortis Hospitals Limited	-	0.20
Recovery of Expenses incurred on behalf of other companies	Fortis Hospitals Limited	-	0.78
Reimbursement of expenses incurred by other companies on behalf of the Group	Fortis Health Management Limited	240.49	287.59
Mediclaim reimbursement and transfer of accumulated balance in retirement benefits	Fortis Healthcare Limited	-	4.54
	Fortis Health Management Limited	0.03	-
	Fortis Hospitals Limited	0.01	-
Collection done by Group on behalf of the related parties	Fortis Hospitals Limited	-	0.46
Reimbursement of Expenses incurred by Other Companies on behalf of the Group (Refund of advance received from patients)	Fortis Hospitals Limited	2.79	-
Inter Corporate Loan repaid	Fortis Healthcare Limited	6,800	-
Managerial remuneration - Director sitting fees	Mr. Ramesh L Adige	12.00	9.00
	Mrs. Nithya Ramamurthy	2.00	5.00
	Mr. Daljit Singh	11.50	8.50
	Mr. Ravi Rajagopal	7.00	2.00
	Ms. Shailaja Chandra	8.00	5.50
Managerial remuneration - Short-term employee benefits*	Mr Chandrasekar R	47.33	40.95

*Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

The schedule of year end balances of related parties:

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Financial liabilities-non current	Fortis Health Management Limited	-	3,703.22
Trade payables / Other financial liabilities-current	Agilus Diagnostics Limited (Formerly SRL Limited)	-	29.03
	Fortis Health Management Limited	-	1,244.70
	Fortis Hospitals Limited	0.17	-
	Fortis Healthcare Limited	-	4.49

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Name of the related party	As at March 31, 2024	As at March 31, 2023
Other financial assets - current	Fortis Hospitals Limited	-	2.64
	Escorts Heart Institute and Research Centre Limited	2.24	2.24
	Mitsui & Co India Pvt Limited	-	0.23
Other financial assets - non-current	Fortis Health Management Limited	-	5.31
Inter corporate loan placed - Current	Fortis Healthcare Limited	-	6,800.00
Interest accrued but not due	Fortis Healthcare Limited	-	136.60

Notes:

1. The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at March 31, 2024 and March 31, 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.
2. All transactions with these related parties are priced on an arm's length basis and are carried out in the course of business.

32. COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account, net of advances with regard to tangible and intangible assets	-	153.45

33. CLAIMS AGAINST THE GROUP NOT ACKNOWLEDGED AS DEBTS

	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debts (in respect of compensation claims by the patients / their relatives). (refer note 2 below)	670.99	1,020.36
Sales tax related matters (refer note 1 below)	254.93	254.93

The Parent Company has given certain warranties/ indemnities pursuant to Business Transfer Agreement ("BTA") entered with MGM Healthcare Private Limited ("MGM") for slump sale transaction (also refer note 35) wherein all the claim against such warranties/indemnities under BTA shall not exceed 100% of the final purchase consideration. As at March 31, 2024 the Parent Company has not received any claim against such warranties/indemnities from MGM. Management believes that it has fulfilled all the obligitations and accordingly there are no claims against such warranties/indemnities from MGM in relation to the BTA as on the date of signing of these financial statements.

In earlier year, Supreme Court vide their judgment dated February 28, 2019 on Provident fund has interpreted that basic wages would include certain allowances. The Group has evaluated implications arising out of the Supreme Court judgment. Based on legal advice, the Group believes that retrospective application of the above judgement by PF authorities is remote. Accordingly, no provision has been recorded in the consolidated financial statements. The Group would continue to evaluate the provision required in the books based on further clarifications from the authorities.

