

INDEPENDENT AUDITOR'S REPORT

To the Members of Medi Assist Healthcare Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Medi Assist Healthcare Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of report of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit and other comprehensive loss, consolidated changes in equity and its 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 Institute of Chartered Accountant of India ("ICAI"), 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 and on consideration of audit report of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective 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 the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group 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 the Group.

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 Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

- a. We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of Rs. 152.02 million as at March 31, 2023, total revenues of Rs. 24.86 million and net cash flows amounting to Rs. 23.63 million for the period from February 13, 2023 to March 31, 2023 ('post-acquisition period'), as considered in the consolidated financial statements. The financial statements of the subsidiary for the year ended March 31, 2023 has been audited by the other auditors in accordance with the SAs specified under section 143(10) of the Act and the financial information of the subsidiary for the post-acquisition period, prepared for the purpose of consolidated financial statements, has been subject to agreed-upon procedures by such other auditor in accordance with the Standard on Related Services 4400, "Engagements to Perform Agreed-upon Procedures Regarding Financial Information", issued by the Institute of Chartered Accountants of India. These reports of the other auditors have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.



- b. We did not audit the consolidated financial information of one subsidiary, whose consolidated financial information reflect total assets of Rs.120.03 million as at March 31, 2023, total revenues of Rs. 94.93 million and net cash flows amounting to Rs. 18.89 million for the period from November 25, 2022 to March 31, 2023, as considered in the consolidated financial statements. These consolidated financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited consolidated financial information. In our opinion and according to the information and explanations given to us by the Management, these consolidated financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the consolidated financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of 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 Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company and of the three subsidiaries incorporated in India as on March 31, 2023 taken on record by the Board of Directors of the respective companies, and on the basis of report of the statutory auditors of a subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, refer Note 27 to the consolidated financial statements.



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- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
- iv. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the Note 44(v) 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 subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of a subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (iv) and (v) above, contain any material mis-statement.
- vii. On the basis of our verification, we report that:
 - i) interim dividend declared and paid by the subsidiary that is an Indian company during the year and until the date of this audit report is in accordance with section 123 of the Act.
 - ii) the final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 - iii) 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 amount of dividend proposed is in accordance with section 123 of the Act, as applicable. (Refer Note 15 to the consolidated financial statements)



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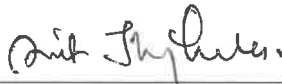
- viii. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company, and its subsidiary companies incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.
2. In our opinion, according to information and explanations given to us, the remuneration paid by the Holding Company and its subsidiaries incorporated in India to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.
3. According to the information and explanations given to us, the details of certain remarks made by us and the respective auditors of a subsidiary in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary)	Clause number of the CARO Report which is unfavourable/ qualified or adverse
1	Medi Assist Healthcare Services Limited	U74900KA2000PLC027229	Holding Company	Clause 3 (vii)(a)
2	Medi Assist Insurance TPA Private Limited	U85199KA1999PTC025676	Subsidiary	Clause 3 (vii)(a) Clause 3 (xi)(a)
3	Medvantage Insurance TPA Private Limited	U85190MH2001PTC133829	Step-down Subsidiary	Clause 3 (vii)(a) Clause 3 (xvii)

Further, as per the information and explanations given to us by the Holding Company, the following companies are included in the consolidated financial statements for the year ended March 31, 2023 and covered under that Act, but for which the respective reports under Section 143(11) of the Act have not yet been issued.

Name of the subsidiaries	CIN
International Healthcare Management Services Private Limited	U85100KA2008PTC048615
Mayfair Consultancy Services India Private Limited	U74140KA2008FTC048684

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Amit Kumar Jhunjhunwala
Partner
Membership No. 067183
UDIN: 23067183BGWNUD1254



Place: Bengaluru
Date: July 21, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MEDI ASSIST HEALTHCARE SERVICES LIMITED

Auditor's Responsibilities for the Audit of the 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 consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Amit Kumar Jhunjhunwala
Partner
Membership No. 067183
UDIN: 23067183BGWNUD1254



Place: Bengaluru
Date: July 21, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MEDI ASSIST HEALTHCARE SERVICES LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Medi Assist Healthcare Services Limited on the consolidated financial statements for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Medi Assist Healthcare Services Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 consolidated financial statements of the Holding company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The



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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 and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

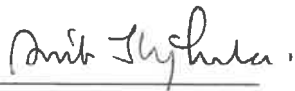
Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Amit Kumar Jhunjhunwala
Partner
Membership No. 067183
UDIN: 23067183BGWNUD1254

Place: Bengaluru
Date: July 21, 2023




Medi Assist Healthcare Services Limited
Consolidated Balance Sheet as at 31 March 2023
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	273.99	212.49
Right-of-use assets	5 (a)	268.90	200.88
Goodwill	6	754.31	409.80
Other intangible assets	7	417.70	163.81
Intangible assets under development	7	-	64.61
Financial assets	8		
Investments	8(a)	12.66	69.39
Other financial assets	8(b)	116.56	58.93
Income tax assets (net)	9	661.79	492.47
Deferred tax assets (net)	10	91.30	95.19
Other non-current assets	11	38.60	6.56
Total non-current assets		2,635.81	1,774.13
Current assets			
Financial assets	12		
Investments	12 (a)	427.31	1,945.04
Trade receivables	12 (b)	1,271.57	1,187.70
Cash and cash equivalents	12 (c)	539.44	145.95
Bank balances other than cash and cash equivalents above	12 (d)	1,575.72	479.38
Other financial assets	12 (e)	281.94	224.23
Other current assets	13	325.37	265.86
Total current assets		4,421.35	4,248.16
Total assets		7,057.16	6,022.29
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	344.30	344.30
Other equity	15	3,421.81	3,026.98
Equity attributable to owners of the Company		3,766.11	3,371.28
Non-controlling interests	15 (a)	70.61	21.57
Total equity		3,836.72	3,392.85
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	5 (b)	186.90	175.20
Other financial liabilities	16 (a)	73.36	-
Provisions	16 (b)	142.34	112.21
Deferred tax liabilities (net)	10	32.48	-
Total non-current liabilities		435.08	287.41
Current liabilities			
Financial liabilities			
Borrowings	17 (a)	0.77	-
Lease liabilities	5 (b)	119.12	99.58
Trade payables	17 (b)		
Total outstanding dues of micro enterprises and small enterprises		68.62	32.32
Total outstanding dues of creditors other than micro enterprises and small enterprises		295.66	257.88
Other financial liabilities	17 (c)	350.68	132.94
Contract liabilities	18 (a)	1,713.40	1,536.96
Other current liabilities	18 (b)	115.74	216.13
Provisions	19	120.94	66.22
Current tax liabilities (net)	20	0.43	-
Total current liabilities		2,785.36	2,342.03
Total liabilities		3,220.44	2,629.44
Total equity and liabilities		7,057.16	6,022.29
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Amit Kumar Jhunjunwala
Partner
Membership Number: 067183



Place: Bengaluru
Date: 21 July 2023

For and on behalf of the Board of Directors of
Medi Assist Healthcare Services Limited
CIN: U74900KA2000PLC027229

Dr. Vikram Jit Singh Chhatwal
Chairman and Director
DIN: 01606329


Mathew George
Chief Financial Officer

Place: Bengaluru
Date: 21 July 2023


Satish Gidugu
Whole Time Director and CEO
DIN: 06643677


Simmi Bisht
Chief Compliance Officer and Company Secretary
ICSI Membership No: A13340

Place: Bengaluru
Date: 21 July 2023

Medi Assist Healthcare Services Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
(All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Continuing operations			
Income			
Revenue from contracts with customers	21	5,049.34	3,938.10
Other income	22	140.21	182.13
Total income		5,189.55	4,120.23
Expenses			
Employee benefits expense	23	1,976.93	1,556.79
Finance costs	24	29.89	29.50
Depreciation and amortisation expenses	25	267.69	284.08
Other expenses	26	1,878.95	1,469.11
Total expenses		4,153.46	3,339.48
Profit before exceptional item and tax		1,036.09	780.75
Exceptional item	46	-	(26.11)
Profit before tax for the year from continuing operations		1,036.09	806.86
Income tax expense:	36		
Current tax		279.41	192.26
Adjustment for current tax relating to earlier years		-	(38.99)
Deferred tax		3.60	18.93
Total income tax expense		283.01	172.20
Profit for the year from continuing operations		753.08	634.66
Discontinued operations	37		
Profit/ (loss) before tax for the year from discontinued operations		(16.92)	10.04
Tax (expense)/credit of discontinued operations for the year		4.26	(2.53)
Profit/ (loss) for the year from discontinued operations		(12.66)	7.51
Profit for the year		740.42	642.17
Other comprehensive income			
Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement of defined benefit plans	30(b)	(4.73)	(28.06)
Fair value changes in equity instruments through other comprehensive income		(56.72)	(5.34)
Income tax relating to items that will not be reclassified to profit and loss		(3.59)	7.68
Item that will be reclassified to profit and loss in subsequent periods			
Exchange differences on translation of foreign operations		6.74	-
Other comprehensive income for the year, net of tax		(58.30)	(25.72)
Total comprehensive income for the year		682.12	616.45
Profit for the year attributable to:			
Owners of the Company		740.59	642.17
Non-controlling interests		(0.17)	-
		740.42	642.17
Other comprehensive income for the year attributable to:			
Owners of the Company		(60.98)	(25.72)
Non-controlling interests		2.68	-
		(58.30)	(25.72)
Total comprehensive income for the year attributable to:			
Owners of the Company		679.61	616.45
Non-controlling interests		2.51	-
		682.12	616.45
Earnings per share for continuing operations	28		
[Face value of Rs. 5 per share (31 March 2022: Rs. 5 per share)]			
Basic (Rs.)		10.94	9.22
Diluted (Rs.)		10.83	9.14
Earnings/ (loss) per share for discontinued operations	28		
[Face value of Rs. 5 per share (31 March 2022: Rs. 5 per share)]			
Basic (Rs.)		(0.18)	0.11
Diluted (Rs.)		(0.18)	0.11
Earnings per share for continuing and discontinued operations	28		
[Face value of Rs. 5 per share (31 March 2022: Rs. 5 per share)]			
Basic (Rs.)		10.76	9.33
Diluted (Rs.)		10.65	9.25
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Amit Kumar Jhunjunwala
Amit Kumar Jhunjunwala
Partner
Membership Number: 067183



Place: Bengaluru
Date: 21 July 2023

For and on behalf of the Board of Directors of
Medi Assist Healthcare Services Limited
CIN: U74900KA2000PLC027229

Dr. Vikram Jit Singh Chhatwal
Dr. Vikram Jit Singh Chhatwal
Chairman and Director
DIN: 01616329

Mathew George
Mathew George
Chief Financial Officer

Place: Bengaluru
Date: 21 July 2023

Sanish Gidugu
Sanish Gidugu
Whole Time Director and CEO
DIN: 06643677

Simmi Bisht
Simmi Bisht
Chief Compliance Officer and Company Secretary
ICS1 Membership No: A23360

Place: Bengaluru
Date: 21 July 2023



Medi Assist Healthcare Services Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2023
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities			
Profit before tax for the year from continuing operations		1,036.09	806.86
Profit/ (Loss) before tax for the year from discontinued operations		(16.92)	10.04
Adjustments:			
Depreciation and amortisation expenses	25	267.69	284.08
Allowance for expected credit losses on trade receivables and other receivables	26	17.04	22.69
Provision for doubtful advances and other receivables	26	15.30	-
Creditors/Provisions no longer required written back	22	(12.44)	(11.52)
Gain on modification of lease contract	22	(10.33)	-
Employee stock option compensation expense	23	32.79	23.04
Finance costs	24	29.89	28.71
Profit on sale of investments in mutual funds	22	(60.20)	(12.35)
Bad debts written off	26	80.84	98.57
Utilisation of provision for expected credit losses	26	(80.84)	(98.57)
Interest income	22	(40.68)	(31.29)
Advances written off	26	1.26	-
Net gain on financial assets measured at fair value through profit and loss	22	(12.56)	(46.34)
Loss/ (Gain) on disposal of property, plant and equipment (net)	26	4.76	(60.34)
Net foreign exchange differences (unrealised)	26	1.97	-
Operating profit before working capital changes		1,253.66	1,013.58
Working capital adjustments:			
Increase/ (Decrease) in trade payables		(52.61)	(33.14)
Increase in other liabilities		47.53	262.91
Increase in provisions		18.70	11.71
Increase in trade receivables		36.66	0.41
Increase in other assets		(101.75)	(184.81)
Cash generated from operations		1,202.19	1,070.66
Income taxes paid		(391.40)	(426.67)
Net cash inflows from operating activities (A)		810.79	643.99
Cash flows from investing activities			
Purchase of property, plant and equipment, other intangible assets including capital advances		(276.69)	(60.06)
Payment for intangible assets under development	6	-	(57.67)
Payment for acquisition of subsidiaries, net of cash acquired	38	(275.69)	-
Proceeds from sale of property, plant and equipment and other intangible assets		-	90.27
(Purchase)/sale of investments in mutual funds (net)		1,540.49	(805.46)
Payment towards advance for investment		-	(50.00)
(Investments)/redemption of bank deposits		(1,128.40)	25.42
Interest received		35.41	28.51
Net cash used in investing activities (B)		(104.88)	(828.99)
Cash flows from financing activities			
Repayment of short term borrowings		(42.83)	-
Payment (including interest) of lease liabilities	5(b) A	(140.18)	(129.59)
Dividend paid	15	(130.14)	(172.15)
Finance costs paid		(2.10)	(1.20)
Net cash used in financing activities (C)		(315.25)	(302.94)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		390.66	(487.94)
Cash and cash equivalents at the beginning of the year		145.95	633.89
Effects of movements in exchange rates on cash and cash equivalents		2.83	-
Cash and cash equivalents at the end of the year		539.44	145.95
Component of cash and cash equivalents	12 (c)		
Balances with banks			
- In current accounts		506.48	145.69
- In deposits with original maturity of less than three months		26.00	-
Cash on hand		6.96	0.26
Total cash and cash equivalents at the end of the year		539.44	145.95



Medi Assist Healthcare Services Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2023 (continued)
(All amounts are in Indian Rupees in millions, unless otherwise stated)

Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Lease liabilities (Non-current and current):	5(b) A		
Opening balance		274.80	353.00
(i) Non-cash movements in financing activities			
Additions through business combination (Refer note 38)		4.34	-
Additions for the year		177.95	23.86
Deletions for the year		(35.78)	-
Interest expense for the year		24.89	27.51
(ii) Cash movements in financing activities			
Payment (including interest) of lease liabilities		(140.18)	(129.57)
Closing balance		306.02	274.80
(b) Borrowings - current:			
Opening balance		-	-
(i) Non-cash movements in financing activities			
Additions through business combination (Refer note 38)		43.60	-
(ii) Cash movements in financing activities			
Payment during the year		(42.83)	-
Closing balance		0.77	-

Summary of significant accounting policies

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The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 - "Statement of Cash Flows" notified under section 133 of Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and the relevant provisions of the Act.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Amit Kumar Jhunjunwala

Amit Kumar Jhunjunwala
Partner
Membership Number: 067183



Place: Bengaluru
Date: 21 July 2023

For and on behalf of the Board of Directors of
Medi Assist Healthcare Services Limited
CIN: U74900KA2000PLC027229

Dr. Vikram Jit Singh Chhatwal

Dr. Vikram Jit Singh Chhatwal
Chairman and Director
DIN: 01606329

Mathew George

Mathew George
Chief Financial Officer

Place: Bengaluru
Date: 21 July 2023

Sanish Gidugu

Sanish Gidugu
Whole Time Director and CEO
DIN: 06643677

Simmi Bisht

Simmi Bisht
Chief Compliance Officer and Company Secretary
ICSI Membership No: A23360

Place: Bengaluru
Date: 21 July 2023



A. Equity share capital

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	68,859,212	344.30	37,181	0.37
Sub-division of shares during the year from Rs. 10 to Rs. 5 each*	-	-	37,181	-
Bonus shares issued during the year*	-	-	68,784,850	343.93
Balance at the end of the year	68,859,212	344.30	68,859,212	344.30

* Refer Note 14(a)