Note:

1. On May 28, 2020, the High Court of Judicature at Madras ("High Court") has pronounced a common order on the liability to pay Value Added Tax (VAT) under the provisions of Tamil Nadu Value Added Tax Act, 2006 on the stents, valve,

x-ray etc. (except medicine) used while treating their in-house patients. High Court directed reply to be filed to notice, on the other hand has concluded on VAT applicability on prosthetics and implants. The said order pronounced disposes the writ petitions filed by the Parent Company in 2012 against notices for proposal of revising the assessment order for assessment years from 2008-09 to 2011-12 issued by the Assistant Commissioner (CT) wherein an amount of ₹ 254.93 Lakhs (₹ 73.37 Lakhs pertaining to implants) has been proposed to demanded on January 31, 2012. Against the said order, the Parent Company has filed Writ Appeals with the Division Bench of the Madras High Court on October 16, 2020. The Parent Company, based on legal advice, believes that the possibility of negative outcome is remote and accordingly, no adjustments are made in the consolidated financial statements.

2. These claims are pending with various Consumer Disputes Redressal Commissions and the Parent Company has been advised by the legal counsel that there may not be any likely liability in respect of these matters and accordingly no provision has been recognised in these consolidated financial statements.

34. SLUMP SALE TRANSACTION

The Parent Company operated its healthcare business from Fortis Malar Hospital situated at Adyar Chennai ("Malar Hospital / undertaking"). It had "Hospital and Medical Services Agreement" ("HMSA") with Fortis Health Management Limited ("FHML") w.r.t. rendering of certain medical and healthcare services in the hospital premises (including right to use of the hospital building). The hospital building owned by FHML has certain ongoing litigations and issues pertaining to regularisation. These legacy issues gave rise to certain challenges for the Parent Company 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, the Parent Company entered into Business Transfer Agreement ("BTA") with MGM Healthcare Private Limited ("MGM") for the sale of its business operations pertaining to Malar Hospital, as a going concern, on a slump sale basis, for a sale consideration of ₹ 4,571.58 Lakhs, on such terms and conditions as contained in BTA ("slump sale transaction"). The transaction was an all-cash deal.

As per BTA, the undertaking along with all related assets and liabilities (refer table below) stands transferred and vested in MGM from February 01, 2024. Further, the HMSA with FHML was automatically terminated post this transaction. Accordingly, the Parent Company is no longer associated with the hospital building and related uncertainties such as pending regularisation and ongoing litigations related thereto.

Malar hospital which used to provide healthcare services was the only cash generating units (CGU) for the Parent Company and it does not qualify as a component of the Parent Company as per Ind AS 105, and therefore it is not been classified as a discontinued operation on disposal.

The Parent Company has recorded net gain of ₹ 4,721.54 Lakhs which is shown as an exceptional item in the Statement of Profit and Loss for the year ended March 31, 2024.

Following assets and liabilities were transferred as part of the slump sale transaction:

Particulars	Amount
Assets:	
Property, plant and equipment	1,146.10
Other financial assets	69.74
Inventories	103.64
Trade receivables (net of allownace for expected credit loss of ₹ 12.08 Lakhs)	336.00
Other current assets	22.68
Total assets (A)	**1,678.16**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Particulars	Amount
Liabilities:	
Provisions	528.17
Trade payables	1,451.20
Other current liabilities	150.37
Total liabilities (B)	**2,129.74**
Net assets/ (liabilities) transferred (C = A-B)	**(451.58)**
Consideration received/ receivable (D)	**4,571.58**
Gross gain on slump sale transaction (E=D-C)	**5,023.16**
Less: Expenses in nature of 'Legal and professional fee' in relation to slump sale transaction (F)	(301.62)
Net gain on slump sale transaction presented under 'Exceptional items' (refer note 44) (G = F-E)	**4,721.54**

35. EMPLOYEE BENEFITS

(I) Defined contribution plan

The Group makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme. The Group's contribution to Provident Fund aggregating ₹ 73.19 Lakhs (Previous year: ₹ 92.70 Lakhs) has been recognised in the consolidated Statement of Profit and Loss under the head Employee Benefits Expense.

(II) Defined benefit plans

The Group has a defined benefit gratuity plan, where under 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 and is not subjected to limit in terms of the provisions of Payment of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

(a) Amount recognised in the consolidated statement of profit and loss in respect of the defined benefit plan are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amounts recognised in consolidated Statement of Profit and Loss in respect of these defined benefit plans are as follows:		
Service cost		
- Current service cost	35.99	33.89
Net interest expense	26.99	20.16
Components of defined benefit costs recognised in profit or loss	**62.98**	**54.05**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	10.01	(0.28)
Actuarial gains and loss arising from changes in financial assumptions	0.04	(9.63)
Actuarial gains and loss arising from experience adjustments	(7.28)	57.66
Components of defined benefit costs recognised in other comprehensive income	**2.77**	**47.75**
Total	**65.75**	**101.80**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(i) The current service cost and interest expense for the year are included in "Employee benefits expense" in the consolidated statement of profit and loss under the line item "Contribution to provident and other funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
(Net Asset)/Liability recognised in the Balance Sheet		
1. Present value of defined benefit obligation as at March 31,	1.61	488.84
2. Fair value of plan assets as at March 31,	-	109.52
3. Deficit	1.61	379.32
4. Current portion of the above	1.61	0.67
5. Non current portion of the above	-	378.65

(c) Movement in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in the obligation during the year ended March 31,		
Present value of defined benefit obligation at the beginning of the year	488.84	414.25
Expenses Recognised in consolidated Statement of Profit and Loss:		
- Current Service Cost	35.99	33.89
- Interest Expense / (Income)	33.90	27.80
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	0.04	(9.63)
ii. Experience Adjustments	(7.28)	57.66
Benefit payments (including directly paid by the Group)	(40.69)	(33.45)
Transferred out (refer note 34 for provision transferred on slump sale of business)	(509.19)	(1.68)
Present value of defined benefit obligation at the end of the year	**1.61**	**488.84**

(d) Movement in fair value of plan assets are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in fair value of assets during the year ended March 31,		
Fair value of plan assets at the beginning of the year	109.52	117.32
Expenses Recognised in Statement of Profit and Loss:		
- Expected return on plan assets	6.91	7.64
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Return on plan assets (excluding amount included in net interest expense)	(10.01)	0.28
Transferred out (refer note 34 for provision transferred on slump sale of business)	(78.60)	-
Contributions by employer	1.93	15.64
Benefit payments	(29.75)	(31.36)
Fair value of plan assets at the end of the year	**-**	**109.52**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Life Insurance Corporation of India	-	109.52

(f) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.00%	7.25%
Expected rate of salary increase	7.50%	7.50%
Withdrawal Rate		
Ages From 20 - 30	18.00%	18.00%
Ages From 31 - 44	6.00%	6.00%
Ages From 45 - 58	2.00%	2.00%
Expected average remaining working life*	9 years	9 years
Mortality	IALM 2006-08(Ult)	IALM 2006-08(Ult)

*Based on India's standard mortality table with modification to reflect the expected changes in mortality / others

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

(i) If the discount rate is 50 basis point higher / (lower) the defined benefit obligation would decrease by ₹ 0.08 Lakhs (increase by ₹ 0.08 Lakhs) (As at March 31, 2023; decrease by ₹ 20.12 Lakhs (increase by ₹ 21.39 Lakhs)).

(ii) If the expected salary growth rate increase / (decreases) by 1% the defined benefit obligation would increase by ₹ 0.16 Lakhs (decrease by ₹ 0.15 Lakhs) (As at March 31, 2023 ; increase by ₹ 41.66 Lakhs (decrease by ₹ 37.55 Lakhs)).

(iii) If the withdrawal rate increases/(decreases) by 5% the defined benefit obligation would decrease by ₹ 0.24 Lakhs (increase by ₹ 0.10 Lakhs) (As at March 31, 2023 ; decrease by ₹ 6.17 Lakhs (increase by ₹ 5.93 Lakhs).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

36. LEASES

36.1 Leases as lessee (Ind AS 116)

The leased assets of the Group include hospital building , nurse hostel building and medical equipments which are taken on lease for providing healthcare services to the patients.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The summary of the movement of right-of-use assets for the year is given below:

	Building	Medical equipments	Total
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2022	4,393.02	6.39	4,399.41
Less: Depreciation charge for the year	(817.48)	(5.48)	(822.96)
Balance as at March 31, 2023	**3,575.54**	**0.91**	**3,576.45**
Right-of-use assets under Ind AS 116			
Balance as at April 01, 2023	3,575.54	0.91	3,576.45
Less: Depreciation charge for the year	(685.86)	(0.91)	(686.77)
Less: Derecognition*	(2,889.68)	-	(2,889.68)
Balance as at March 31, 2024	**-**	**-**	**-**

The following is the movement in lease liabilities during the year:

	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at April 01,	4,639.76	5,341.47
Finance cost accrued during the year	406.20	563.47
Payment of lease liabilities	(1,085.19)	(1,265.18)
Derecognition of lease liabilities*	(3,960.77)	-
Balance as at March 31,	**-**	**4,639.76**

*Consequent to the slump sale transaction (refer note 34), the HMSA with FHML has been deemed to be terminated. Also, the lease agreement for nurse hostel has been terminated. Accordingly, Group has recognised net gain on derecognition of such leases amounting to ₹ 1,071.09 Lakhs (derecognition of right of use assets amounting to ₹ 2,889.68 Lakhs and derecognition of lease liabilities amounting to ₹ 3,960.77 Lakhs) as 'Exceptional item' (refer note 44).

	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current lease liabilities	-	821.62
Non-current lease liabilities	-	3,818.14
	-	**4,639.76**

The following table sets out a maturity analysis of lease payments, showing the discounted lease payments to be paid after the reporting date:

	As at March 31, 2024	As at March 31, 2023
Lease liabilities under Ind AS 116		
Less than one year	-	821.62
One to five years	-	3,818.14
More than five years	-	-
Total lease liabilities as at March 31,	**-**	**4,639.76**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Amount of recognised in consolidated statement of profit and loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Gain on derecognition of leases presented under 'Exceptional items' (refer note 44)	1,071.09	-
Interest expense on lease liabilities	406.20	563.47
Depreciation expense on righ of use assets	686.77	822.96
Expenses relating to short-term leases	33.07	36.84
Expenses relating to leases of low-value assets	-	-

37. FINANCIAL INSTRUMENTS

(I) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through equity.

(II) Categories of financial instruments

(a) Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at cost	-	-
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Security deposits	-	40.33
- Advance to related parties	2.24	10.42
- Trade receivables	-	318.44
- Cash and bank balances	10,822.62	943.72
- Loans	-	6,800.00
- Other financial assets	145.58	195.16

(b) Financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
- Trade payables	520.29	2,027.32
- Lease liabilities	-	4,639.76
- Other financial liabilities	42.67	23.62

(III) Risk management framework

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The focus of the chief operating decision maker (CODM) is to assess the unpredictability of the financial environment and to mitigate potential adverse effects, if any, on the financial performance of the Group.

The Group does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of patients to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Group's trade receivables, certain loans and advances and other financial assets.

a. Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several patients that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Group determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about patients. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

The average credit period is ranging from 30 to 90 days. No overdue interest is charged. However, the Parent Company has transferred its trade receivables balance as part of the slump sale transaction (refer note 34) and does not have any receivables balance outstanding as at March 31, 2024. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The ageing of trade receivables as at the reporting date was:

As at March 31, 2024

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	-	0%	-	No
1-30 days past due	-	0%	-	No
31-60 days past due	-	0%	-	No
61-90 days past due	-	0%	-	No
More than 90 days past due	-	0%	-	No
	-		**-**	

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

As at March 31, 2023

Ageing	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Within the credit period	193.78	0%	-	No
1-30 days past due	28.07	0%	-	No
31-60 days past due	32.50	0%	-	No
61-90 days past due	20.92	17%	3.48	No
More than 90 days past due	584.88	92%	538.23	Yes*
	860.15		**541.71**	

b. Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)

The Group holds cash and bank balances of ₹ 10,822.62 Lakhs at March 31, 2024 (March 31, 2023: ₹ 943.72 Lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

c. Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Parent Company for carrying out its operations. The Parent Company does not expect any losses from non-performance by these counter-parties. Further, the Parent Company has transferred its security deposit balance as part of the slump sale transaction (refer note 34) and does not have any amount outstanding as at March 31, 2024.

d. Advance to employees

This balance is primarily constituted by advances given to the employees. The Parent Company does not expect any losses from non-performance by these counter-parties as the amounts are recoverable by salary deductions. Further, the Parent Company has transferred its advance to employees balance as part of the slump sale transaction (refer note 34) and does not have any amount outstanding as at March 31, 2024.