B. Other equity #

Particulars	Notes	Reserves and Surplus						Items of Other Comprehensive Income (OCI)		Total attributable to owners of the Company	Non-controlling Interest ('NCI')	Total
		Employee stock option reserve	Securities premium	General reserve	Demerger deficit balance	Other equity	Retained earnings	Foreign currency translation reserve	Equity instruments through OCI			
Balance as at 1 April 2021		55.75	1,089.79	1.36	(370.18)	369.85	1,811.52	-	(54.53)	2,903.56	21.57	2,925.13
Profit for the year from continuing operations		-	-	-	-	-	614.66	-	-	614.66	-	614.66
Profit for the year from discontinued operations		-	-	-	-	-	7.51	-	-	7.51	-	7.51
Remeasurements of defined benefit plans, net of tax		-	-	-	-	-	(21.00)	-	-	(21.00)	-	(21.00)
Other comprehensive loss for the year, net of tax		-	-	-	-	-	-	-	(4.72)	-	-	(4.72)
Total comprehensive income for the year		-	-	-	-	-	621.17	-	(4.72)	616.45	-	616.45
Transactions with owners of the Company:												
Dividend paid during the year	15	-	-	-	-	-	(172.15)	-	-	(172.15)	-	(172.15)
Employee stock option compensation cost (net)	31 (a)	23.04	-	-	-	-	-	-	-	23.04	-	23.04
Utilisation of Securities Premium on issue of bonus shares		-	(343.92)	-	-	-	-	-	-	343.92	-	343.92
Balance as at 31 March 2022		78.79	745.87	1.36	(370.18)	369.85	2,260.54	-	(59.25)	3,026.98	21.57	3,048.55
Balance as at 1 April 2022		78.79	745.87	1.36	(370.18)	369.85	2,260.54	-	(59.25)	3,026.98	21.57	3,048.55
Profit for the year from continuing operations		-	-	-	-	-	753.25	-	-	753.25	(0.17)	753.08
Loss for the year from discontinued operations		-	-	-	-	-	(12.66)	-	-	(12.66)	-	(12.66)
Remeasurements of defined benefit plans, net of tax		-	-	-	-	-	(3.54)	-	-	(3.54)	-	(3.54)
Other comprehensive loss for the year, net of tax		-	-	-	-	-	-	4.06	(61.50)	(57.44)	2.68	(54.76)
Total comprehensive income for the year		-	-	-	-	-	737.05	4.06	(61.50)	679.61	2.51	682.12
Transactions with owners of the Company:												
Dividend paid during the year	15	-	-	-	-	-	(130.14)	-	-	(130.14)	-	(130.14)
NCI on acquisition of subsidiaries #	38 (iii)	-	-	-	-	-	-	-	-	-	68.10	68.10
Put option liability over NCI (Refer Note 38(iii))	38 (iii)	-	-	-	-	(6.74)	-	-	-	(67.74)	-	(67.74)
Transfer on account of forfeiture of ESOP option	-	(0.38)	-	-	-	-	0.38	-	-	-	-	-
Employee stock option compensation cost (net)	31 (a)	32.79	-	-	-	-	-	-	-	32.79	-	32.79
Employee stock option settlement	31 (c)	-	-	-	-	-	(119.69)	-	-	119.69	(21.57)	141.26
Balance as at 31 March 2023		111.20	745.87	1.36	(370.18)	302.11	2,748.14	4.06	(120.75)	3,421.81	70.61	3,492.42

Summary of significant accounting policies

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Notes:

Refer Note 15

* The employee stock option reserve of Medi Assist Insurance TPA Private Limited ('MATPA'), a wholly owned subsidiary of the Company, represents the ESOPs granted to counterparty not forming part of the consolidated reporting entity upto 31 March 2022 were classified and presented as NCI. These ESOPs have not been exercised and have been settled during the year ended 31 March 2023

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm's Registration Number: 105047W

Amul Kumar Jhaunpuriwala
Partner
Membership Number: 067183

Place: Bengaluru
Date: 21 July 2023

For and on behalf of the Board of Directors of
Medi Assist Healthcare Services Limited
CIN: 270900KA2000PLC037229

Dr. Dharmjit Singh Chhatwal
Chairman and Director
DIN: 01606329

Place: Bengaluru
Date: 21 July 2023

Satish Gade
Whole Time Director and CEO
DIN: 06643677

Place: Bengaluru
Date: 21 July 2023

Mathew George
Chief Financial Officer

Place: Bengaluru
Date: 21 July 2023

Simeel Bhat
Chief Compliance Officer and Company Secretary
ICSI Membership No: A23360

Place: Bengaluru
Date: 21 July 2023



1 Corporate information

Medi Assist Healthcare Services Limited ("the Company" or "Parent") is a public limited company domiciled in India and is incorporated on June 7, 2000 under the provisions of the Companies Act applicable in India. The Company received order from the Registrar of Companies with fresh certificate of incorporation upon conversion from private company to public company with effect from March 20, 2018. The Company's registered office is situated at Tower D, 4th Floor, IBC Knowledge Park, 4/1, Bannerghatta Road, Bengaluru 560 029. The business operations of the Company are carried out at various cities in India.

The Company, and its below mentioned subsidiaries (collectively the "Group"), are mainly engaged in the business of providing Third Party Administration (TPA) services. The Group has signed up contracts with several general and health insurance companies to manage the requirements of their policyholders, as well as with healthcare providers (such as hospitals) to enable a network for policyholders to avail of cashless treatment at pre-negotiated tariffs. The Group also provides business support services, health management services, consultancy services and contact centre support and other allied services pertaining to the healthcare and health insurance sector. The Group primarily derives its income in the form of TPA fees from insurance companies expressed either as a percentage of the insurance premium paid by the insured to the insurance company or as a fixed price per member/ family. The Group also derives income from pre-policy check ups and other allied services provided to insurance companies, and for policy administration services rendered to Governments to enable public health schemes.

The consolidated financial statements of the Group comprises the financial information of the Parent and other members of the Group as set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of subsidiaries	Country of incorporation	% of ownership interest held by the Group @		Principal activities of each subsidiary
		As at 31 March 2023	As at 31 March 2022	
Medi Assist Insurance TPA Private Limited - ("MATPA")	India	100	100	TPA services
Medvantage Insurance TPA Private Limited (w.e.f 13 February 2023) - Subsidiary of MATPA ("Medvantage") #	India	100	-	TPA services
International Healthcare Management Services Private Limited (w.e.f 18 November 2022)	India	100	-	Healthcare services
Mayfair Consultancy Services India Private Limited (w.e.f 18 November 2022)	India	100	-	Healthcare services
Mayfair We Care Ltd - ("MWCL") (w.e.f 25 November 2022) *	UK	60	-	Healthcare services
Mayfair Group Holding Subcontinent Limited (w.e.f 25 November 2022) - Subsidiary of MWCL*	UK	100	-	Healthcare services
Mayfair We Care Philippines Inc (w.e.f 25 November 2022) - Subsidiary of MWCL*	Philippines	85	-	Healthcare services
Mayfair We Care Pte Ltd (w.e.f 25 November 2022) - Subsidiary of MWCL*	Singapore	100	-	Healthcare services

@ Represents the ownership percentage of the immediate parent in each subsidiary entity and does not indicate the effective ownership percentage of the Group.

*The consolidated financial information in respect of MWCL and its subsidiaries as at the date of acquisition and for the period from the date of acquisition to 31 March 2023 are unaudited and have been considered for these consolidated financial statements based on the unaudited consolidated financial information as certified by management.

The financial information in respect of Medvantage for the period from the date of acquisition to 31 March 2023 considered for these consolidated financial statements are based on financial information prepared by the management of the subsidiary and subject to agreed upon procedures by the component auditor.

2 Basis of preparation

A Statement of compliance:

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) (hereafter referred to as "consolidated financial statements") as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013, (the 'Act') and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) and other relevant provisions of the Act.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date March 31, 2023. These consolidated financial statements were authorised for issuance by the Company's Board of Directors on July 21, 2023.

B Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (Rs.), which is the Parent's functional and presentation currency. All amounts have been rounded off to the nearest million, upto two decimal places, unless otherwise indicated.

C Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis, except for the following:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Share based payments at grant date	Fair value
Defined benefit and other long-term employee benefits obligations	Present value of defined benefit obligations less fair value of plan assets

D Use of estimates and judgements

In preparing these consolidated financial statements in conformity with Ind AS, management has made estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the year in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, estimates and assumptions are required in particular for:

(a) Determination of the estimated useful lives:

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.



2 Basis of preparation (continued)

D Use of estimates and judgements (continued)

Judgements, estimates and assumptions are required in particular for:

(b) Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, (and unutilised business loss and depreciation carry-forwards and tax credits). Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

(c) Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

(d) Fair valuation of employee share options:

The fair valuation of the employee share options is based on the Black-Scholes Model used for valuation of options. Key assumptions made with respect to expected volatility, share price, expected dividends and discount rate, under option pricing model.

(e) Impairment testing:

Property, plant and equipment, investments, right-of-use assets, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

(f) Business combinations:

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value of the assets and liabilities in the Group's consolidated financial statements.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

(g) Leases

The Group evaluates if an arrangement qualifies to be a lease based on the requirements of the relevant standard. Identification of a lease requires significant management judgment. Computation of the lease liabilities and right-of-use assets requires management to estimate the lease term (including anticipated renewals) and the applicable discount rate. Management estimates the lease term based on past practices and reasonably estimated/ anticipated future events. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(h) Expected credit losses on financial assets:

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate (in case of non current financial assets).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.



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2 Basis of preparation (continued)

E Measurement of fair values

The Group measures certain financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted (unadjusted) market prices 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 the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 31: Share based payments.
- Note 32: Financial Instruments.
- Note 38: Business Combinations.

F Current and non-current classification

The Group presents assets and liabilities in the Consolidated Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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.

Current assets/ liabilities include current portion of non-current financial assets/ liabilities respectively.

All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities (if any) are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.



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3 Summary of significant accounting policies

The accounting policies set out below have been applied consistently throughout the period presented in these consolidated financial statements, unless otherwise stated.

a. Basis of consolidation

Subsidiaries:

The Group determines the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements.

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted for the Group.

Non-controlling interests ("NCI") in the results and equity of subsidiary are shown separately in the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity respectively.

Where the Group writes a put option over NCI, the Group assesses whether it has present access to returns associated with the ownership interests subject to the put option. If the Group concludes that it does not have present access, the NCI are not de-recognised and continue to receive an allocation of profit and loss and other comprehensive income. The Group recognises a liability for the present value of the put option redemption amount against other equity and any subsequent changes are accounted for in profit or loss. The put option liability is de-recognised on settlement or expiry.

b. Financial instruments

(i) Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Recognition and initial measurement – financial assets and financial liabilities:

A financial asset (except for trade receivables and unbilled revenue/ contract assets) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Consolidated Statement of Profit and Loss.

Finance income and expenses

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of FVTPL financial assets. Interest income is recognised as it accrues in the Consolidated Statement of Profit and Loss, using the effective interest method.

Dividend income is recognised in the Consolidated Statement of Profit and Loss on the date that the Group's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

Finance expenses consist of interest expense on loans and borrowings and financial liabilities. The costs of these are recognised in the Consolidated Statement of Profit and Loss using the effective interest method.

(ii) Classification and subsequent measurement

Financial assets

The Group classifies financial assets as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit and loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

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.

Amortised cost:

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order 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.

Fair value through other comprehensive income ("FVOCI"):

A financial asset is classified and measured at FVOCI if both of the following conditions are met:

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

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

Fair value through profit and loss ("FVTPL")

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVOCI. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



3 Summary of significant accounting policies (continued)

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this reflects the best way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered as sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Consolidated Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Consolidated Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Consolidated Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as 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 Consolidated Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statement of Profit and Loss.

(iii) Derecognition

Financial assets

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

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Consolidated Statement of Profit and Loss.

(iv) Offsetting financial instruments:

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



3 Summary of significant accounting policies (continued)**c. Foreign currency transactions and balances****Transactions and balances**

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions.

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 items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Consolidated Statement of Profit and Loss.

Translations of foreign operations

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations that have a functional currency other than Rs. are translated into Rs. using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognised in FCTR is transferred to the Consolidated Statement of Profit or Loss as part of the profit or loss on disposal.

d. Cash and cash equivalents

Cash and cash equivalents in the Consolidated 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 Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash excluding restricted cash balance 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. Any cash and cash equivalents, other bank balances with significant restrictions with regards to the Group's ability to freely use it is disclosed appropriately by way of a foot note.

e. Cash flow statement

Cash flows are reported using 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.

f. Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit after tax for the years attributable to equity shareholders of the Parent by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

Diluted EPS adjust the figures used in the determination of basic EPS to consider:

- 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.

g. Revenue from contracts with customers

The Group follows Ind AS 115 "Revenue from Contracts with Customers". Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those services (net of goods and services tax). Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

The Group derives revenue from rendering Third Party Administration (TPA) services which is measured either as a percentage of insurance premium or amount per member/ family covered under the policy depending on the terms of the contract entered into with insurance companies and government agencies. Such amounts are recognised as revenue on a pro-rata basis during the period of the underlying insurance policy. Performance obligations while rendering services are satisfied over time, as and when the services are rendered since the customer simultaneously receives and consumes the benefits provided by the Group.

The Group derives revenue from rendering healthcare management services in accordance with the terms of the relevant service agreement entered with customers and revenue is recognised at a point in time as and when the related services are rendered.

The Group derives revenue from pre-policy health check-up services in accordance with the terms of the relevant service agreement entered with customers and revenue is recognised at a point in time as and when the related services are rendered. Since the Group acts as an agent while providing such services and there exists back to back arrangements in which the Group merely acts as a facilitator, the Group recognises its margin on these transactions as revenue.

Revenue from card processing income are recognised at a point in time as and when the related services are rendered.

The Group derives revenue from rendering business support services in accordance with the terms of the relevant service agreement entered with customers, being performance obligations are satisfied over the contract period as the Group's efforts or inputs are expended evenly throughout the contract period.

Revenue from licenses where the customer obtains "right to use" is recognised over the access period on a straight line basis.

The Group presents revenues net of indirect taxes in its Consolidated Statement of Profit and Loss.

Revenue in excess of invoicing are classified as unbilled receivables (under trade receivables) where related performance obligation are rendered and right to consideration is unconditional. Invoicing in excess of revenues are classified as contract liabilities.

A contract liability is the obligation to transfer of services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers of services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.



3 Summary of significant accounting policies (continued)

h. Property, plant and equipment

Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The 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 costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

An item of property, plant and equipment is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss.

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.

The cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

Depreciation

Depreciation on property, plant and equipment is provided on straight-line method over the useful lives determined based on internal assessment by the management which in certain instances are different from those prescribed under Schedule II of the Companies Act, 2013 in order to reflect actual usage of the assets. The Group estimates the useful lives for property, plant and equipment as follows:

Asset categories	Useful life in years
Furniture and fixtures	10
Office equipment	5
Computers and Computer equipments, server and network	3-6
Electrical equipments	10
Air conditioners	10

Leasehold improvements are depreciated over the lease term or the useful lives of the assets, whichever is lower.

Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use and the depreciation charge for the year is recognised in Consolidated Statement of Profit and Loss.

The useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i. Intangible assets

(i) Recognition and measurement

Acquired intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

Goodwill is measured at cost less accumulated impairment loss.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors such as the stability of the industry and technology required to obtain the expected future cash flows from the asset.

Intangible assets under development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

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 Consolidated Statement of Profit and Loss as incurred.

Amortisation

Amortisation is recognised in Consolidated Statement of Profit and Loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Management believes that period of amortisation is representative of the period over which the Group expects to derive economic benefits from the use of the assets.

Amortisation methods and useful lives are reviewed periodically including at each financial year end. Amortisation on additions and disposals during the year is provided on proportionate basis.

The intangible assets are amortised over the estimated useful lives as given below:

Asset categories	Useful life in years
Software	3
Customer relationships	5 - 8
Customer contracts	10
Non-compete fees	2



3 Summary of significant accounting policies (continued)

i. Intangible assets (continued)

Derecognition of intangible assets

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss, when the asset is derecognised.

j. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets which are measured at amortised cost e.g., loans receivables, deposits and bank balance.
- b) Trade receivables or contract assets/unbilled receivables or another financial asset that result from transactions that are within the scope of Ind AS 115.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision policy that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Group's procedures for the recovery of amount due.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

k. Impairment of non-financial assets

In accordance with Ind AS 36, Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

l. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group's lease asset class primarily consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- (iii) the Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less accumulated amortisation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Consolidated Statement of Profit and Loss.



3 Summary of significant accounting policies (continued)

l. Leases (continued)

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and charged to the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Consolidated Statement of Profit and Loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings, the following factors are normally the most relevant:

- (a) If there are significant penalties to terminate (or not extend), the group is typically reasonably certain to extend (or not terminate).
- (b) If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- (c) Otherwise, the group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Covid-19-Related Rent Concessions

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the COVID-19 pandemic.

As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- (i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- (ii) Any reduction in lease payments affects only payments originally due on or before June 30, 2022.
- (iii) There is no substantive change to other terms and conditions of the lease

m. Employee benefits

(i) Short-term employee benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for employee services is recognised as an expense for the related service rendered by employees.

(ii) Post-employment benefits:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee provident fund and employees state insurance to a Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such benefit plan is determined by independent qualified actuary using the Projected Unit Credit Method which recognises each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date. The Group classifies the gratuity as current and non-current based on the actuarial valuation reports or based on expected future cash flows.

Actuarial gains or losses are recognised in other comprehensive income ('OCI'). Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in Consolidated Statement of Profit and Loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through OCI.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Consolidated Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement of Profit and Loss as past service cost.

The Group have considered only such changes in legislation which have been enacted upto the consolidated balance sheet date for the purpose of determining defined benefit obligation.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured by independent qualified actuary using the Projected Unit Credit Method. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit.



3 Summary of significant accounting policies (continued)

m. Employee benefits (continued)

Share-based compensation

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 31.

That cost is recognised, together with a corresponding increase in employee stock option reserve in equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation).

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consolidated statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n. Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

o. Taxation

Income tax comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income 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 assets and settle the liability on a net basis or simultaneously.

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 (if any). 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 transaction
- temporary differences related to investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 recognised or unrecognised 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.

Deferred tax relating to items recognised outside profit or loss is recognised in other comprehensive income (OCI) or directly in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



3 Summary of significant accounting policies (continued)

p. Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Consolidated Statement of Profit and Loss.

Non-current assets classified as held for sale are presented separately from the other assets in the Consolidated Balance Sheet. The liabilities classified as held for sale are presented separately from other liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

The post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation shall be disclosed separately as a single amount in the Consolidated Statement of Profit and Loss.

An analysis of the single amount into the revenue, expenses and pre-tax profit or loss of discontinued operations, the related income tax expense as required by Ind AS 12 and the gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets constituting the discontinued operation along with the related income tax expense thereon as required by Ind AS 12 may be presented in the notes or in the Consolidated Statement of Profit and Loss.

q. Provisions (other than for employee benefits) and contingent liabilities

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

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. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the Group financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each reporting date.

r. 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 relating to transactions with other components of the Group), whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Group are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

s. Cash dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders (in the case of interim dividend it is approved by Board of Directors). A corresponding amount is recognised directly in equity.

t. Recent pronouncement on Indian Accounting Standards (Ind AS):

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no significant impact on its consolidated financial statements



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4 Property, plant and equipment*

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Electrical equipments	Air conditioners	Total
Gross carrying value							
Balance at 1 April 2021	185.89	129.44	119.18	255.96	17.89	22.58	730.94
Reclassification/adjustments	43.16	(14.27)	5.00	(10.90)	(16.52)	(6.47)	-
Additions	-	0.55	4.68	48.43	1.92	-	55.58
Disposals	(0.18)	(2.89)	(31.14)	(4.37)	(0.26)	(1.94)	(40.78)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-
Balance as at 31 March 2022	228.87	112.83	97.72	289.12	3.03	14.17	745.74
Additions through business combinations (Refer note 38)	-	0.23	0.26	8.52	-	-	9.01
Additions	39.75	0.21	11.91	102.84	-	0.30	155.01
Disposals	(11.20)	(3.80)	(46.18)	(95.65)	(0.01)	(0.23)	(157.07)
Exchange differences on translation of foreign operations	-	0.01	-	0.08	-	-	0.09
Balance as at 31 March 2023	257.42	109.48	63.71	304.91	3.02	14.24	752.78
Accumulated depreciation							
Balance at 1 April 2021	116.25	44.87	61.07	196.22	9.70	11.69	439.80
Reclassification/adjustments	17.82	(3.32)	6.19	(7.70)	(8.60)	(4.39)	-
Charge for the year	41.44	10.54	25.49	36.77	0.18	2.31	116.73
Disposals	(0.18)	(1.63)	(15.48)	(4.00)	(0.20)	(1.79)	(23.28)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-
Balance as at 31 March 2022	175.33	50.46	77.27	221.29	1.08	7.82	533.25
Charge for the year	27.70	10.60	8.66	48.65	0.22	2.21	98.03
Disposals	(11.20)	(2.91)	(43.42)	(94.75)	(0.01)	(0.22)	(152.50)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-
Balance as at 31 March 2023	191.83	58.15	42.51	175.19	1.29	9.81	478.78
Net carrying value as at 31 March 2023	65.59	51.33	21.20	129.71	1.73	4.43	273.99
Net carrying value as at 31 March 2022	53.54	62.37	20.45	67.83	1.95	6.35	212.49

* All property, plant and equipment are held in the name of the respective companies in the Group (other than properties where the respective companies are the lessee and the lease agreements are duly executed in the favour of lessee).

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Medi Assist Healthcare Services Limited
Notes to consolidated financial statements for the year ended 31 March 2023
(All amounts are in Indian Rupees in millions, unless otherwise stated)
5 (a) Right-of-use assets

Particulars	Buildings	Total
Gross carrying value		
Balance at 1 April 2021	447.67	447.67
Additions	24.36	24.36
Balance as at 31 March 2022	472.03	472.03
Accumulated amortisation		
Balance at 1 April 2021	179.20	179.20
Amortisation for the year	91.95	91.95
Balance as at 31 March 2022	271.15	271.15
Net carrying value at 31 March 2022	200.88	200.88
Particulars	Buildings	Total
Gross carrying value		
Balance at 1 April 2022	472.03	472.03
Additions through business combinations (Refer note 38)	4.34	4.34
Additions	191.71	191.71
Modifications/ terminations	(31.27)	(31.27)
Balance as at 31 March 2023	636.81	636.81
Accumulated amortisation		
Balance at 1 April 2022	271.15	271.15
Amortisation for the year	101.94	101.94
Modifications/ terminations	(5.18)	(5.18)
Balance as at 31 March 2023	367.91	367.91
Net carrying value at 31 March 2023	268.90	268.90


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5 (b) Lease liabilities

A The following is the movement of lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance	274.80	353.00
Additions through business combinations (Refer note 38)	4.34	-
Additions	177.95	23.86
Deletions	(35.78)	-
Interest expense for the year	24.89	27.51
Payment (including interest) of lease liabilities	(140.18)	(129.57)
Closing Balance	306.02	274.80

B The following is the break-up of lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	119.12	99.58
Non-current lease liabilities	186.90	175.20
Total	306.02	274.78

C The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	138.77	120.78
One to five years	188.45	179.09
Total	327.22	299.87

D Amount recognised in Consolidated Statement of Profit and Loss

The Group has applied weighted average incremental borrowing rate of 9% per annum for lease liabilities recognised in the Consolidated balance sheet. The Group does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they falls due. The following are the amounts recognised in the consolidated statement of profit and loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities- presented under finance costs	24.89	27.51
Amortisation of right-of-use assets- presented under depreciation and amortisation expenses	101.94	91.95
Expense relating to short-term leases and low value assets- presented under other expenses- rent	12.53	22.91
Less: Rent concession due to COVID-19- presented under other expenses- rent*	-	(6.62)

During the year ended 31 March 2023, the Group incurred expenses amounting to Rs. 12.53 million (31 March 2022 : Rs. 16.29 million (net of rent concession)) for short-term leases and leases of low-value assets.

For the year ended 31 March 2023, the total cash outflows for leases, including short-term leases and low-value assets amounted to Rs. 152.71 million (31 March 2022 : Rs. 145.86 million (net of rent concession)) .

The Group leases various office buildings. Rental contracts are generally made for fixed periods of 4 months to 9 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security deposits in the leased assets that are held by the lessor.

* The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic. As per requirements of MCA notification, total rent concessions recorded during year ended March 31, 2022 amounted to Rs 6.62 million which has been adjusted against the rental expense of Rs 22.91 million for the year ended March 31, 2022.



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6 Goodwill

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Opening balance		409.80	409.80
Addition during the year on account of:	38		
Acquisition of healthcare services business of International Healthcare Management Services Private Limited and Mayfair Consultancy Services India Private Limited	(i)	4.93	-
Acquisition of Third-party administrator services business of Medvantage Insurance TPA Private Limited	(ii)	197.35	-
Acquisition of healthcare services business of Mayfair We Care Limited ("Mayfair UK")	(iii)	138.35	-
Exchange differences on translation of foreign operations		3.88	-
Closing balance		754.31	409.80

Impairment testing for goodwill:

For the purpose of impairment testing, entire goodwill is allocated to the Health benefit administration which is considered as a cash generating unit (CGU).

The recoverable amount of the CGU is based on value in use, estimated using discounted cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumptions represents management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal source.

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	18.04%	16.30%
Terminal growth rate	5.00%	4.00%
Budgeted EBITDA* growth rate	25.45%	18.00%

* EBITDA refers to Earnings before interest, tax, depreciation and amortisation.

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital.

The cash flow projections includes specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of long-term compound annual EBITDA growth rate.

Budgeted EBITDA has been estimated taking into account past experience derived as follows:

(i) Revenue growth has been projected taking into account the average growth rate levels experienced over past five years and the estimated sales volume and price growth for the next five years. It has been assumed that the sales price would increase in line with forecast inflation over the next five years.

(ii) Based on the assessment, the Group determined that the estimated recoverable value of the CGU is higher than its carrying cost and consequently, the Group has not recorded any impairment loss following the guidance under Ind AS 36 "Impairment of Assets".



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7 Other intangible assets

Particulars	Software	Customer relationships	Customer contracts	Non-compete fees	Total	Intangible assets under development *
Gross carrying value						
Balance at 1 April 2021	404.01	297.76	20.30	-	722.07	6.94
Additions	15.74	-	-	-	15.74	57.67
Disposals/transfers	(0.11)	-	-	-	(0.11)	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Balance as at 31 March 2022	419.64	297.76	20.30	-	737.70	64.61
Additions through business combinations (Refer note 38)	0.54	143.77	-	1.10	145.41	-
Additions	174.29	-	-	-	174.29	-
Disposals/transfers	(13.62)	-	-	-	(13.62)	(64.61)
Exchange differences on translation of foreign operations	0.01	1.97	-	-	1.98	-
Balance as at 31 March 2023	580.86	443.50	20.30	1.10	1,045.76	-
Accumulated amortisation						
Balance at 1 April 2021	356.32	135.29	6.99	-	498.60	-
Charge for the year	43.31	29.55	2.54	-	75.40	-
Disposals/transfers	(0.11)	-	-	-	(0.11)	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Balance as at 31 March 2022	399.52	164.84	9.53	-	573.89	-
Charge for the year	29.78	35.34	2.53	0.07	67.72	-
Disposals/transfers	(13.61)	-	-	-	(13.61)	-
Exchange differences on translation of foreign operations	0.00	0.06	-	-	0.06	-
Balance as at 31 March 2023	415.69	200.23	12.06	0.07	628.06	-
Net carrying value as at 31 March 2023	165.17	243.27	8.24	1.03	417.70	-
Net carrying value as at 31 March 2022	20.12	132.92	10.77	-	163.81	64.61

* Intangible assets under development are based on internal technical feasibility study carried out by management with the intention to complete the self generated intangible assets. Management has assessed that such intangible assets will generate future economic benefits for the Group and therefore meet the capitalisation criteria in accordance with Ind AS 38 - Intangible Assets.

Intangible assets under development ageing schedule

As at 31 March 2023

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March 2022

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	57.67	6.94	-	-	64.61
Projects temporarily suspended	-	-	-	-	-
Total	57.67	6.94	-	-	64.61



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8 Non-current financial assets**8 (a) Investments**

Particulars	As at 31 March 2023	As at 31 March 2022
Investments in equity shares designated at Fair Value through Other Comprehensive Income (FVOCI) #		
<i>(i) Quoted</i>		
124,992 (31 March 2022: 124,992) equity shares of Rs. 5 each, fully paid up of The New India Assurance Company Limited	12.16	13.96
<i>(ii) Unquoted</i>		
13,719 (31 March 2022: 13,719) equity shares of Re. 1 each, fully paid up of Healthvista India Private Limited *	-	54.93
5,000 (31 March 2022: 5,000) equity shares of Rs. 100 each, fully paid up of Swasth Digital Health Foundation	0.50	0.50
	12.66	69.39
Aggregate book value of quoted investments and market value thereof	12.16	13.96
Aggregate value of unquoted investments	0.50	55.43

* During the current financial year, management has carried out a detailed assessment on the performance of Healthvista India Private Limited and basis such assessment (considering the erosion of net worth, past losses and low likelihood of future profits) have determined the fair value of such investment to be NIL. Consequently, in accordance with Ind AS 109 Financial Instruments, the Company has recognised fair value changes of Rs. 54.93 million in the OCI.

The Group designated these investments as equity instruments at FVOCI because the Group intends to hold these equity securities for long-term strategic purposes.

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

8 (b) Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
<i>Unsecured, Considered good</i>		
Security deposits	67.33	39.86
Earnest money deposit ("EMD")	4.80	6.85
Deposits with original maturity of more than 12 months	44.15	12.09
Interest accrued but not due on deposits	0.28	0.13
<i>Credit impaired</i>		
Security deposits	1.85	-
Less: Provision for doubtful security deposits	(1.85)	-
	116.56	58.93

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

9 Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax, net of provisions	661.79	492.47
	661.79	492.47



Medi Assist Healthcare Services Limited**Notes to consolidated financial statements for the year ended 31 March 2023***(All amounts are in Indian Rupees in millions, unless otherwise stated)***10 Deferred taxes**

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets		
Provision for employee benefits	51.11	39.92
Allowance for expected credit losses on trade receivables and other receivables	49.77	62.44
Security deposits	3.29	0.78
Temporary differences on accrued expenses	11.21	11.22
Lease liabilities	77.02	69.16
Total deferred tax assets	192.40	183.52
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(64.59)	(29.14)
Right of use assets	(67.67)	(50.55)
Temporary difference arising from fair value adjustment of other financial assets	(1.32)	(8.64)
Total deferred tax liabilities	(133.58)	(88.33)
	58.82	95.19
Reflected in the Consolidated Balance Sheet		
Deferred tax assets (net)	91.30	95.19
Deferred tax liabilities (net)	32.48	-
	58.82	95.19

Refer Note 35 for movement in deferred taxes.

11 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good		
Prepaid expenses	6.96	5.78
Balance with government authorities	7.05	-
Capital advances	24.59	0.78
	38.60	6.56



12 Current - financial assets

12 (a) Investments

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Mutual funds at fair value through profit or loss (unquoted)		
Investments in mutual funds	427.31	1,895.04
(ii) Advance given for business acquisition -At cost - (refer note 38(ii))	-	50.00
	427.31	1,945.04
Aggregate value of unquoted investments	427.31	1,895.04

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

12 (b) Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Considered good - Unsecured	450.32	470.14
Credit impaired	148.10	207.49
Total receivables	598.42	677.63
Less: Allowance for expected credit losses	(148.10)	(207.49)
Total (A)	450.32	470.14
Unbilled receivables		
Considered good - Unsecured	821.25	717.56
Credit impaired	8.02	8.38
Total unbilled receivables	829.27	725.94
Less: Allowance for expected credit losses	(8.02)	(8.38)
Total (B)	821.25	717.56
Total (A+B)	1,271.57	1,187.70

Trade receivables ageing:

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivable - considered good	821.25	110.57	249.99	66.93	0.23	3.07	19.53	1,271.57
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	8.02	-	2.41	26.04	27.42	9.82	82.41	156.12
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
Total	829.27	110.57	252.40	92.97	27.65	12.89	101.94	1,427.69
Loss allowance								(156.12)
Total								1,271.57

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivable - considered good	717.56	315.02	37.02	84.27	17.21	10.89	5.73	1,187.70
Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	8.38	-	12.29	8.21	18.75	33.29	134.95	215.87
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
Total	725.94	315.02	49.31	92.48	35.96	44.18	140.68	1,403.57
Loss allowance								(215.87)
Total								1,187.70

Set out below is the movement in the allowance for expected credit losses on trade receivables:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	215.87	325.75
Additions through business combinations	4.05	-
Provision for expected credit losses (net of reversals)	17.04	(11.31)
Bad debts written off	(80.84)	(98.57)
Closing balance	156.12	215.87

The Group does not charge any interest on overdue payments. Further, the average credit period ranges up to 120 days. No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person.