(V) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Particulars	With in 1 Year	1 to 2 Years	More than 2 Years	Total
	(₹)	(₹)	(₹)	(₹)
As at March 31, 2024				
- Trade Payables	520.29	-	-	520.29
- Other financial liabilities	42.67	-	-	42.67
Total	**562.96**	**-**	**-**	**562.96**
As at March 31, 2023				
- Trade Payables	2,027.32	-	-	2,027.32
- Lease liabilities	821.62	1,966.77	1,851.37	4,639.76
- Other financial liabilities	23.62	-	-	23.62
Total	**2,872.56**	**1,966.77**	**1,851.37**	**6,690.70**

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

38. FAIR VALUE MEASUREMENT

There are no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the Consolidated financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.

39. CURRENT TAX AND DEFERRED TAX

(i) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax:		
Current income tax charge	468.02	1.81
Income tax relating to earlier years	(0.02)	-
Total	**468.00**	**1.81**
Deferred tax		
Origination and reversal of temporary difference	0.49	(0.06)
Reversal of temporary difference	-	845.57
Total	**0.49**	**845.51**
Total tax expense recognised in consolidated statement of profit and loss	**468.49**	**847.32**

(ii) The income tax expense for the year can be reconciled to the accounting loss as follows:

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	Tax Amount	Amount	Tax Amount
Profit/ (loss) before tax from operations	5,000.97		(700.79)	
Income tax using the Group's domestic tax rate at 25.17% (March 31, 2023 : 27.82%)		1,258.64		(194.96)
Tax effect of :				
Long-term capital gain on slump sale of business		(172.89)		-
Deferred tax assets not recognised during the year		-		196.90
Changes in estimates relating to previous years		(617.26)		-
Reversal of temporary difference		-		845.57
Others		-		(0.19)
Total tax expense		**468.49**		**847.32**

The Parent Company has opted for the New Tax Regime inserted by section 115BAA of the Income Tax Act, 1961 ("Act") and enacted by the Taxation Laws (Amendment) Ordinance, 2019 ("the Ordinance") which is applicable from Financial year beginning April 1, 2019. It has accordingly applied the tax rate as applicable under the provision of section 115BAA of the Act, in the financial statement for the year ended March 31, 2024.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(iii) Income tax on other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Deferred tax		
Remeasurements of defined benefit plans	-	(0.05)
Total	**-**	**(0.05)**

(iv) Following is the analysis of the deferred tax asset / (liabilities) presented in the Balance Sheet

Particulars	Year ended March 31, 2024			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	0.49	(0.49)	-	-
Allowance for credit losses/Others	-	-	-	-
Lease liability	-	-	-	-
Carried forward of business and depreciation losses	-	-	-	-
Property, plant and equipment	-	-	-	-
	0.49	**(0.49)**	**-**	**-**
Net deferred tax asset / (liability)	**0.49**	**(0.49)**	**-**	**-**

Particulars	Year ended March 31, 2023			
	Opening Balance	Recognised in profit and Loss*	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Employee benefits	114.09	(113.55)	(0.05)	0.49
Allowance for credit losses/Others	145.20	(145.20)	-	-
Lease liability	198.61	(198.61)	-	-
Carried forward of business and depreciation losses	380.63	(380.63)	-	-
Property, plant and equipment	7.51	(7.51)	-	-
	846.05	**(845.51)**	**(0.05)**	**0.49**
Net deferred tax asset / (liability)	**846.05**	**(845.51)**	**(0.05)**	**0.49**

(v) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Parent Company can use the benefits therefrom:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gross amount*	Unrecognised tax effect	Gross amount*	Unrecognised tax effect
Deductible temporary differences	12.56	3.16	2,516.14	699.99
Tax losses	860.64	216.60	2,028.90	564.44
Total	**873.20**	**219.76**	**4,545.04**	**1,264.43**

Tax losses carried forward

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	Expiry date	Amount	Expiry date
Expire	860.64	2028-32	848.68	2028-32
Never expire	-		1,180.22	

*Note - In the previous year, the Parent Company has revised its estimate of future taxable profits and taking conservative approach, has reversed the deferred tax assets recognised in the earlier years for the deductible temporary differences and tax losses amounting to ₹ 845.57 Lakhs.

40. EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (loss) after tax - ₹	4,532.48	(1,548.11)
Weighted average number of equity shares outstanding	1,87,41,759	1,87,41,759
Earnings Per Share - in ₹		
- Basic - in ₹	24.18	(8.26)
- Diluted - in ₹	24.18	(8.26)
Face value per share - in ₹	10.00	10.00

41. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

As per the requirement of the MSMED Act, 2006, the following disclosure have been provided. The disclosure in respect of the amounts payable to such enterprises as at March 31, 2024 has been made in the consolidated financial statements based on information received and available with the Group.

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	35.76
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) 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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

42. DETAILS OF LOANS GIVEN TO SUBSIDIARIES AND ASSOCIATES AND FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The particulars of loans given as required to be disclosed by Section 186 (4) of Companies Act 2013 are as below:

Name of the party	Rate of Interest	Due date for Interest	Secured/ unsecured	As at March 31, 2024	As at March 31, 2023
Fortis Healthcare Limited	10.50%	Quarterly	Unsecured	-	2,800.00
Fortis Healthcare Limited	6.50%	Quarterly	Unsecured	-	4,000.00

Particulars	Relation	Maximum amount outstanding during the year	
		March 31, 2024	March 31, 2023
Fortis Healthcare Limited*	Intermediate Holding	6,800.00	6,800.00

*There are two inter corporate deposits placed with Fortis Healthcare Limited:

a) ₹ 2,800 Lakhs was given for meeting its working capital/ general corporate requirements. This loan was repayable on or before July 08, 2023 and the Parent Company has an option to recall this loan at any time after six months from drawdown, i.e. any time after February 09, 2021. This loan was repaid on July 10, 2023.

b) ₹ 4,000 Lakhs was given for meeting its working capital / corporate requirement . This loan was repayable on or before 2 years from the date of drawdown i.e., February 22, 2024 and the Parent Company has option to recall this loan post disbursement after giving one month prior written notice to the borrower. This loan was repaid on February 22, 2024.

43. CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a Company, meeting the applicable threshold, needs to spend at least 2% of its average net profits for the immediately preceding three financial years on CSR activities. The Parent Company does not meet the applicable thresholds both in the year ended March 31, 2024 and March 31, 2023, accordingly, the Parent Company has not spent any such amounts in both these years.

44. EXCEPTIONAL ITEMS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on slump sale transaction (refer note 34)	4,721.54	-
Net gain on derecognition of leases (refer note 36)	1,071.09	-
Total	**5,792.63**	**-**

45. INFORMATION AS REQUIRED BY PART III OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

March 31, 2024

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Parent				
As a % of consolidated	99.76%	104.31%	100.00%	104.31%
Amount as at March 31, 2024	10,920.65	4,727.68	(2.77)	4,724.91

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Subsidiary - Indian				
Malar Stars Medicare Limited				
As a % of consolidated	1.93%	0.11%	0.00%	0.11%
Amount as at March 31, 2024	211.30	4.80	-	4.80
As a % of consolidated	-1.69%	-4.41%	0.00%	-4.42%
Inter-company eliminations	(185.00)	(200.00)	-	(200.00)
Total				
As a % of consolidated	100%	100%	100%	100%
Amount as at March 31, 2024	10,946.95	4,532.48	(2.77)	4,529.71