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

Refer Note 42 for trade receivables from related parties



12 (c) Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Cash on hand	6.96	0.26
Balances with banks		
In current accounts	506.48	145.69
In deposits with original maturity of less than three months	26.00	-
	539.44	145.95

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

12 (d) Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Deposits with original maturity of more than three months but less than twelve months *	717.10	478.15
Deposits with original maturity of less than three months**	836.00	-
Balances with banks		
-Balance with self funded schemes ***	22.62	1.23
	1,575.72	479.38

* The above includes bank deposits of Rs. 99.17 million (31 March 2022: Rs. 22.18 million) which are under lien with banks towards bank guarantees issued to insurance companies.

** Represents fixed deposit (linked to Escrow account) with a schedule bank towards money earmarked for a proposed acquisition (refer note 47(i)). The interest accrued on the same will be to the exclusive benefit of the Group.

*** Balance with self funded schemes represent funds received from corporates for the purpose of providing health benefit services to their employees.

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

12 (e) Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
At amortised cost		
<i>Unsecured, Considered good</i>		
Security deposits	16.77	30.36
Earnest money deposit	13.85	6.73
Accrued interest	6.05	3.50
Other receivables*	245.27	183.64
Credit impaired		
Security deposits	0.15	0.08
Less: Allowance for doubtful deposits	(0.15)	(0.08)
Other receivables	16.15	16.15
Less: Allowance for doubtful receivables	(16.15)	(16.15)
	281.94	224.23

* Refer Note 42 for other receivables from related parties.

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

13 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good		
Balances with government authorities	153.91	154.59
Advances to suppliers	105.78	87.51
Prepaid expenses	55.48	17.90
Other advances	10.20	5.86
Considered doubtful		
Advances to suppliers	29.58	16.14
Less: Allowance for doubtful advances	(29.58)	(16.14)
	325.37	265.86



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14 Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised share capital:*		
90,700,000 (31 March 2022: 90,700,000) equity shares of Rs 5 each	453.50	453.50
	453.50	453.50
Issued, subscribed and paid-up capital:		
68,859,212 (31 March 2022: 68,859,212) equity shares of Rs 5 each	344.30	344.30
	344.30	344.30

* Pursuant to a resolution passed by the Shareholders of the Company on 7 April 2021 through extra-ordinary general meeting, the authorised share capital of the Company of Rs. 453.50 million comprising of 45,350,000 Equity Shares of Rs. 10 each were sub-divided to Rs. 453.50 million comprising of 90,700,000 Equity Shares of Rs. 5 each.

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Balance at the beginning of the year	68,859,212	344.30	37,181	0.37
Sub-division of shares during the year from Rs.10 to Rs.5 each*	-	-	37,181	-
Bonus shares issued during the year*	-	-	68,784,850	343.93
Balance at the end of the year	68,859,212	344.30	68,859,212	344.30

* Pursuant to a resolution passed by the Shareholders on 7 April 2021 and subsequent allotment on 9 April 2021, the Company has sub-divided the face value of its equity shares from Rs 10 each to Rs 5 each. Further, the Company has allotted 68,784,850 equity shares of face value of Rs. 5 each by way of bonus issue to its shareholders and consequently the paid-up share capital of the Company has been increased to 68,859,212 equity shares of face value of Rs 5 each. The Board has also authorised for appropriate adjustments on allotment of share split and bonus shares to the outstanding options granted to the employees under the ESOP scheme. Securities premium of Rs. 343.93 million was utilised for issue of bonus shares.

b) Term/rights attached to the equity shares:

The Company has a single class of equity shares having a par value of Rs. 5 each. Each holder of equity shares is entitled to one vote per share. Voting rights cannot be exercised in respect of shares on which any call or other sum presently payable has not been paid. Failure to pay any amount called up on shares may lead to forfeiture of shares.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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) List of shareholders holding more than 5% shares of a class of shares in the company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity shares of Rs. 5 each fully paid-up held by:				
Medimatter Health Management Private Limited	18,703,348	27.16%	18,703,348	27.16%
Bessemmer Health Capital LLC	6,606,084	9.59%	6,606,084	9.59%
IDFC Trustee Co. Ltd A/C IDFC Infrastructure Fund 3 A/C IDFC Private Equity Fund III	14,910,452	21.65%	14,910,452	21.65%
Bessemmer India Capital Holdings II Limited	24,731,608	35.92%	24,731,608	35.92%



Medi Assist Healthcare Services Limited
Notes to consolidated financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees in millions except share data and per share data, unless otherwise stated)

14 Equity share capital (continued)

d) As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e) Shares reserved for issue under employee stock option scheme.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of options	Amount	Number of options	Amount
Outstandings options	2,538,886	12.69	2,340,928	11.70

Refer Note 31(a) for ESOP scheme details.

f) The Group has not bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

g) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date

Particulars	As at March 31, 2023	As at March 31, 2022
Equity shares allotted as fully paid bonus by capitalisation of securities premium	68,784,850	68,784,850

h) Details of equity shares (of Rs. 5 each fully paid up) held by promoters
As at March 31, 2023

Promoter name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% Change during the year
Dr Vikram Jit Singh Chhatwal	2,539,092	-	2,539,092	3.69%	-
Medimatter Health Management Private Limited	18,703,348	-	18,703,348	27.16%	-
Medimatter Health Management Private Limited jointly with Dr. Vikram Jit Singh Chhatwal	537,080	-	537,080	0.78%	-
Bessemmer India Capital Holdings II Limited	24,731,608	-	24,731,608	35.92%	-
Total	46,511,128	-	46,511,128	67.55%	-

As at March 31, 2022

Promoter name	No of shares at the beginning of the year	Change during the year*	No of shares at the end of the year	% of total shares	% Change during the year
Dr Vikram Jit Singh Chhatwal	1,371	2,537,721	2,539,092	3.69%	-
Medimatter Health Management Private Limited	10,099	18,693,249	18,703,348	27.16%	-
Medimatter Health Management Private Limited jointly with Dr. Vikram Jit Singh Chhatwal	290	536,790	537,080	0.78%	-
Bessemmer India Capital Holdings II Limited	13,354	24,718,254	24,731,608	35.92%	-
Total	25,114	46,486,014	46,511,128	67.55%	-

* Pursuant to a resolution passed by the Shareholders on 7 April 2021 and subsequent allotment on 9 April 2021, the Company has sub-divided the face value of its equity shares from Rs 10 each to Rs 5 each. Further, the Company has allotted equity shares of face value of Rs. 5 each by way of bonus issue to its shareholders.



15 Other equity

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Employee stock option reserve			
Balance at the beginning of the year		78.79	55.75
Employee stock option compensation cost (net) (Refer Note 31(a))		32.79	23.04
Transfer on account of forfeiture of ESOP option		(0.38)	-
Balance at the end of the year	(i)	111.20	78.79
Securities premium			
Balance at the beginning of the year		745.87	1,089.79
Utilisation of securities premium on issue of bonus shares (Refer Note 14(a))		-	(343.92)
Balance at the end of the year	(ii)	745.87	745.87
General reserve			
Balance at the beginning of the year		1.36	1.36
Movement during the year		-	-
Balance at the end of the year	(iii)	1.36	1.36
Demerger deficit balance			
Balance at the beginning of the year		(370.18)	(370.18)
Movement during the year		-	-
Balance at the end of the year	(iv)	(370.18)	(370.18)
Other equity			
Balance at the beginning of the year		369.85	369.85
Put option liability over NCI (Refer Note 38(iii))		(67.74)	-
Balance at the end of the year	(v)	302.11	369.85
Retained earnings			
Balance at the beginning of the year		2,260.54	1,811.52
Total comprehensive income for the year		737.05	621.17
Employee stock option settlement (Refer Note 31(c))		(119.69)	-
Transfer on account of forfeiture of ESOP option		0.38	-
Dividend paid*		(130.14)	(172.15)
Balance at the end of the year	(vi)	2,748.14	2,260.54
Foreign currency translation reserve			
Balance at the beginning of the year		-	-
Movement during the year		4.06	-
Balance at the end of the year	(vii)	4.06	-
Equity instruments through OCI			
Balance at the beginning of the year		(59.25)	(54.53)
Movement during the year		(61.50)	(4.72)
Balance at the end of the year	(viii)	(120.75)	(59.25)
Total		3,421.81	3,026.98

*Details of dividend proposed and paid during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Dividends on equity shares declared and paid:		
Final dividend for the year ended March 31, 2022: Rs 1.89 per share (March 31, 2021: Rs 2.50 per share) @	130.14	172.15
	130.14	172.15
Proposed dividends on Equity shares:		
Proposed dividend for the year ended March 31, 2023: Rs 1.89 per share (March 31, 2022: Rs 1.89 per share) #	130.14	130.14
	130.14	130.14

*Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability.

@ During the F.Y. 22-23, the Company has paid final dividend of F.Y. 21-22 at the rate of 37.80% [i.e. Rs.1.89/- (Rupees One rupee and paise eighty nine only)] per Equity Share of face value of Rs. 5/- (Rupees Five Only).

During the F.Y. 21-22, the Company has paid final dividend of F.Y. 20-21 at the rate of 50.00% [i.e. Rs.2.50/- (Rupees Two rupee and paise fifty only)] per Equity Share of face value of Rs. 5/- (Rupees Five Only).

On 21 July 2023, the Company has proposed final dividend for the F.Y. 22-23 in its Board of Directors Meeting at the rate of 37.80% [i.e. Rs.1.89/- (Rupees One rupee and paise eighty nine only)] per Equity Share of face value of Rs. 5/- (Rupees Five Only).

On 23 September 2022, the Company has proposed final dividend for the F.Y. 21-22 in its Board of Directors Meeting at the rate of 37.80% [i.e. Rs.1.89/- (Rupees One rupee and paise eighty nine only)] per Equity Share of face value of Rs. 5/- (Rupees Five Only).



15 Other equity (continued)

S.No Nature and purpose of reserves

(i) Employee stock option reserve

Equity stock option reserve is used to recognise the grant date fair value of equity settled share based payments provided to the employees. For further details refer Note 31 for Employee stock option schemes.

(ii) Securities premium

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

(iii) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iv) Demerger deficit balance

The reserve arising on account of Demerger of Consumer health business division during 2019-20 as per Sections 230 to 232 and Section 66 of the Companies Act, 2013.

(v) Other equity

Preference shares and debentures were initially recognised as financial liability in accordance with the nature of the instrument at fair value. The difference between fair value and transaction price was accounted under other equity.

(vi) Retained earnings

Retained earnings are the profits that the Company has earned till date less dividends or other distributions to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company.

(vii) Foreign currency translation reserve ("FCTR")

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their respective functional currencies to the Company's functional and presentation currency are recognised directly in OCI and accumulated in the Foreign currency translation reserve. When a foreign operation is disposed off, the relevant amount recognised in FCTR is transferred to the consolidated profit or loss as part of the profit or loss on disposal.

(viii) Equity instruments through OCI

The Group has elected to recognise the changes in fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within equity instruments through OCI within equity. The Group transfers amount to retained earnings when the relevant equity securities are de-recognised.

15 (a) Non-controlling interests ('NCI')

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Opening balance		21.57	21.57
Net asset allocated to non-controlling interest # (Refer note 38(iii))		68.10	-
Add- Share in Profit/(Loss)		(0.17)	-
Add- Exchange differences on translation of foreign operations		2.68	-
Less- Employee stock option settlement *		(21.57)	-
Closing balance		70.61	21.57

* The employee stock option reserve of Medi Assist Insurance TPA Private Limited ('MATPA'), a wholly owned subsidiary of the Company, represents the ESOPs granted to counterparty not forming part of the consolidated reporting entity upto 31 March 2022 were classified and presented as NCI. These ESOPs have not been exercised and have been settled during the year ended 31 March 2023.

Refer note 39 for details of material party-owned subsidiaries



16 Non-current financial liabilities

16 (a) Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Put option liability over NCI (Refer note 38(iii))	73.36	-
	73.36	-

Also Refer Note 32 for disclosure relating to fair values and financial risk management.

16 (b) Provisions (non-current)

Particulars	As at 31 March 2023	As at 31 March 2022
<i>Provision for employee benefits:</i>		
Gratuity*	142.34	112.21
	142.34	112.21

*Refer Note 30 (b).

17 Current financial liabilities

17 (a) Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
<i>Unsecured</i>		
Short term borrowing - others*	0.77	-
	0.77	-

* The above loan is repayable on demand.

17 (b) Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	68.62	32.32
Total outstanding dues of creditors other than micro enterprises and small enterprises**	295.66	257.88
	364.28	290.20

Trade payables ageing:

As at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	17.75	4.36	45.40	1.11	-	-	68.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	167.58	71.50	30.31	19.22	4.13	2.92	295.66
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	185.33	75.86	75.71	20.33	4.13	2.92	364.28

As at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	8.95	3.86	0.92	1.37	-	-	15.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	150.01	60.43	42.68	1.85	0.27	2.64	257.88
Disputed dues of micro enterprises and small enterprises	-	5.94	9.41	1.19	0.68	-	17.22
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	158.96	70.23	53.01	4.41	0.95	2.64	290.20

Trade payables (other than outstanding dues of micro and small enterprises) are non interest bearing and are usually settled within 70 - 100 days

** Refer Note 42, for trade payables to related parties, Also Refer Note 32 for disclosure relating to fair values and financial risk management.

17 (c) Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Employee benefits payable *	107.52	61.84
Creditors for capital goods	11.98	-
Liabilities towards employee stock option (refer note 31(c))	141.25	-
Other payables*	89.93	71.10
	350.68	132.94

* Refer Note 42, for trade payables to related parties, Also Refer Note 32 for disclosure relating to fair values and financial risk management.



18 (a) Contract liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities*	1,713.40	1,536.96
	<u>1,713.40</u>	<u>1,536.96</u>

* Refer Note 21(B)

The contract liabilities primarily relate to billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments. Invoices are payable within contractually agreed credit period.

18 (b) Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory liabilities*	115.74	216.13
	<u>115.74</u>	<u>216.13</u>

*includes statutory dues with respect to GST, withholding taxes, provident fund etc.

19 Provisions (current)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:			
Gratuity	30 (b)	56.63	40.62
Employee compensated absences		8.26	5.82
	(A)	<u>64.89</u>	<u>46.44</u>
Provision for claims disallowed:			
Balance at the beginning of the year		19.78	18.78
Provision created during the year		74.56	55.68
Reversed/ Utilised during the year		(69.83)	(54.68)
Balance at the end of the year	(B)	<u>24.51</u>	<u>19.78</u>
Provision for medical expenses:			
Balance at the end of the year	(C)	<u>31.54</u>	<u>-</u>
	(A+B+C)	<u>120.94</u>	<u>66.22</u>

20 Current tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax payable (net)	0.43	-
	<u>0.43</u>	<u>-</u>



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21 Revenue from operations:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contracts with customers		
<i>Sale of services:</i>		
Third Party Administration (TPA) fees	4,989.43	4,174.65
Add: Opening contract liabilities	1,536.96	1,216.08
Additions through business combinations (Refer note 38)	50.80	-
	6,577.19	5,390.73
Less: Closing contract liabilities	(1,713.40)	(1,536.96)
Income from TPA services (a)	4,863.79	3,853.77
Income from health management services (b)	126.56	43.99
Income from license fee (c)	33.40	0.44
<i>Other operating revenues:</i>		
Business support services* (d)	25.59	39.90
Total (a+b+c+d)	5,049.34	3,938.10

* Refer Note 42 for transactions with related parties.

(A) Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers for the below years by types of services, contract counterparties, timing of revenue recognition and primary geographical market. The Group believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are effected by industry, market and other economic factors.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Types of services		
TPA services	4,863.79	3,853.77
Income from health management services	126.56	43.99
Income from license fee	33.40	0.44
Business support services	25.59	39.90
	5,049.34	3,938.10
Contract counterparties		
Government customers	536.19	471.15
Others	4,513.15	3,466.95
	5,049.34	3,938.10
Timing of revenue recognition		
Services rendered at a point in time	126.56	43.99
Services rendered over a period of time	4,922.78	3,894.11
	5,049.34	3,938.10
Primary geographical market		
India	4,954.40	3,938.10
Outside India	94.94	-
	5,049.34	3,938.10



(B) Contract balances**(i) The following table provides information about receivables, contract assets and contract liabilities from contract with customers.**

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade receivables	12 (b)	1,271.57	1,187.70
Contract liabilities	18 (a)	1,713.40	1,536.96

(ii) Significant changes in the contract liabilities balances during the year are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Movement in contract liabilities:		
Opening balance	1,536.96	1,221.96
Revenue recognised that was included in the contract liability balance at the beginning of the year	(1,536.96)	(1,221.96)
Additions through business combinations (Refer note 38)	50.80	-
Revenue recognised that was included in the contract liability acquired through business combination	(50.80)	-
Increase due to invoicing during the year (excluding amounts recognised as revenue) during the year	1,713.40	1,536.96
Closing balance	1,713.40	1,536.96

(C) Transaction price allocated to remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 year	1,713.40	1,535.32
1-3 years	-	1.64
	1,713.40	1,536.96



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22 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Other non-operating income		
Interest income under the effective interest method on :		
Term deposits and loans at amortised cost	38.11	28.51
Other financial assets at amortised cost	2.57	2.78
Interest on Income tax refund	1.00	-
Net gain on financial assets measured at fair value through profit and loss	12.56	46.34
Profit on sale of investment in mutual funds	60.20	12.35
Profit on sale of platform business*	-	69.70
Creditors/Provisions no longer required written back	12.44	11.52
Gain on modification of lease contract	10.33	-
Miscellaneous income	3.00	10.93
	140.21	182.13

* On 7 December 2020, the Board of Directors of the Group granted in-principle approval for sale of IHX platform (included under other intangible assets) and consequently, pursuant to the requirements of Ind AS 105 - Non Current Assets held for Sale and Discontinued Operations, the Holding Company had classified the assets as at 31 March 2021 as Non-current assets classified as held for sale which was sold off during the year ended March 31, 2022.

23 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, bonus and allowances	1,759.07	1,354.71
Contribution to provident and other funds (Refer note 30(a))	91.36	102.96
Gratuity (Refer note 30(b))	33.93	27.93
Employee stock option compensation expense (Refer note 31(a))	32.79	23.04
Staff welfare expenses	59.78	48.15
	1,976.93	1,556.79

24 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Bank guarantee commission	0.64	0.79
Interest expense on income tax	0.24	-
Other interest	1.22	1.20
Interest expense on lease liabilities*	24.89	27.51
Interest expense on put option liability over NCI	2.90	-
	29.89	29.50

* Refer Note 5 (b).

25 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (Refer note 4)	98.03	116.73
Amortisation of right-of-use assets (Refer note 5(a)).	101.94	91.95
Amortisation on intangible assets (Refer note 7)	67.72	75.40
	267.69	284.08



26 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sub-contracting expenses	611.05	553.77
Legal and professional	178.64	126.69
Allowance for expected credit losses on trade receivables and other receivables	17.04	22.69
Repair and maintenance - others	158.90	139.18
Postage and communication	88.10	83.55
Printing and stationery	144.63	141.58
Claims disallowed	74.56	55.68
Power and fuel charges	38.44	26.64
Advertisement and business promotion	185.58	72.62
Travelling and conveyance	91.85	41.66
Security expenses	16.34	14.51
Corporate social responsibility (Refer note 41)	12.50	10.70
Enrolment card charges	12.71	35.66
Rates and taxes	4.45	13.93
Software subscription charges	55.08	37.26
Provision for doubtful advances and other receivables	15.30	-
Insurance awareness initiatives	40.04	22.11
Loss on disposal of property, plant and equipment (net)	4.76	9.37
Housekeeping charges	38.00	4.27
Insurance	13.09	7.75
Auditor's remuneration*	20.02	12.32
Bad debts written off	80.84	98.57
Less: Utilisation of provision	(80.84)	(98.57)
Advances written off	1.26	7.14
Foreign exchange loss	1.97	-
Rent**	12.53	16.29
Director sitting fees	10.15	7.68
Miscellaneous expenses	31.96	6.06
	1,878.95	1,469.11

* Auditor's remuneration (excluding goods and services tax) #

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
Audit fee	19.87	11.42
In other capacity:		
Certification fees	0.15	0.90
	20.02	12.32

Excluding an amount of Rs 21.00 million (31 March 2022: Nil) provided towards Initial Public Offer services recoverable from selling shareholders.

** Represents lease rentals for short term leases and leases of low value assets (net of rent concession) (Refer note 5(b))



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27 Contingent liabilities and commitments

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Contingent liabilities:			
i) Bonus as per The Payment of Bonus (Amendment) Act, 2015 for the period from 1 April 2014 to 31 March 2015	(a)	6.15	6.15
ii) Demands raised by income-tax authorities for assessment years 2017-18 on account of disallowance of amortisation on goodwill and prior period expenditure and disallowance u/s 14A to the extent applicable [Amount paid to Income tax authority under protest of Rs. 8.02 million (31 March 2022: 8.02 million)]		22.46	22.46
iii) Disallowance of employee stock option expenses and disallowance under section 14A for assessment year 2017-18		3.74	3.74
iv) Disallowance of employee stock option expenses and disallowance under section 14A for assessment year 2018-19		12.76	12.76
v) Disallowance of employee stock option expenses for assessment year 2020-21		0.28	-
vi) Disallowed u/s 40(a)(ia) of the Income-tax Act, 1961, for payments made to various hospitals during the financial year 2007-08 and 2008-09	(b)	464.96	464.96
vii) Employee Provident Fund	(c)	-	-
viii) Demands raised by income tax authorities for assessment years 2018-19 and 2020-21 on account of disallowance of amortisation of intangible assets.		50.77	30.67
ix) The subsidiary company of MATPA has claims against it not acknowledged as debt in respect of income-tax matters for Assessment Year 2014-15		9.75	-
Commitments:			
Bank guarantees		205.74	180.83
Estimated amount of contracts, remaining to be executed on capital account and not provided for - net of advances		5.27	20.26

Notes:

(a) The Payment of Bonus (Amendment) Act, 2015 was notified by the Government of India with retrospective effect from 1 April 2014. The Honorable High Court, Karnataka based on the writ petition no. 5272/2016 and 5311/2016, has vide its order dated 2 February 2016, stayed the operation of the said notification for the financial year 2014-15. The obligation to pay the bonus for the financial year 2014-15 will arise only if the High Court disposes off the writ petition in favour of the Government. Hence, the Company has taken a view and an amount of Rs 6.15 million which is the approximate statutory bonus liability, for the eligible employees in respect of financial year 2014-15, has been considered as a contingent liability.

(b) As per Income tax assessment order, the Assessing Officer has disallowed u/s 40(a)(ia) payments made to various hospitals during the financial year 2007-08 and 2008-09 totaling to Rs 118.92 million and Rs 964.75 million respectively and accordingly raised a demand of Rs. 29.71 million and Rs. 435.25 million u/s 143(3) of the Income-tax Act respectively against Dedicated Healthcare Services TPA (India) Private Limited (DHS). DHS filed an appeal against these above Orders as the payments to hospitals made from the funds received from insurance companies were an advance and all payments were adjusted against the advance received. The payments were not claimed as an expenditure, hence, these cannot be disallowed under the section. The DHS received favorable orders from CIT(A) on 8 August 2012, ITAT on 10 December 2014, and the High Court on 30 November 2015. However, the IT department has filed an appeal with The Honorable Supreme Court of India. Further, the subsidiary company (MATPA) had acquired DHS on 30 September 2016 and pursuant to the merger order dated 6 April 2018, DHS merged with the subsidiary company from the appointed date specified in the Scheme i.e. 1 October 2016.

(c) In the light of judgment of Honorable Supreme Court dated 28 February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

(d) In respect of the contingent liabilities set out above, pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any.



28 Earnings per share ("EPS")

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity shareholders of the Parent		
Net profit for the year attributable to the equity share holders from continuing operations (a)	753.25	634.66
Net profit/(loss) for the year attributable to the equity share holders from discontinued operations (b)	(12.66)	7.51
Weighted average number of equity shares outstanding for basic EPS (c)*	68,859,212	68,859,212
Weighted average number of equity shares outstanding for diluted EPS (d)**	69,539,351	69,412,258
Earnings per equity share		
Basic earnings per share of Rs 5 each (for continuing operations) [a/c]	10.94	9.22
Diluted earnings per share of Rs 5 each (for continuing operations) [a/d]	10.83	9.14
Basic earnings per share of Rs 5 each (for discontinued operations) [b/c]	(0.18)	0.11
Diluted earnings per share of Rs 5 each (for discontinued operations) [b/d]	(0.18)	0.11
Basic earnings per share of Rs 5 each (for continuing and discontinued operations) [(a+b)/c]	10.76	9.33
Diluted earnings per share of Rs 5 each (for continuing and discontinued operations) [(a+b)/d]	10.65	9.25

* Computation of weighted average number of equity shares used in calculating basic earnings per share is set out below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	68,859,212	37,181
Capitalisation due to share split from paid-up capital of Rs.10 per equity share to Rs. 5 per equity share (Refer Note 1 below)	-	37,181
Capitalisation of bonus shares issued (925 bonus shares issued per equity share) (Refer Note 1 below)	-	68,784,850
Weighted average number of equity shares	68,859,212	68,859,212

1. Pursuant to a resolution passed by the Shareholders on 7 April 2021 and subsequent allotment on 9 April 2021, the Company has sub-divided the face value of its equity shares from Rs. 10 each to Rs. 5 each. Further, the Company has allotted 68,784,850 equity shares of face value of Rs. 5 each by way of bonus issue to its shareholders and consequently the paid-up share capital of the Company has been increased to 68,859,212 equity shares of face value of Rs. 5 each. Further the Board has also authorised for appropriate adjustments on allotment of share split and bonus shares to the outstanding options granted to the employees under the ESOP scheme.

** Computation of weighted average number of equity shares used in calculating diluted earnings per share is set out below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of equity shares outstanding during the period for calculating basic EPS	68,859,212	68,859,212
Effect of dilutive potential equity shares:		
Employee stock options*	680,139	553,046
Weighted average number of equity shares	69,539,351	69,412,258

* In computing dilutive earnings per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.



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29 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013 *General Instructions for the preparation of Consolidated financial statements

As of 31 March 2023

Name of the entity	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	43.74%	1,678.03	22.40%	165.85	105.97%	(61.78)	15.26%	104.07
<i>Indian Subsidiaries</i>								
Medi Assist Insurance TPA Private Limited	66.51%	2,551.84	104.22%	771.68	3.50%	(2.04)	112.83%	769.64
International Healthcare Management Services Private Limited	1.19%	45.68	0.17%	1.23	-0.53%	0.31	0.23%	1.54
Mayfair Consultancy Services India Private Limited	1.00%	38.48	0.31%	2.28	0.50%	(0.29)	0.29%	1.99
Medvantage Insurance TPA Private Limited	0.82%	31.57	0.89%	6.61	2.11%	(1.23)	0.79%	5.38
<i>Foreign Subsidiaries</i>								
Mayfair We Care Ltd*	0.53%	20.34	0.15%	1.12	-2.25%	1.31	0.36%	2.43
Subtotal	113.79%	4,365.94	128.14%	948.77	109.30%	(63.72)	129.76%	885.05
Eliminations: Adjustments arising out of consolidation	-15.63%	(599.83)	-28.12%	(208.18)	-4.70%	2.74	-30.12%	(205.45)
Non-controlling interests in all subsidiaries	1.84%	70.61	-0.02%	(0.17)	-4.60%	2.68	0.37%	2.51
Total	100.00%	3,836.72	100.00%	740.42	100.00%	(58.30)	100.01%	682.11

* Including its step-down subsidiaries

As of 31 March 2022

Name of the entity	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
<i>Parent</i>								
Medi Assist Healthcare Services Limited	49.26%	1,671.23	28.80%	184.97	24.29%	(6.25)	28.99%	178.74
<i>Indian Subsidiary</i>								
Medi Assist Insurance TPA Private Limited	62.24%	2,111.79	71.12%	456.69	75.71%	(19.48)	70.92%	437.21
Subtotal	111.50%	3,783.02	99.92%	641.66	100.00%	(25.73)	99.91%	615.95
Eliminations: Adjustments arising out of consolidation	-12.14%	(411.74)	0.08%	0.51	-	-	0.09%	0.51
Non-controlling interests	0.64%	21.57	-	-	-	-	-	-
	100.00%	3,392.85	100.00%	642.17	100.00%	(25.73)	100.00%	616.46

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30 Employee benefits

The Group has the following employee benefit plans.

a) Defined contribution plans:

The contributions paid/ payable to Employee Provident Fund, Employees State Insurance Scheme ("ESI"), Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the consolidated statement of profit and loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Group makes contributions, determined as a specified percentage of employees salaries, in respect of qualifying employees towards provident fund and employees state insurance, which are defined contribution plans. The Group has no obligation other than to make the specified contribution. The contributions are charged to the consolidated statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to defined contribution plan of the Group for the year amounts to Rs. 91.36 million (31 March 2022: Rs. 102.96 million)

b) Defined benefit plans:

The Group has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. The plan entitles an employee who has rendered atleast five years of continuous service to receive 15 days salary for every completed year of service or part thereof in excess of six months based on the rate of last drawn salary (basic plus dearness allowance) by the employee concerned. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial gains/ (losses) are recognised under other comprehensive income in the consolidated statement of profit and loss.

The Group has considered only such changes in legislation which have been enacted upto the Balance sheet date for the purpose of determining defined benefit obligation

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation	204.71	159.51
Less: Fair value of plan assets	5.74	6.68
Net defined benefit obligation	198.97	152.83
Current liabilities	56.63	40.62
Non-current liabilities	142.34	112.21

i Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components.

Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	159.51	121.45
Benefits paid	(17.07)	(16.18)
Current service cost	26.14	22.29
Interest cost	8.09	5.39
Additions through business combinations	22.57	-
Effect of divestiture	0.64	(1.64)
Actuarial (gains)/ losses recognised in other comprehensive income		
Changes in financial assumptions	(12.36)	(1.89)
Experience adjustment	17.19	30.09
Balance at the end of the year	204.71	159.51

Reconciliation of present value of plan assets

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	6.68	7.69
Additions through business combinations	0.01	-
Contributions paid by the employer	15.71	14.73
Benefits paid	(17.07)	(16.17)
Interest income	0.30	0.29
Return on plan assets recognised in other comprehensive income		
Re-measurements on Plan Assets – Loss/ (Gain)	0.10	0.16
Experience adjustment	0.01	(0.02)
Balance at the end of the year	5.74	6.68

Expense recognised in the statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	26.14	22.29
Interest cost	8.09	5.39
Interest income	(0.30)	(0.29)
	33.93	27.39



30 Employee benefits (continued)

Expense recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Changes in financial assumptions	(12.36)	(1.89)
Experience adjustment	17.19	30.09
Re-measurements on Plan Assets – Gain/ (loss)	(0.10)	(0.14)
	4.73	28.06

ii. Plan assets

Plan assets comprise the following

Particulars	As at 31 March 2023	As at 31 March 2022
Managed by - Life Insurance Corporation of India Limited and Reliance Nippon Life Insurance	5.74	6.68
	5.74	6.68

The 100% of the plan assets invested with insurance company is non-unit linked.

The Company expects to pay Rs. 56.63 million in its contribution to defined benefit plan in the next financial year (31 March 2022: 40.62 million).

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.10% to 7.37%	4.90%
Expected return	0.00% to 4.90%	4.50%
Future salary growth	6.00% to 11.58%	8.00%
Mortality	IALM 2012-14 Ult	IALM 2012-14 Ult
Rate of employee turnover	9.49% to 37.00%	37%
Weighted average duration	2 to 13.7 years	2 years

Assumptions regarding future mortality have been based on published statistics and mortality tables

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(9.63)	10.25	(4.60)	4.82
Future salary growth (1% movement)	9.51	(9.16)	4.64	(4.51)
Rate of employee turnover (1% movement)	(0.75)	0.78	(0.85)	0.89

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

v. Expected future cash flows

Particulars	As at 31 March 2023		As at 31 March 2022	
	Discounted	Undiscounted	Discounted	Undiscounted
1 st Following year	74.23	78.37	59.99	61.44
2 nd Following year	56.80	63.68	48.33	51.92
3 rd Following year	45.08	54.09	37.44	42.20
4 th Following year	39.20	50.30	31.08	36.75
5 th Following year	30.72	42.19	24.15	29.95
Thereafter	72.82	128.05	51.83	72.16

vi. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk- If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate- Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality- Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.