March 31,2023

Name of the entity	Net assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Parent				
As a % of consolidated	96.55%	100.34%	100.29%	100.34%
Amount as at March 31, 2023	6,195.74	(1,553.32)	(47.94)	(1,601.26)
Subsidiary - Indian				
Malar Stars Medicare Limited				
As a % of consolidated	3.53%	-0.34%	-0.29%	-0.34%
Amount as at March 31, 2023	226.50	5.21	0.14	5.35
As a % of consolidated	-0.08%	0.00%	0.00%	0.00%
Inter-company eliminations	(5.00)	-	-	-
Total				
As a % of consolidated	100%	100%	100%	100%
Amount as at March 31, 2023	6,417.24	(1,548.11)	(47.80)	(1,595.91)

46. ADDITIONAL REGULATORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

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

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group 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 Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

(vi) The Group 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 Group 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

(vii) The Group 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

(viii) The Parent Company had been sanctioned working capital limits in excess of five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets. Accordingly, it filed the quarterly returns or statements of current assets with banks and financial institutions.

(ix) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

47. In light of the acquisition of the controlling stake of FHL by Northern TK Venture Pte Limited ("NTK") a wholly owned subsidiary of IHH Healthcare Berhad, Malaysia, a mandatory open offer got triggered for acquisition by NTK of up to 4,894,308 fully paid up equity shares of face value of ₹ 10 each in the Parent Company, representing 26% of the paid-up equity shares of the Parent Company at a price of ₹ 60.10 per share ("Malar Open Offer") in December 2018. 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 IHH Healthcare Berhad, Malaysia be maintained, the Mandatory Open offer was kept in abeyance. The Hon'ble Supreme Court has disposed of the petitions with certain directions to the Hon'ble High Court of Delhi. Malar Open offer continues to be in abeyance an on date. From publicly available information, it is learnt that SEBI had advised NTK to proceed with the Fortis Open Offer and the Malar Open Offer after obtaining an appropriate order from the Hon'ble High Court of Delhi. In view of the same, NTK is obtaining advice from legal counsel.

During the current year, the Parent Company has declared an interim dividend of ₹ 40 per equity share (400% on face value of ₹ 10 per share) on April 12, 2024. Pursuant to such declaration of dividend and in terms of Regulation 8(9) of the SEBI (SAST) Regulations, NTK and Persons Acting in Concert (PACs) have decided to adjust the Malar Open offer price from ₹ 60.1 to ₹ 20.1 per share ("Adjusted Malar offer price").

48. SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Director to make decisions about resources to be allocated to the segments and assess their performance.

The Group has been primarily engaged in only one business namely in the health care services. The entity's chief operating decision maker considers the Group as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Group does not have multiple segments and these consolidated financial statements are reflective of the information required by the Ind AS 108 . The Group's operations are entirely domiciled in India and as such all its non-current assets are located in India. Also refer note 34 for the slump sale of business during the year.

Notes forming part of the Consolidated Financial Statements (Contd.)

(All amounts are in Indian ₹ Lakhs except share data and as stated)

49. SUBSEQUENT EVENTS

There are no subsequent events other than those disclosed in the consolidated financial statements that have occurred after the reporting period till the date of approval of these consolidated financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No.: 222432

Place : Chennai
Date : May 17, 2024

for and on behalf of the Board of Directors of
Fortis Malar Hospitals Limited
CIN: L85110PB1989PLC045948

Richa Singh Debgupta
Director
DIN : 08891397
Place : Kolkata

Chandrasekar R
Whole Time Director
DIN : 09414564
Place : Bengaluru

Srishty
Company Secretary
Membership No.: ACS 62933

Yogendra Kumar Kabra
Chief Financial Officer

Place : Gurugram
Date : May 17, 2024

Place : Chennai

NOTES

NOTES

Registered Office:
Fortis Hospital, Sector - 62,
Phase - Phase - VIII, Mohali,
Punjab - 1600062
Tel: +91 172 5096001
Fax: +91 172 5096221
Website: www.fortismalar.com