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31 Employee share based payments

31 (a) 2013 plan

The Company has introduced Employee Stock Option Scheme 2013 ("ESOS 2013") with effect from 1 October 2013 to enable the employees of the Company to participate in the future growth and success of the Company. ESOS 2013 is operated at the discretion of the Board of directors.

These options which confer a right but not an obligation on the employee to apply for equity shares of the Company once the terms and conditions set forth in the ESOS 2013 and the option agreement have been met. Vesting of options would be subject to continued employment with the Company and meeting the requisite performance parameters.

The Company had the below share based payment arrangement under ESOS 2013.

Particulars	Date of grants	Number of options granted	Exercise price (in Rs)
Grant I	01-Oct-13	108	66,603
Grant II	01-Sep-15	254	407,275
Grant III	05-Sep-18	29	339,213
Grant IV	01-Jul-21	1,301,956	256
Grant V	01-Jul-22	321,116	273

Conditions:

Vesting condition	Continued employment with the Company and fulfilment of performance parameters
Exercise period	Exercise on listing / strategic sale
Method of settlement	Equity

Vesting schedule

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
At the end of one year	0%	50%	100%	10%	10%
At the end of two year	50%	25%	0%	20%	20%
At the end of three year	25%	25%	0%	30%	30%
At the end of four year	25%	0%	0%	40%	40%

Modification of Employee stock option scheme

The Company had made capital restructuring by way of right issues to existing shareholder on March 21, 2017. In accordance with the ESOS 2013 scheme, non-discretionary anti-dilution provisions exists, resulting in terms of modification of the scheme, there by additional options have been given to option grantees by the Company. Due to existence of non-discretionary provision, this has not resulted in any incremental share based payment expense reason being the fair value of the options immediately before and after the rights issue were the same.

Particulars	Grant I	Grant II
Revised exercise price	32,696	199,877
Additional ESOS issued during the period from March 21, 2017 to March 31, 2017	112	265
Revised ESOS in force at the time of modification	220	519
Revised ESOS in force as at 31 March 2023	106	519

Reconciliation of outstanding share options:

For the year ended 31 March 2023

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2022	2,340,928	18 to 256	18 to 256	4.00
Add: Options granted during the year	321,116	273	273	4.00
Less: Options forfeited during the year	123,158	256	256	-
Options outstanding as at 31 March 2023	2,538,886	18 to 273	18 to 273	4.00
Exercisable options as at 31 March 2023	1,317,698	18 to 256	18 to 256	3.00

For the year ended 31 March 2022

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2021	1,211,208	18 to 183	256	-
Add: Options granted during the year	1,301,956	256	256	4.00
Less: Options forfeited during the year	172,236	256	-	-
Options outstanding as at 31 March 2022	2,340,928	18 to 256	18 to 256	4.00
Exercisable options as at 31 March 2022	1,211,208	18 to 183	18 to 183	-

Valuation of stock options

Options have been valued based on fair value method as described under Ind AS 102 Share based payments, using Black Scholes valuation options pricing model, by using the fair value of the Company's shares on the grant date.

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Grant date	01-Oct-13	01-Sep-15	05-Sep-18	01-Jul-21	01-Jul-22
Share price in Rs	316,032.00	407,275.00	339,213.00	257.35	273.61
Exercise price in Rs	66,603.00	407,275.00	339,213.00	256.00	273.00
Expected volatility	27.50%	27.50%	26.37%	31.83% to 36.23%	27.79% to 34.19%
Expected life	5.42	4.50	2.57	4.00	4.00
Dividend yield	0.00%	0.00%	0.00%	0.97%	0.91%
Risk-free interest rate (based on government bonds)	8.82%	7.79%	7.80%	4.54% to 5.83%	6.41% to 7.14%
Fair value in Rs	274,744.00	153,254.00	88,004.02	81.07	91.62

Expenses summary of Employee share based payments

During the year, Rs. 32.79 million (March 31, 2022 : Rs. 23.04 million) has been recognised as an expense for the year.



31 (b) Employee stock option scheme of a subsidiary (Medi Assist Insurance TPA Private Limited):

Employee Stock Option Scheme 2012 ("ESOS 2012")

The subsidiary has introduced Employee Stock Option Scheme 2012 ("ESOS 2012") with effect from 30 April 2012 to enable the employees of the subsidiary company and the employees of the Parent to participate in the future growth and success of the subsidiary company ESOS 2012 is operated at the discretion of the subsidiary Company's Board of directors.

The subsidiary company has granted to its employee 87,842 employee stock options on 30 April 2012, 17,333 employee stock options on 30 April 2013, 28,198 employee stock options on 1 June 2014, 6,374 employee stock options on 1 June 2015, 13,500 employee stock options on 15 September 2015, 29,000 employee stock options on 15 July 2016 and 45,394 employee stock options on 1 July 2017. These options which confer a right but not an obligation on the employee to apply for equity shares of the subsidiary company once the terms and conditions set forth in the ESOS 2012 and the option agreement have been met. Vesting of options would be subject to continued employment with the subsidiary company/ Parent and meeting the requisite performance parameters.

The subsidiary company had below share based payment arrangement under ESOS 2012

Particulars	Date of grants	Number of option granted	Exercise price
Grant I	30-Apr-12	45,400	140
Grant II	30-Apr-12	40,124	140
Grant III	30-Apr-12	2,318	140
Grant IV	30-Apr-13	17,333	235
Grant V	01-Jun-14	28,198	966
Grant VI	01-Jun-15	6,374	1,244
Grant VII	15-Sep-15	13,500	1,244
Grant VIII	15-Jul-16	29,000	1,368
Grant IX	01-Jul-17	18,110	1,505
Grant X	01-Jul-17	15,405	1,505
Grant XI	01-Jul-17	7,434	1,505
Grant XII	01-Jul-17	4,445	1,505

Conditions

Vesting condition	Continued employment with the subsidiary company/ Parent and fulfillment of performance parameters
Exercise period	Exercise on listing / strategic sale
Method of settlement	Equity

Vesting schedule

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX
At the end of 1 year	15%	33%	100%	15%
At the end of 2 year	20%	33%	-	20%
At the end of 3 year	30%	34%	-	30%
At the end of 4 year	35%	-	-	35%

	Grant X	Grant XI	Grant XII
At the end of 1 year	35%	65%	100%
At the end of 2 year	30%	35%	-
At the end of 3 year	35%	-	-
At the end of 4 year	-	-	-

Modification of Employee Stock Option Scheme

In the month of August 2018, the subsidiary company modified the ESOP vesting period, for all the ESOP grants by accelerating the vesting period. The fair value of the ESOPs on the date of modification of the equity instrument and that of the original equity instrument estimated on the date of modification is detailed below as pre and post modification value. In accordance with the modification by accelerating the vesting period the amount of grant date fair value of the options was recognised as an expenses in the consolidated statement of profit and loss immediately. The fair value of the modified options was determined using the same models and principles as described above.

Modified Vesting schedule

	Grant I	Grant II	Grant III	Grant IV, V, VI, VII, VIII and IX
Immediate	100%	100%	100%	100%

	Grant X	Grant XI	Grant XII
Immediate	100%	100%	100%

Fair value of options Pre and Post modification:

Particulars	Date of grants	Fair Value Pre Modification	Fair Value Post Modification
Grant I	30-Apr-12	2,160	2,139
Grant II	30-Apr-12	2,160	2,139
Grant III	30-Apr-12	2,160	2,139
Grant IV	30-Apr-13	2,085	2,049
Grant V	01-Jun-14	1,512	1,363
Grant VI	01-Jun-15	1,295	1,103
Grant VII	15-Sep-15	1,296	1,103
Grant VIII	15-Jul-16	1,224	986
Grant IX	01-Jul-17	1,174	858
Grant X	01-Jul-17	1,123	858
Grant XI	01-Jul-17	1,096	858
Grant XII	01-Jul-17	1,096	858

Fair market value as on the date of modification Rs. 2,270 per share.



31 (b) Employee stock option scheme of subsidiary (continued)

Reconciliation of outstanding employee stock options:

For the year ended 31 March 2023

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2022	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options settled during the year (refer note 31(c))	86,257	140 - 1505	709	1.00
Options outstanding as at 31 March 2023	-	-	-	-
Exercisable as at 31 March 2023	-	-	-	-

For the year ended 31 March 2022

Particulars	Shares arising out of options	Range of exercise prices (in Rs.)	Weighted average exercise price (in Rs.)	Weighted average remaining contractual life
Outstanding as at 1 April 2021	86,257	140 - 1,505	709	1.00
Add: Options granted during the year	-	-	-	-
Less: Options settled during the year	-	-	-	-
Options outstanding as at 31 March 2022	86,257	140 - 1,505	709	1.00
Exercisable as at 31 March 2022	86,257	140 - 1,505	709	1.00

31 (c) Cancellation of employee stock options - ESOS 2012

During the current financial year 2022-23, the subsidiary company's Board has passed a resolution to terminate the ESOS 2012 scheme and settle the option holders with cash equivalent to the fair value of equity shares of the subsidiary company as at the date of termination. The subsidiary company has obtained required approvals from the existing share holders. Based on the fair value carried by an independent valuer, the fair value has been determined at Rs. 2,330 as on the date of settlement. The Group has created a liability towards the amounts payable to these option holders amounting to Rs. 141.25 millions (including NCI portion of Rs. 21.57 millions).

Assumptions used to arrive at the fair value of Rs. 2,330 per share :

Particulars	Remarks
Discount rate	18.13%
Risk-free interest rate (based on government bonds)	7.40%



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32 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Particulars	As at 31 March 2023				As at 31 March 2022			
	Carrying amount				Carrying amount			
	FVTPL *	FVOCI **	Amortised cost	Total	FVTPL *	FVOCI **	Amortised cost	Total
Financial assets								
Non-current								
Non-current investments	-	12.66	-	12.66	-	69.39	-	69.39
Other financial assets	-	-	116.56	116.56	-	-	58.93	58.93
Current								
Investments	427.31	-	-	427.31	1,895.04	-	-	1,895.04
Trade receivables	-	-	1,271.57	1,271.57	-	-	1,187.70	1,187.70
Cash and cash equivalents	-	-	539.44	539.44	-	-	145.95	145.95
Bank balances other than cash and cash equivalents above	-	-	1,575.72	1,575.72	-	-	479.38	479.38
Other financial assets	-	-	281.94	281.94	-	-	224.23	224.23
	427.31	12.66	3,785.23	4,225.20	1,895.04	69.39	2,096.19	4,060.62
Financial liabilities								
Non-current								
Lease liabilities	-	-	186.90	186.90	-	-	175.20	175.20
Put option liability over NCI	73.36	-	-	73.36	-	-	-	-
Current								
Borrowings	-	-	0.77	0.77	-	-	-	-
Lease liabilities	-	-	119.12	119.12	-	-	99.58	99.58
Trade payables	-	-	364.28	364.28	-	-	290.20	290.20
Other financial liabilities	-	-	350.68	350.68	-	-	132.94	132.94
	73.36	-	1,021.75	1,095.11	-	-	697.92	697.92

Particulars	As at 31 March 2023				As at 31 March 2022			
	Fair value#				Fair value#			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-current								
Non-current investments	12.16	-	0.50	12.66	13.96	-	55.43	69.39
Current								
Investments	427.31	-	-	427.31	1,895.04	-	-	1,895.04
	439.47	-	0.50	439.97	1,909.00	-	55.43	1,964.43
Financial liabilities								
Non-current								
Put option liability over NCI	-	-	73.36	73.36	-	-	-	-
	-	-	73.36	73.36	-	-	-	-

There has been no transfer between levels during the current year or the previous year.

* FVTPL - fair value through profit and loss

** FVOCI - fair value through other comprehensive income

The management has assessed that other financial assets (loans to employees, security deposits etc.), cash and cash equivalents, bank balances, trade receivables, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.
- The fair values of the equity shares invested in 'The New India Assurance Co Ltd' is as per the closing market price at the reporting date
- During the current financial year, management has carried out a detailed assessment on the performance of Healthvita India Private Limited and basis such assessment (considering the erosion of net worth, past losses and low likelihood of future profits) have determined the fair value of such investment to be NIL. Consequently, in accordance with Ind AS 109 Financial Instruments, the Company has recognised fair value changes of Rs. 54.93 million in the OCI.
- The fair value of Put option liability over NCI was measured using monte-carlo simulation to capture the present value of the expected future value of the option liability.
- All other financial assets except mutual funds and financial liabilities are recognised at amortised cost. Hence, there are no financial assets/ liabilities classified under Level 2 and Level 3.

B. Measurement of fair values

Reconciliation of fair value measurement of non-current investments being classified as FVOCI (Level 3):

Particulars	Investment in financial assets
Opening balance as on 1 April 2021	55.43
Fair value movement recognised in other comprehensive income	-
Closing balance as on 31 March 2022	55.43
Opening balance as on 1 April 2022	55.43
Fair value movement recognised in other comprehensive income	(54.93)
Closing balance as on 31 March 2023	0.50



32 Financial instruments – Fair values and risk management (continued)

B. Measurement of fair values (continued)

Reconciliation of fair value measurement of Put option liability over NCI being classified as FVTPL (Level 3):

Particulars	Put option liability over NCI
Opening balance as on 1 April 2021	-
Addition during the year	-
Closing balance as on 31 March 2022	-
Opening balance as on 1 April 2022	-
Addition during the year	67.74
Interest cost over redemption liability recognised in statement of profit and loss	2.90
Exchange differences on translation	2.72
Closing balance as on 31 March 2023	73.36

Description of valuation technique and significant unobservable inputs to valuation:

Name of financial asset	Valuation technique	Significant unobservable inputs
Investment in unquoted equity shares	Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow to the Group arising from the investments in financial assets.	Long term growth rate Discount rate Revenue multiple

Description of valuation technique and significant unobservable inputs to valuation of put option:

Name of financial asset	Valuation technique	Significant unobservable inputs
Put option liability over NCI	Monte-carlo simulation method was used to capture the present value of the expected future value of option liability.	Discount factor for credit risk - 1.50% Discount factor for time value - 3.20% Estimated revenue

A one percentage change in the unobservable inputs used in the fair valuation of level 3 assets does not have a significant impact in the fair value of the financial instrument.

C. Financial risk management

Risk management framework

The Group's management has overall responsibility for the establishment and oversight of the risk management framework.

The Group's management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The management is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the management.

The Group's principal financial liabilities comprise of leases, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, trade and other receivables, cash and cash equivalents, other bank balances and security deposits that are out of regular business operations.

The Group has exposure to the following risks arising from financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk

i. Market risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

Foreign currency risk

The Group primarily renders services and avails goods and services in domestic currencies and hence exposure to currency risk is minimal.

The exposure to foreign currency risk at the end of the reporting year expressed in Rs., are as follows:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Currency	In millions	Currency	In millions
Financial liabilities				
Put option liability over NCI	GBP	73.36	-	-



32 Financial instruments – Fair values and risk management (continued)

i. Market risk (continued)

Equity price risk

The Group's investment in listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about the future value of investment in these securities. The Group manages these price risks through strategic investments and placing limits on individual investments. The investments reports are submitted to the senior management and the Board reviews and approves these investment decisions.

Exposure in mutual funds

The Group manages the surplus funds majorly through investments in mutual fund schemes. The price of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Group on daily basis as reflected by the movement in the NAV of invested schemes. The Group is exposed to price risk on such Investments. The investments reports are submitted to the senior management and the Board reviews and approves these investment decisions.

(b) Interest rate risk

The Group's fixed rate fixed deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a changes in market interest rates.

The Group's borrowings are at fixed rate of interest and therefore any change in the base interest rate will not have any impact of Consolidated Financial Statements.

ii. 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. The carrying amount of following financial assets represents the maximum credit exposure:

- a. Trade receivables
- b. Unbilled receivables
- c. Cash and bank balances
- d. Other receivables
- e. Other financial assets

Trade receivables and unbilled receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group companies individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group also establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and unbilled receivables.

The maximum exposure to credit risk for trade receivables and unbilled receivables was as follows

Particulars	As at	As at
	31 March 2023	31 March 2022
Trade receivables	598.42	677.63
Unbilled receivables	829.27	725.94
	1,427.69	1,403.57

Refer note 12(b) for movement in the allowance for expected credit losses in respect of trade receivables and unbilled receivables during the year.

Management assessment of recoverability of trade receivables

Trade receivables forms a significant part of the financial assets carried at amortised cost. The Group has performed detailed customer wise specific assessment of recoverability of the trade receivables and has accordingly recognised an impairment loss. Further, the Group is closely monitoring the developments across various business lines. Basis the aforesaid detailed assessment made by Management, provision made towards trade receivables is considered adequate.

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32 Financial instruments – Fair values and risk management (continued)

ii. Credit risk (continued)

Unbilled receivables

Unbilled receivables forms a significant part of the financial assets carried at amortised cost. The Group has performed detailed customer wise specific assessment of recoverability of the unbilled receivables and has accordingly recognised the Impairment loss. Further, the Group is closely monitoring the developments across various business lines. Basis the aforesaid detailed assessment made by Management, provision made towards unbilled receivables is considered adequate

Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

Other receivables

These represents mainly security deposits given towards office premises taken on lease under contractual arrangement and earnest money deposits for participation in tender.

Other financial assets

The Group has performed detailed party wise specific assessment of recoverability of the other financial assets and has accordingly recognised the impairment loss. Further, the Group is closely monitoring the developments across various business lines. Basis the aforesaid detailed assessment made by Management, provision made towards other financial assets is considered adequate.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group 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 reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements:

As at 31 March 2023

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Financial liabilities						
Put option liability over NCI	73.36	-	-	85.35	-	85.35
Borrowings	0.77	0.77	-	-	-	0.77
Trade payables	364.28	364.28	-	-	-	364.28
Other financial liabilities	350.68	350.68	-	-	-	350.68
	789.09	715.73	-	85.35	-	801.08

As at 31 March 2022

Particulars	Carrying amount	Contractual cash flows				Total
		0-12 months	1-2 years	2-5 years	More than 5 years	
Financial liabilities						
Trade payables	290.20	290.20	-	-	-	290.20
Other financial liabilities	132.94	132.94	-	-	-	132.94
	423.14	423.14	-	-	-	423.14

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33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based with financing through borrowings and leasing. The Group is not subject to externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and 31 March 2022.

The Group's adjusted net debt to equity ratio were as follows.

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings (including lease liabilities)	306.79	274.78
Less : Cash and cash equivalents	(539.44)	(145.95)
Adjusted net debt (restricted to Nil)	-	128.83
Total equity (excluding NCI)	3,766.11	3,371.28
Adjusted net debt to adjusted equity ratio	-	0.04

34 Segment reporting

The Group is primarily engaged in the business of Health Benefits Administration and related services, The CODM reviews these activities under the context of Ind AS 108 Operating Segment as one single operating segment to evaluate the overall performance of the Group.

(b) Information about major customers (external customers):

The following is the transactions by the Group with external customers individually contributing 10 per cent or more of the Group's revenue from operations:

(i) For the year ended 31 March 2023, revenue from operations from two customers of the Group represented approximately 43% and 10%, of the Group's revenue from operations.

(ii) For the year ended 31 March 2022, revenue from operations from two customers of the Group represented approximately 42% and 15%, of the Group's revenue from operations.

(c) Details of Non-current operating assets *

Particulars	As at 31 March 2023	As at 31 March 2022
India	996.95	648.35
Outside India	2.24	-
Total	999.19	648.35

* Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, intangible assets (including under development) and other non-current assets..

(d) Refer note 21(A) for breakup of Group's revenue by primary geographical market.

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35 Movement in deferred tax as

i. Movement in deferred tax balances for the year ended 31 March 2023

Particulars	Deferred tax assets/ (liabilities) as at 1 April 2022	Additions through business combinations (Refer note 38)	Recognised in profit and loss	Recognised in OCI	Exchange differences on translation of foreign operations	Deferred tax (liabilities)/ assets as at 31 March 2023	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(29.14)	(33.06)	(2.02)	-	(0.36)	(64.59)	-	(64.59)
Provision for employee benefits	39.92	4.25	5.75	1.19	-	51.11	51.11	-
Allowance for expected credit losses on trade receivables and other receivables	62.44	-	(12.67)	-	-	49.77	49.77	-
Security deposit	0.78	-	2.51	-	-	3.29	3.29	-
Other financial assets	(8.64)	-	12.10	(4.78)	-	(1.32)	-	(1.32)
Temporary differences on accrued expenses	11.22	-	(0.01)	-	-	11.21	11.21	-
Right-of-use assets	(50.55)	-	(17.12)	-	-	(67.67)	-	(67.67)
Lease liabilities	69.16	-	7.86	-	-	77.02	77.02	-
Total	95.19	(28.81)	(3.60)	(3.59)	(0.36)	58.82	192.40	(133.58)
Setoff of Deferred tax asset with Deferred tax liabilities (Refer (a))							(101.10)	101.10
Deferred tax assets/ Deferred tax liabilities (net)							91.30	(32.48)

ii. Movement in deferred tax balances for the year ended 31 March 2022

Particulars	Deferred tax assets/ (liabilities) as at 1 April 2021	Additions through business combinations (Refer note 38)	Recognised in profit and loss	Recognised in OCI	Exchange differences on translation of foreign operations	Deferred tax (liabilities)/ assets as at 31 March 2022	Deferred tax assets	Deferred tax liabilities
Property plant and equipment and other intangible assets	(47.56)	-	18.42	-	-	(29.14)	-	(29.14)
Provision for employee benefits	29.91	-	2.95	7.06	-	39.92	39.92	-
Allowance for expected credit losses on trade receivables and other receivables	90.63	-	(28.19)	-	-	62.44	62.44	-
Security deposit	1.35	-	(0.57)	-	-	0.78	0.78	-
Other financial assets	5.30	-	(14.58)	0.62	-	(8.64)	-	(8.64)
Temporary differences on accrued expenses	6.23	-	4.99	-	-	11.22	11.22	-
Right-of-use assets	(67.57)	-	17.02	-	-	(50.55)	-	(50.55)
Lease liabilities	88.13	-	(18.97)	-	-	69.16	69.16	-
Total	106.42	-	(18.93)	7.68	-	95.19	183.52	(88.33)
Setoff of Deferred tax asset with Deferred tax liabilities (Refer (a))							(88.33)	88.33
Deferred tax assets (net)							95.19	-

- (a) The Group offsets deferred tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (b) Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered.



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36 Income tax expense

(a) Amounts recognised in profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Continuing operations		
Current tax for continuing operations	279.41	192.26
Adjustment for current tax relating to earlier years	-	(38.99)
Deferred tax relating to origination and reversal of temporary differences	3.60	18.93
Discontinued operations		
Tax expense/(credit) on discontinued operations	(4.26)	2.53
Income tax expense reported in the statement of profit and loss	278.75	174.73

(b) Amounts recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Before tax	Deferred tax	Net of tax	Before tax	Deferred tax	Net of tax
Items that will not be reclassified subsequently to the statement of profit and loss						
Remeasurement of defined benefit plans	(4.73)	1.19	(3.54)	(28.06)	7.06	(21.00)
Fair value changes in equity instruments through OCI	(56.72)	(4.78)	(61.50)	(5.34)	0.62	(4.72)
	(61.45)	(3.59)	(65.04)	(33.40)	7.68	(25.72)

Reconciliation of income tax expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before tax for the year	1,019.17	816.90
Indian statutory income tax rate	25.17%	25.17%
Tax using Indian statutory income tax rate	256.53	205.61
Tax effect of:		
Expenses not allowed for tax purpose	11.71	13.80
Adjustment for current tax relating to earlier years	-	(38.99)
Tax effect on dividend	17.59	-
Demerger expenses	(0.26)	(0.26)
Effect of different tax rates in foreign jurisdictions	(0.28)	-
Others	(6.54)	(5.43)
Income tax expense reported in the profit or loss	278.75	174.73



37 Discontinued Operations**(i) Card Processing Business**

- I During the financial year 2020-21, the Group had decided to discontinue the business operations pertaining to card processing which are mainly generating from government contract. The Group had disclosed the discontinuation of card processing business as discontinued operations as per the requirements of Ind AS 105 'Non current assets held for sale and Discontinued operations'.

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	11.91	3.75
Trade payables	41.74	51.43
	(29.83)	(47.68)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue		
Revenue from contracts with customers	23.30	118.11
Total income	23.30	118.11
Expenses		
Other expenses	41.01	109.29
Total expenses	41.01	109.29
Profit/ (Loss) before tax from a discontinued operation	(17.71)	8.82
Tax credit / (expense)		
Related to pre-tax profit/(loss)	4.46	(2.22)
	4.46	(2.22)
Profit/ (Loss) after tax from a discontinued operation (attributable to the owners of the Company)	(13.25)	6.60

II Net cash flows attributable to the discontinued operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net cash from/ (used in) operating activities - (A)	(35.57)	99.23
Net cash from/ (used in) investing activities - (B)	-	-
Net cash from/ (used in) financing activities - (C)	-	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(35.57)	99.23



37 Discontinued Operations
(ii) Pre-policy checkup services

- I** During the financial year 2021-22, the Group had decided to discontinue the business operations pertaining to pre-policy checkup services. The Group had disclose the discontinuation of pre-policy checkup business as discontinued operations as per the requirements of Ind AS 105 'Non current assets held for sale and Discontinued operations'.

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	16.30	31.55
Unbilled receivables	2.57	7.10
Other receivables	4.46	30.75
	23.33	69.40
Trade payables	39.88	71.05
Other payables	4.46	30.75
	44.34	101.80

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue		
Revenue from contracts with customers	15.91	25.05
Total income	15.91	25.05
Expenses		
Other expenses	15.12	23.83
Total expenses	15.12	23.83
Profit before tax from a discontinued operation	0.79	1.22
Tax expense		
Related to pre-tax profit	(0.20)	(0.31)
	(0.20)	(0.31)
Profit after tax from a discontinued operation (attributable to the owners of the Company)	0.59	0.91

II Net cash flows attributable to the discontinued operation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net cash from/ (used in) operating activities - (A)	(10.59)	11.66
Net cash from/ (used in) investing activities - (B)	-	-
Net cash from/ (used in) financing activities - (C)	-	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(10.59)	11.66

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/ (loss) before tax from a discontinued operation of card business	(i)	(17.71)	8.82
Profit before tax from a discontinued operation of pre-policy checkup business	(ii)	0.79	1.22
Profit/(loss) before tax for the year from discontinued operations		(16.92)	10.04
Tax credit / (expense) of discontinued operations for the year		4.26	(2.53)
Profit/(loss) of the year from discontinued operations		(12.66)	7.51

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38 Business combinations

(i) Acquisition of healthcare services business of International Healthcare Management Services Private Limited and Mayfair Consultancy Services India Private Limited

On 12 October 2022, Medi Assist Healthcare Services Limited (Buyer) entered into Share Purchase Agreements ("SPAs") with the promoters of International Healthcare Management Services Private Limited ("IHMS") and Mayfair Consultancy Services India Private Limited ("Mayfair India") to acquire assets and liabilities relating to the business of IHMS and Mayfair India in accordance with Ind AS 103 Business Combinations.

The Group considers the Healthcare Services Business acquired to be a business under Ind AS 103 - Business Combinations and hence accounted for the same by applying the acquisition method on accounting.

The acquired business has been included in the Group's financial statements with effect from 18 November 2022, being the date on which the Group acquired control over the business.

The 100% acquisition was executed through a share purchase agreement for a consideration of Rs. 85.60 million. Under the agreement, there are no other forms of variable consideration / contingent consideration arrangements.

The Group has done these acquisitions primarily to acquire the specialised work force to provide support services for other Group entities.

Consideration transferred:

The total fair value of the consideration transferred is determined as follows.

Particulars	Amount
Cash	85.60
Total fair value of the consideration transferred for purpose of computing goodwill	85.60

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Particulars	IHMS	Mayfair India	Fair value
Assets acquired:			
Property, plant and equipment	0.82	0.31	1.13
Intangible assets (other than goodwill)	0.00	0.30	0.30
Deferred tax assets (net)	2.52	2.05	4.57
Other non current assets	5.44	2.41	7.85
Trade receivables	41.28	27.90	69.18
Cash and cash equivalents	4.87	11.45	16.32
Other financial assets	1.73	1.73	3.46
Other current assets	0.75	0.88	1.63
Total assets acquired (a)	57.41	47.03	104.44
Liabilities assumed:			
Trade payables	3.29	2.49	5.78
Other financial liabilities	0.02	-	0.02
Other current liabilities	0.45	0.41	0.86
Provision for employee benefits	9.05	7.22	16.27
Current tax liabilities (net)	0.44	0.40	0.84
Total liabilities assumed (b)	13.25	10.52	23.77
Net identifiable assets acquired (a-b)	44.16	36.51	80.67

The fair value of trade receivables amounts to Rs.69.18 millions which approximately equal to its carrying value and the contractual amount. None of the trade receivables are credit impaired and it is expected that the full contractual amount can be collected.

Calculation of goodwill:

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is allocated to goodwill as computed below.

Particulars	Amount
Total fair value of the consideration transferred for purpose of computing goodwill	85.60
Less: Fair value of net identifiable assets acquired	80.67
Goodwill on acquisition	4.93

Goodwill of Rs. 4.93 million comprises the value of acquired workforce and expected synergies from the acquisition. Goodwill is not deductible for tax purposes.



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38 Business combinations (continued)

(ii) Acquisition of Third-party administrator services business of Medvantage Insurance TPA Private Limited

On 14 September 2022, Medi Assist Insurance TPA Private Limited (a subsidiary of the Group) entered into a Share Purchase Agreement ("SPA") with the promoters of Medvantage Insurance TPA Private Limited ("Medvantage") to acquire 100% equity interest in Medvantage.

The acquired business has been included in the Group's financial statements with effect from 13 February 2023, being the date on which the Group acquired control over the business.

The Group considers the TPA Business acquired to be a business under Ind AS 103 - Business Combinations and has hence accounted for the same by applying the acquisition method on accounting.

Under the SPA, there are no other forms of variable consideration / contingent consideration arrangements.

The transaction costs of Rs. 4.47 millions related to the acquisition have been included in the Consolidated statement of profit or loss for the year ended 31 March 2023.

The Group has done the acquisition for the addition of new customers and estimated synergies from the acquisition.

Consideration transferred:

The total fair value of the consideration transferred is determined as follows.

Particulars	Amount
Cash*	195.00
Total fair value of the consideration transferred for purpose of computing goodwill	195.00

* Includes advance of Rs 50.00 million which was paid during the year ended 31 March 2022.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Particulars	Carrying amount	Fair value adjustment	Fair value
Assets acquired:			
Property, plant and equipment	5.74	-	5.74
Right-of-use assets	4.34	-	4.34
Intangible assets (other than goodwill)	0.01	-	0.01
Customer relationship*	-	93.80	93.80
Non compete fees**	-	1.10	1.10
Income tax assets (net)	53.48	-	53.48
Other non-current financial assets	36.52	-	36.52
Other non current assets	0.11	-	0.11
Trade receivables	16.30	-	16.30
Cash and cash equivalents	3.82	-	3.82
Other financial assets	2.10	-	2.10
Other current assets	17.93	-	17.93
Total assets acquired (a)	140.35	94.90	235.25
Liabilities assumed:			
Lease liabilities	4.34	-	4.34
Borrowings	42.00	-	42.00
Trade payables	52.09	-	52.09
Other financial liabilities	19.22	-	19.22
Deferred tax liabilities (net)	-	23.89	23.89
Contract liabilities	45.80	-	45.80
Other current liabilities	5.18	-	5.18
Provision for employee benefits	11.05	-	11.05
Provision for medical expenses	34.03	-	34.03
Total liabilities assumed (b)	213.71	23.89	237.60
Net identifiable assets acquired (a-b)	(73.36)	71.01	(2.35)

* Useful life of this assets has been determined as 5 years.

** Useful life of this assets has been determined as 2 years.

The fair value of trade receivables amounts to Rs.16.30 millions which approximately equal to its carrying value and the contractual amount. None of the trade receivables are credit impaired and it is expected that the full contractual amount can be collected.

Calculation of goodwill:

The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below.

Particulars	Amount
Total fair value of the consideration transferred for purpose of computing goodwill	195.00
Less: Fair value of net identifiable assets acquired	(2.35)
Goodwill on acquisition	197.35

Goodwill of Rs. 197.35 million comprises the value of acquired workforce and expected synergies from the acquisition. Goodwill is not deductible for tax purposes.

From the date of acquisition, Medvantage has contributed Rs. 24.86 million of revenue and Rs. 6.61 million to the profit before tax from continuing operations to the Group.

Significant unobservable valuation inputs are provided below for valuations of intangibles:

Assumptions	Corporate relationship	Non compete agreements
Valuation approach	Multi period Excess Earnings (MPEEM)	With and without method
Discount rate	13.50%	13.50%
Attrition rate	8.00%	-

Fair value of acquired tangible assets approximately equal their carrying value.



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38 Business combinations (continued)

(iii) Acquisition of healthcare services business of Mayfair We Care Limited

On 12 October 2022, the Company (Buyer) entered into a Share Purchase Agreement ("SPAs") with the promoters of Mayfair We Care Limited ("Mayfair UK") to acquire assets and liabilities relating to the UK Healthcare Services Business in accordance with Ind AS 103 Business Combinations to acquire 60% equity interest in Mayfair UK..

The Group considers the Healthcare Services Business acquired to be a business under Ind AS 103 - Business Combinations and has hence accounted for the same by applying the acquisition method on accounting.

The acquired business has been included in the Group's financial statements with effect from 25 November 2022, being the date on which the Group acquired control over the business.

The Group has elected to measure the non-controlling interests in the acquiree at fair value.

Under the terms of the SPA, the seller has the right to exercise a put option that would require the Company to purchase the seller's remaining 40% ownership interest in NCI. The terms of SPA also include a reciprocal call option, which would require the sellers to sell their 40% ownership interest to the Company.

Put option liability over NCI is initially recognised as a financial liability at fair value with a corresponding amount of Rs. 67.74 million in other equity. It is initially recognised under equity attributable to owners of the Company as the risks and rewards of the ownership of the NCI interest remain with the NCI until such time as the option is exercised and settled.

The put option liability has been classified as level 3 in the fair value hierarchy that is measured at fair value, which is equal to the present value of the future estimated redemption amount. The fair value of put option liability as at 31 March 2023 has been determined as Rs. 73.36 million (Refer note 16(a)).

The acquisition was executed through a share purchase agreement for a consideration of Rs. 128.64 million. Under the agreement, there are no other forms of variable consideration / contingent consideration arrangements.

The excess of the purchase consideration paid and the NCI measured at fair value over the fair value of assets acquired has been attributed to goodwill. Goodwill majorly includes the value expected from increase in revenues from various streams of business, addition of new customers, and estimated synergies which does not qualify as an Intangible asset.

The transaction costs of Rs. 5.22 millions related to the acquisition have been included in the consolidated statement of profit and loss for the year ended 31 March 2023.

The primary reasons for the acquisition of Mayfair We Care Limited were to get access to Mayfair UK contracts with corporate customers and estimated synergies from the acquisition.

Consideration transferred:

The total fair value of the consideration transferred is determined as follows.

Particulars	Amount
Cash	128.64
Non-controlling interest measured at fair value	68.10
Total fair value of the consideration transferred for purpose of computing goodwill	196.74

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

Particulars	Carrying amount	Fair value adjustment	Fair value
Fair value of assets acquired:			
Property, plant and equipment	2.14	-	2.14
Intangible assets (other than goodwill)	0.23	-	0.23
Customer relationship*	-	49.97	49.97
Trade receivables **	52.09	-	52.09
Cash and cash equivalents	63.41	-	63.41
Other financial assets	0.60	-	0.60
Other current assets	2.71	-	2.71
Total assets acquired (a)	121.18	49.97	171.15
Liabilities assumed:			
Borrowings	1.60	-	1.60
Trade payables	81.26	-	81.26
Other financial liabilities	7.42	-	7.42
Deferred tax liabilities (net)	-	9.49	9.49
Contract liabilities	5.00	-	5.00
Other current liabilities	7.92	-	7.92
Provision for employee benefits	0.07	-	0.07
Total liabilities assumed (b)	103.27	9.49	112.76
Net identifiable assets acquired (a-b)	17.91	40.48	58.39

* Useful life of this assets has been determined as 5 years.

** The fair value of trade receivables amounts to Rs.52.09 millions which approximately equal to its carrying value and contractual amount, None of the trade receivables are credit impaired and it is expected that the full contractual amount can be collected.

Fair value of acquired tangible assets approximately equal their carrying value.

Calculation of goodwill:

The excess of the consideration transferred over the fair value of the net assets acquired is allocated to goodwill as computed below.

Particulars	Amount
Total fair value of the consideration transferred for purpose of computing goodwill	196.74
Less: Fair value of net identifiable assets acquired	58.39
Goodwill on acquisition	138.35

Goodwill of Rs. 138.35 million comprises the value of acquired workforce and expected synergies from the acquisition. Goodwill is not deductible for tax purposes.

From the date of acquisition, the Mayfair UK has contributed Rs. 94.93 million of revenue and Rs. 1.12 million to the profit before tax from continuing operations to the Group.

Significant unobservable valuation inputs are provided below for valuation of intangibles:

Assumptions	Corporate relationship
Valuation approach	Multi period Excess Earnings (MPEEM)
Discount rate	20.10%

Significant unobservable valuation inputs are provided below for valuation of Put option:

Assumptions	Put option liability over NCI
Valuation approach	Monte-carlo simulation
Discount factor for credit risk	3.20%
Discount factor for time value	3.20%

Significant unobservable valuation inputs are provided below for valuation of non-controlling interest:

Assumptions	Non-controlling interest
Valuation approach	Monte-carlo simulation
Discount factor for credit risk	1.50%
Discount factor for time value	3.20%



39 Material partly-owned subsidiaries

Consolidated financial information of subsidiaries that have material non-controlling interests is provided below:

Name of the subsidiary	Country of incorporation	% of NCI Interest	
		As at 31 March 2023	As at 31 March 2022
Mayfair We Care Ltd (w.e.f 25 November 2022) *	United Kingdom	40	-

* Including its subsidiaries

The summarised consolidated financial information of the subsidiary is provided below. This information is based on amounts before inter-company eliminations and consolidated adjustments.

The consolidated financial information of the subsidiary has been prepared by the management from the date of acquisition i.e 25 November 2022 till 31 March 2023 which has been considered for the preparation of consolidated financial statements of the Group.

Summarised statement of profit and loss for the period ended 31 March 2023:

Particulars	For the period ended 31 March 2023
Revenue from contracts with customers	94.93
Employee benefits expense	(19.82)
Depreciation and amortisation expenses	(0.23)
Other expenses	(73.76)
Profit before tax	1.12
Income tax	-
Profit after tax for the year	1.12
Other comprehensive income	
Exchange differences on translation of foreign operations	1.30
Total comprehensive income	2.42

Summarised balance sheet as at 31 March 2023:

Particulars	As at 31 March 2023
Non-current assets	2.22
Current assets	117.81
Non-current liabilities	-
Current liabilities	(99.70)
Total equity	20.33

Summarised cash flow statement for the period ended 31 March 2023:

Particulars	For the period ended 31 March 2023
Net cash from/ (used in) operating activities - (A)	19.78
Net cash from/ (used in) investing activities - (B)	-
Net cash from/ (used in) financing activities - (C)	(0.89)
Net increase in cash and cash equivalents (A+B+C)	18.89

40 Expenditure incurred in foreign currencies

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fees for technical services	8.77	2.86



41 Corporate Social Responsibility ("CSR")

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Amount required to be spent by the Group during the year	12.50	10.70
(b) Amount approved by the Board of the respective companies of the Group to be spent during the year	12.50	10.70
(c) Amount of expenditure incurred	12.50	10.70
(d) Shortfall at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	-	-
(g) Nature of CSR activities	The area for CSR activities is livelihood enhancement and employment enhancing vocational skills by way of providing training in a wide array of functional areas to persons at various locations of the Company across India.	The area for CSR activities is livelihood enhancement and employment enhancing vocational skills by way of providing training in a wide array of functional areas to persons at various locations of the Company across India.

Movement of CSR expense during 2022-23

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing
-	12.50	(12.50)	-

Movement of CSR expense during 2021-22

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing
-	10.70	(10.70)	-

42 Related party disclosures

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

(A) Names of the related parties and description of relationship

- (i). Key management personnel
- Dr. Vikram Jit Singh Chhatwal - Chairman cum Whole Time Director
 Satish Gidugu - Whole Time Director and CEO
 Vishal Vijay Gupta - Director
 Himani Atul Kapadia - Independent Director
 Gaurav Sharma - Nominee Director
 Gopalan Srinivasan - Independent Director
 Anil Chanana - Independent Director
 Dr. Ritu Niraj Anand - Independent Director
 Ananda Mukerji - Independent Director
 Mathew George - Chief Financial Officer
 Megha Matoo - Chief Compliance Officer and Company Secretary (upto 24 February 2023)
 Simmi Bisht - Chief Compliance Officer and Company Secretary (w.e.f 9 January 2023)
- (ii). Entity having significant influence
- Medimatter Health Management Private Limited
- (iii) Entities under common control
- Phasorz Technologies Private Limited
 Mandala Wellness Private Limited ('MWPL') - (MWPL Merged with Phasorz Technologies Private Limited w.e.f 1 April 2022)



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(B) Summary of transactions with the above related parties are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Support service income from		
Phasorz Technologies Private Limited	25.59	39.90
Support service fee paid to		
Phasorz Technologies Private Limited	15.11	23.86
Reimbursement of expenses to		
Phasorz Technologies Private Limited		
Health screenings	45.53	153.12
Wellness Services	103.88	-
Reimbursement of charges from		
Phasorz Technologies Private Limited		
Facilities and other expenses	13.29	12.83
Dividend paid		
Dr. Vikram Jit Singh Chhatwal	4.80	6.35
Medimatter Health Management Private Limited	36.36	48.10
Business promotion expense		
Phasorz Technologies Private Limited	64.53	24.50
Reimbursement of expense to Director		
Dr. Vikram Jit Singh Chhatwal	2.33	0.24
Compensation of key management personnel		
i) Short term employee benefits	65.80	54.59
ii) Director sitting fees	6.30	4.41
iii) Employee stock option expense	12.01	10.37
iv) Commission to independent directors	3.00	2.50

(a) In the opinion of the management, all transactions were made on normal commercial terms and conditions.

(b) As the liability for gratuity and compensated absence is provided on an actuarial basis for the Group as a whole, the amount pertaining to key managerial personnel are not ascertainable and, therefore not included in the compensation.



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42 Related party disclosures (continued)

(C) The Group has the following amounts due from/ to related parties

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Phasorz Technologies Private Limited	47.57	101.81
Unbilled receivables		
Phasorz Technologies Private Limited	-	30.00
Other receivables		
Phasorz Technologies Private Limited	0.88	33.36
Trade Payables		
Phasorz Technologies Private Limited	48.39	78.81
Employee benefits payable- (Other financial liabilities)		
Dr. Vikram Jit Singh Chhatwal	8.75	5.00
Satish Gidugu	6.38	3.00
Megha Matoo	-	1.50
Mathew George	3.55	4.00
Simmi Bisht	0.34	-
Other payables		
Phasorz Technologies Private Limited	30.44	37.50

In addition to the above amounts due from/to related parties, the Group has a receivable of Rs. 134.83 million (31 March 2022: Rs. 101.38 million) from certain selling shareholders relating to reimbursement of proposed IPO related expenses incurred by the Company on their behalf. As the amount to be reimbursed by each shareholder will vary in proportion to the shares offered for sale by each shareholder in the proposed IPO, the amount pertaining to related parties are not separately ascertainable.

43 Micro, small and medium enterprise

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro Enterprises and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 and 31 March 2022 has been made in the consolidated financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has the following dues to micro enterprises and small enterprises as at 31 March 2023 and 31 March 2022.

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
Principal amount due to micro enterprises and small enterprises	68.62	32.32
Interest due on above	1.23	1.20
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.	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.43	1.20
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.	-	-



44 Additional Regulatory Information required under Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) Utilisation of borrowed funds and share premium

I 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

II 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

(vi) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

45 The COVID-19 pandemic has significantly impacted global economies, resulting in workforce and travel restrictions, supply chain and production disruptions and reduced demand and spending across many sectors. The Group has continued to adopt measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Group has considered internal and external information while finalizing various estimates in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors. The Group will continue to closely monitor any material changes to future economic conditions.

46 Exceptional item

Pursuant to board resolution, an amount of Rs. Nil (31 March 2022: Rs. 26.11 million) was credited to the consolidated statement of profit and loss (as an exceptional item) relating to proposed Initial Public Offering (IPO) expenses incurred by the Company on behalf of certain selling shareholders and agreed to be reimbursed by them in proportion to their shares offered for sale at the time of the proposed IPO.

47

(i) Acquisition of TPA business of Raksha Health Insurance Private Limited

On 22 March 2023, a subsidiary of the Group Medi Assist Insurance TPA Private Limited ("MATPA") (Buyer) and Raksha Health Insurance TPA Private Limited ("RHI TPA") (Seller) entered into a Share Purchase Agreements ("SPAs") under which the Seller agreed to transfer assets and liabilities relating to the India Healthcare Services Business in accordance with Ind AS 103 Business Combinations.

The 100% acquisition is subject to regulatory approvals and will be executed for a consideration which will be decided based on the Closing Management Accounts as on the acquisition date.

(ii) Acquisition of Self funded business of Alinea Healthcare Private Limited

On 11 May 2023, the Company entered into a Business Transfer Agreement ("BTA") with of Alinea Healthcare Private Limited ("AHPL") under which AHPL agreed to transfer the business undertaking relating to the claim management for self funded corporate clients on a going concern of AHPL on a slump sale basis in accordance with Ind AS 103 Business Combinations.

The transfer was executed for a consideration of Rs 5.63 million. Under BTA, there are no other forms of variable consideration / contingent consideration arrangements. The Group is in the process of completing the valuation exercise to determine fair value of identifiable assets and liabilities, hence additional disclosure such as the details of assets acquired and liabilities assumed have not been made in these consolidated financial statements.

48 The Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.



Medi Assist Healthcare Services Limited

Notes to consolidated financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees in millions, unless otherwise stated)

49 Scheme of merger with Medvantage Insurance TPA Private Limited

Subsequent to the balance sheet date on 13 April 2023, the board of directors of the Medi Assist Insurance TPA Private Limited has approved a scheme of merger with Medvantage Insurance TPA Private Limited on a going concern basis, to optimize revenue and utilise synergies across operations since the Group companies are in the similar line of business. The subsidiary companies are in the process of filing requisite documentations and seeking relevant approvals from the relevant authorities.

50 Events after the reporting date

The Group evaluated all events or transactions that occurred after the balance sheet date through the date at which the financial statements were available to be issued and determined that there are no other items to disclose except those already disclosed in the consolidated financial statements in earlier notes.

51 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Group will assess the impact of the Code and will give appropriate impact in the consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

52 Previous year figures have been regrouped/ reclassified to conform presentation as per Ind AS and as required by Schedule III of the Act.

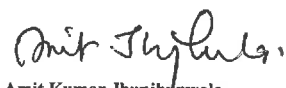
The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached.

For M S K A & Associates

Chartered Accountants

Firm's Registration Number: 105047W



Amit Kumar Jhunjhunwala

Partner

Membership Number: 067183



For and on behalf of the Board of Directors of

Medi Assist Healthcare Services Limited

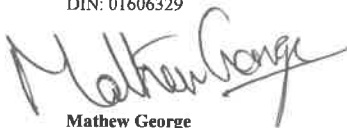
CIN: U74900KA2000PLC027229



Dr. Vikram Jit Singh Chhatwal

Chairman and Director

DIN: 01606329



Mathew George

Chief Financial Officer

Place: Bengaluru

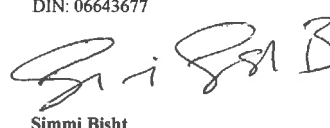
Date: 21 July 2023



Satish Gidugu

Whole Time Director and CEO

DIN: 06643677



Simmi Bisht

Chief Compliance Officer and Company Secretary

ICSI Membership No: A23360

Place: Bengaluru

Date: 21 July 2023

